CHAPTER IV

HOUSING DEVELOPMENT UNDER VARIOUS FIVE YEAR PLANS
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4. HOUSING DEVELOPMENT UNDER VARIOUS FIVE YEAR PLANS

4.1 INTRODUCTION:

In India almost all the expenditures are guided through plans and the housing sector is also not an exception to it. Government of India is allocating fund for housing over the various Five Year Plans. Considering acute housing problem in India, in the first Five Year Plan itself provision for housing was made to the extent of 34.2 per cent of the total investment in the economy. The percentage of investment on housing to total plan investment declined over the plans period and the same recorded only 6 per cent in the Seventh Five Year Plan. The reason for the percentage decrease of the plan outlay in the housing sector is not known, but it can be safely said, observing the mounting accumulation of housing shortage in India, that the plan allocation made for housing over the various plan periods was far short of the requirements.

As per the estimate of the National Building Organisation (NBO), housing shortage in India was 23.3 million units in 1981 and the same was increased to 31 million units in the year 1991. It was estimated that the housing shortage would touch the mark of 41 million units in the year 2001. It is evident that inspite of plan allocation and national efforts through various Five Year Plans, housing shortage in India is increasing over the years.

1. National Housing Policy, 1992, p.1
Therefore, it is high time to re-examine the requirement and allocation of fund in the housing sector.

In this chapter, the various steps and initiatives taken by the Government of India throughout the various Five Year Plans for the development of housing sector will be highlighted and an effort will be made to show the relation between the housing shortage and plan expenditure and between infrastructural development and the housing growth. There is an inter-relationship between the housing growth and the infrastructure development. It is obvious that development of housing is quite difficult without the development of the allied facilities of housing such as road communication, electricity, water supply, sewerage, sanitation etc. All these facilities are very much essential for residential purposes and thereby for housing development.

4.2. BUDGETARY ALLOCATION ON HOUSING UNDER VARIOUS FIVE YEAR PLANS:

Outlay on housing is fixed by the Government of India for the various plans. In the First Five Year Plan the expenditure on housing was Rs. 1150 crores, which was 34 per cent of the total plan outlay. In the Second Plan the outlay was 1300 crores, accounting for 19 per cent of the total plan outlay. Out of the same Rs. 500 crores was contributed by the Public Sector and Rs. 1000 crores by the Private Sector. In the Third Five Year Plan expenditure on housing was Rs. 1550 crores, which is an increase
by Rs. 250 crores over the Second Plan, but the same is a decrease in the relative term and the same is only 15 per cent of the total plan outlay. In the Fourth Five Year Plan the expenditure on housing was Rs. 2800 crores of which the majority share was contributed by the private sector and the same is to the tune of Rs. 2175 crores. Housing expenditure of the Fourth Plan was 12.4 per cent of the total plan expenditure. Plan expenditure on housing for the Fifth, Sixth and Seventh Five Year Plans was Rs. 4436 crores, Rs. 19491 crores and Rs. 31458 crores respectively accounting for 9.3 per cent, 12.5 per cent and 9 per cent of the total plan outlay. The table 4.1 will show the investment on housing over the various Five Year Plans.
Table 4.1

Housing Investment during different Five Year Plans

<table>
<thead>
<tr>
<th>Plans</th>
<th>Total Plan Investment</th>
<th>Investment in Housing</th>
<th>Percentage of housing investment to total investment in the economy</th>
<th>Percentage of Pub. Investment to total Investment on housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>First</td>
<td>3360</td>
<td>250 900 1150</td>
<td>34.2</td>
<td>22</td>
</tr>
<tr>
<td>Second</td>
<td>6750</td>
<td>300 1000 1300</td>
<td>19.2</td>
<td>23</td>
</tr>
<tr>
<td>Third</td>
<td>10400</td>
<td>425 1125 1550</td>
<td>14.9</td>
<td>27</td>
</tr>
<tr>
<td>Fourth</td>
<td>22655</td>
<td>625 2175 2800</td>
<td>12.4</td>
<td>28</td>
</tr>
<tr>
<td>Fifth</td>
<td>47561</td>
<td>796 3640 4436</td>
<td>9.3</td>
<td>18</td>
</tr>
<tr>
<td>Sixth</td>
<td>156000</td>
<td>1491 18000 19491</td>
<td>12.5</td>
<td>7.5</td>
</tr>
<tr>
<td>Seventh</td>
<td>349144</td>
<td>2458 29000 31458</td>
<td>9.0</td>
<td>8.0</td>
</tr>
<tr>
<td>Eighth</td>
<td>NA</td>
<td>7750* 69746* 77496*</td>
<td>NA</td>
<td>10</td>
</tr>
</tbody>
</table>

* Proposed

Source: 1. Draft Housing Policy, 1990
3. Report on trend and progress of Housing in India, 1992, National Housing Bank, p. 43
From the reverse table it is very clear that the plan outlay in terms of total allocation on housing has increased gradually over the plans. Plan outlay (proposed) for the Eighth plan for housing is about two & half times of the housing expenditure of the Seventh Five Year Plan. From the point of view of the increase quantum of expenditure on housing sector over the plan periods, it may be said that the expenditure has increased keeping in the increased total plan outlay. But it is not the true picture. The expenditure in terms of total investment might have increased due to the devaluation of rupee and subsequent affect of inflation in the economy. Total investment in the economy increased about \( n \) times from the First Five Year Plan to Seventh Five Year Plan. Investment in housing over the same period increased by only \( \frac{n}{2} \) times, which indicates that the housing sector has not received much attention of the Indian Planners, the result of which is the ever increasing backlog of housing shortage and the same increases upto 31 million units in 1991 and was estimated to touch the figure of 41 million units by the turn of the century.

It can be stated that the percentage reduction in expenditure on housing is one of the major cause of the alarming increase of the housing shortage.

Another noticeable aspect of the plan investment on housing is that the share of public sector over the total investment on
housing was less than 30 per cent and the highest being 23 per cent during the Fourth Plan period. The share of the public sector diminished upto the Sixth Plan and showed a marginal increase in the Seventh and the ongoing Eighth Plan. As per the proposed figure contribution of the public sector is about 10 per cent which is an increase of 2 per cent over the Seventh Plan share. In the First Five Year Plan the share of the public sector was 22 per cent and the same rose to 28 per cent in the Fourth Plan and became as low as 7.5 per cent in the Sixth Plan period. Increasing housing shortage and decreasing share of the public sector on housing left no other option but to advocate for the increase of the share of the public sector on housing activities, else the housing shortage will keep on increasing.

4.3 HOUSING DEVELOPMENT UNDER VARIOUS FIVE YEAR PLANS:

Shelter is one of the basic need of the people, keeping this point in view, the National Government, right from the First Five Year Plan, is making allocation for the housing sector. To tackle the housing problem of the country the Government of India has initiated its own housing policy and programme from time to time over the various plans. A number of research and experimental activities has been undertaken to find out new building materials and economical construction technology. The use of locally available building materials and low cost housing has been experimented time and again and the experiment of the same is still going on.
In the following paragraphs, various steps taken for the development of housing over the various Five Year Plans will be discussed and a study will be made of the various housing provisions made during the currency of the various plans.

4.3.1 First Five Year Plan (1951-1956)

In the First Five Year Plan, the housing problem of the country has been recognised and emphasis was given to the development of the housing stock of the country with minimum housing standard. Suggestions were made in the plan document for the development of low cost housing research for the optimum utilisation of the indigenous building materials. The same has been given due consideration in the plan period.

First plan recognises the role of private sector in housing development of the country and tries to increase capital formation for housing sector through the increase of Housing Boards and by providing housing loans to the private parties by obtaining funds from the Insurance Companies. For the systematic development of housing necessary modifications were made of the provisions of Town and Country Planning Act and the same were adopted in due course. During the plan two Social Housing Schemes namely Integrated Subsidised Industrial Housing Scheme and low income housing scheme were launched.
4.3.2 Second Five Year Plan (1956-1961)

During the Second Five Year Plan some positive development has taken place in the housing front. In addition to strengthening the existing housing schemes launched during the First plan some new housing schemes were introduced in the Second plan. The schemes were the Plantation Labour Housing Scheme, Village Housing Scheme, Land acquisition and Development Scheme, Middle Income Group Housing Scheme, Slum Clearance and Slum Improvement Scheme, Housing Scheme for Scheduled castes and Scheduled tribes and other backward classes of the rural areas, Handloom Weavers and Displaced Persons Housing Scheme, etc. Housing Schemes for the Central and State Government employees were also undertaken during the plan.

During the currency of Second plan Public Financial Institutions became associated with housing finance and some of these agencies like Life Insurance Corporation of India, started granting housing loans to the individuals. Central Government started to give financial assistance to the State Government and the local authorities for site development and sale of the same to the beneficiaries of the low income groups (LIG). LIC of India also started granting loans to the State Governments for undertaking rural housing schemes for their low paid employees.

4.3.3 Third Five Year Plan (1961-1966)

To keep liaison between the housing development and the various steps taken for the same over the past years a review of the
housing stock and policies have been made during the Third Plan and some general policy guidelines were formulated, which are to be followed at the time of preparing housing plan for the Third plan and subsequent Five Year Plans thereafter. These general policy guidelines are -

(1) Housing policies should be linked with economic development and Industrial Policies of the country.

(11) All the efforts made by the various agencies for increasing housing stock of the country, have to be co-ordinated effectively.

(iii) Efforts should be made to give preferential treatment to the Low Income Group (LIG) community both in the private and public sector housing activities.

In the Third Plan period a firm decision has been taken for the successful implementation of the housing plans, to regulate and control urban land effectively.

4.3.4 Fourth Five Year Plan (1969-1974)

Prior to the commencement of the Fourth Five Year Plan, there were three annual plans (1966-68). During the annual plans a new concept, housing for the economically weaker sections (EWS) was developed. This concept was nourished fully in the fourth and subsequent Five Year Plans.
In the Fourth Plan much emphasis was given in the low cost housing schemes. It was observed that the cost of construction of the dwelling units was growing and the condition of the existing old slums was deteriorating and also new slums in the city areas were growing.

It was felt in the Fourth Plan that for the improvement of the housing scenario of the country overall housing environment is to be looked into covering both rural and urban areas. It was also decided to give due consideration to health condition of the slum dwellers and to give special favour to the housing of SCs and backward communities. For the purpose of improvement of the environment of slum areas and to provide them with minimum health facilities, a plan has been formulated during the fourth plan period. In the year 1972-73, Government of India resolved that financial assistance would be provided to the States and the Union Territories to facilitate them to provide minimum basic health facilities to the slum dwellers. Initially the scheme was extended to 11 cities and thereafter, the same was extended to 9 more cities. About 3 million slum dwellers were expected to get benefit out of the scheme.

Another major contribution of the fourth plan is the establishment of Housing and Urban Development Corporation (HUDCO) in the year 1970. HUDCO was established as a specialised Public Housing Finance Agency. It was established to fund the housing
activities of the country and to augment the supply of financial resources to the Housing Boards and the Co-operative Housing Societies throughout the country. For this purpose H&IDCO was allowed to raise fund from the market.

4.3.5 **Fifth Five Year Plan (1974-77)**

In order to establish better correlation between Housing Policy and the adopted Land Policy, the fifth plan proposed the following:

1. **Provision of housing sites to 4 million landless laborers.**
2. **Intensification of research in low cost housing technique.**
3. **Manufacture of low cost building materials.**
4. **Preservation and improvement of the existing housing stock.**
5. **Enhancing financial assistance to the State Housing Boards and local Authorities to extend help to middle and low income groups for construction of house.**
6. **Strengthening the existing schemes to provide subsidised houses to the economically weaker sections; and**
7. **Schemes for improving the living condition in slum areas.**

During the currency of the Fifth Five Year Plan, Twenty Point Programme and Minimum Need Programme (MNP) were introduced by the Government of India under each of these programmes some provisions were made for the development of housing and improvement
of health condition of the slum areas. The provision of these schemes are as follows:

**Twenty Points Programme**

The programme is called Twenty Points Programme because the entire programme is divided into twenty parts and each part is called a point. These points were revised from time to time. The revised twenty points programme as per 1986 revision are shown in the Appendix-I.

Amongst the twenty points of the programme there were three points viz. V, XIV and XV which are directly related with housing. Apart from these three directly related points to housing, there are some other points also which are related to the development of housing indirectly, such as 'Clear Drinking Water', 'Energy for the villages' etc. Enforcement of land reforms (Point No. V) is very important from the point of view of the housing is concerned. Improvement of Slums (Point No. XIV) is also very pertinent to the proper housing development. The Point No. XIV 'Housing for the People' has been divided into five categories-

(i) Provision for house sites,
(ii) Assistance for construction of house,
(iii) Indira Awas Yojana,
(iv) Housing for economically weaker section,
(v) Lower Income Group housing.
All these programmes either individually or in combination with others are very important for the development of housing in the country.

Minimum Need Programme:

The programme was introduced during the Fifth Five Year Plan. It was introduced keeping in view notion of the slogan "Garibi Hatao". It envisaged the provision of free and subsidised service through Public Agencies to improve the consumption levels of those living below the poverty line and to raise the productivity of both rural and urban workers. The basic components of the Minimum Need Programme are, elementary education, health, water supply, roads, electricity, housing facilities to landless labourers, improvement of slums and nutrition. Among the various objectives set under the programme, the following two objectives are fully related with the development of housing in the country. The objectives are -

1. Provision of house sites and construction assistance to all the landless labourers by 1990. It includes house sites, construction materials, drinking water and approach roads.
2. 100 per cent coverage of urban slum population by 1990 which includes the facilities of water supply, sewerage, paving of streets, storm water drainage, community latrines. Priority will be given to areas inhabited by Scheduled Castes.
In the year 1977, the new Government revised the housing plan and much emphasis was given on the self-help housing scheme. It was decided to give more assistance to the rural landless labourers and more financial resources to the Public Agencies to make them enable to develop infrastructure facilities.

4.1.6 Sixth Five Year Plan (1980-85)

The Sixth Five Year Plan urged upon the best possible ways of using public resources to provide more and more housing facilities to the houseless. Objectives of the Sixth Five Year Plan concerning housing were-

(i) Provision of house sites and assistance for construction of dwellings for rural landless labourers including housing extension services to assist in proper planning layout, sanitation etc.

(ii) To design public housing scheme to benefit maximum number of people in view of severe financial constraints of public agencies.

(iii) To frame policies to promote and encourage self-help housing.

(iv) To encourage schemes for the benefit of economically weaker section.

(v) To strengthen the financial resources of the public agencies for providing infrastructure facilities as a means for encouraging housing in private sector.
(vi) To provide research in building technology and the development of chief and local building materials.

It was envisaged in the plan that instead of providing direct subsidy (cash assistance) to the EWS, site and service should be provided to the category, besides, the plan document aimed at providing Rs. 3000/- as loan at concessional rate of interest for each constructed unit.

In the Sixth Plan the Social Housing Scheme was categorised on the basis of households income and the target groups were fixed as:

<table>
<thead>
<tr>
<th>Target Groups</th>
<th>Household Income range</th>
</tr>
</thead>
<tbody>
<tr>
<td>EWS (economically weaker section)</td>
<td>upto Rs. 350/- per month</td>
</tr>
<tr>
<td>LIG (Low Income Group)</td>
<td>upto Rs. 351 - 600/- per month</td>
</tr>
<tr>
<td>MIG (Middle Income Group)</td>
<td>upto Rs. 601 -1500/- per month</td>
</tr>
<tr>
<td>HIG (High Income Group)</td>
<td>upto Rs.1501 and above per month</td>
</tr>
</tbody>
</table>

Besides the above reforms adopted in the Sixth Plan, the following schemes were started during the same plan period -

(1) Rental Housing Scheme for the State Government employees.

(11) Housing Site Cum Construction Assistance Scheme for the rural landless labourers.
(iii) Under the Minimum Need Programme, introduced in the Fifth Plan, 10 million slum populations were aimed to be covered by 1985 for the purpose of their environmental improvement.

4.3.7 Seventh Five Year Plan (1985-90)

The Seventh Plan period is highly significant for Indian housing sector as a whole. Various development has taken place in the sphere of housing during the currency of the Seventh Plan. National Housing Bank (NHB) was established as an apex Housing Finance Institute and was authorised to regulate the entire housing finance sector of the country. Various independent Housing Finance Companies (HFCs) came into being during the plan. Notable among the HFCs are the LIC Housing Finance Ltd., SUI Home Finance Ltd., GIC Griha Viva Ltd. (as present GIC Housing Finance Ltd.) etc.

Keeping in view the alarming housing shortage of the country, estimated at the beginning of the plan as 24.7 million units, the new requirement of housing units for the population growth was estimated as 16.2 million units, the Social Housing Schemes launched in the earlier plans and in order to stimulate the development of housing in the country the Seventh Five Year Plan has set up the following objectives:

(i) Promotion and encouragement of the self help housing.

(ii) Identification of rural house sites and assistance for
construction of houses to those who has been already provided with house sites.

(iii) Cost of housing unit under Social Housing Scheme to be kept within the paying capacity of the targeted group.

(iv) Providing stimulus and support to provide housing to UG and LTG groups.

(v) Reduction in construction cost by adopting low cost housing techniques and by modifying the building by laws and land use control.

(vi) Harnessing science and technology for the development of chief and local building materials.

To expedite the financial assistance from HUDCO to the RMS and LTG households, the equity capital of HUDCO was proposed to increase from Rs. 50 crores to 135 crores. It was further proposed in the Seventh Plan to continue and give due consideration to the various housing schemes started in the earlier plans. It was proposed that in the plan period, Minimum Need Programme, Rural Housing, Urban Development and Slum clearance will get due consideration. However, the plan outlay on housing was not at all satisfactory. Public sector plan outlay is only 1.1 per cent of the total plan outlay and the same became 1.35 per cent if the expenditure of Indira Awas Yojana is taken into account, even within the Social Service Sector, housing accounted for only 7.36 per cent of the plan outlay.²

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² Report of the Trend and Progress of Housing in India, 1992, p. 50
During the Seventh Five Year Plan a significant development of housing sector has been made under the Indira Awas Yojana and Minimum Need Programme. During the plan about 2.3 lakh dwelling units have been completed under co-operative ventures with a total investment of Rs. 10.7 crores, and the same has been distributed to the beneficiaries. Apart from this about 10 lakh houses have been constructed/upgraded each year during the Seventh Plan period.

4.3.8 Eighth Five Year Plan (1992-97)

To eliminate the ill effect of the alarming housing shortage from the country, the Government of India has adopted some core strategy in the Eighth Plan document. It is aiming to create an enabling environment for housing activity by eliminating various constraints and providing direct assistance to the disadvantaged groups.

Objectives of the Eighth Five Year Plan are as follows:

(1) Expand the provision of basic infrastructure facilities, in the rural and urban areas in order to improve the overall environment of habitat and to provide appropriate condition to the majority of the households to buy their own houses.

(11) Remove legal constraints to increase the supply of serviced land as well as rental housing.
(iii) Extend stimulus and support for private housing on an expanded scale through enhancing the flow of credit to housing sector through housing finance institutions as well as other measures like tax incentive etc.

(iv) Encouraging use of low cost building materials and cost effective technology.

(v) Promote self help housing as well as shelter upgradation by providing better access to finance, land, materials and technology enough appropriate delivery system to the poorer segment of the rural population.

(vi) Provide formal and institutional support through both formal and informal system for environmental improvement.

(vii) Establish an effective management information system for housing and urban infrastructure, accessibility to both private and public development agencies.

(viii) Evolve special assistance programme in the form of subsidy preferably in rinds, differential rate of interest and delivery support for disadvantaged groups.

In the Eighth Plan rural housing has been given due consideration. "House sites and construction assistance" under "Indira Awaas Yojana" programme, is proposed to be continued in the plan, subject to the revision of cost norms and subsidy norms. It is proposed that in the Eighth Plan "Indira Awaas Yojana" and "Urban Basic Service for the poor" (UBSP) Schemes will also be made to continue.

3. (a) Private development agencies: Local Clubs, Individuals, Private Companies, other local bodies and Societies.

(b) Public Agencies: HUDCO, Housing Boards, Housing Co-operatives, Development Authorities, Municipal Authorities etc.
In order to have a better solution of the housing problem of the urban areas including slums and squatters, following steps have been suggested for the states in the Eighth Plan.

(a) Increase the availability of the residential land, with particular reference to the need of the poor sections.
(b) Support incremental self building through financial and technical support.
(c) Encouragement to upgradation and progressive development of low income settlements.
(d) Promotion of appropriate technologies that maximise the use of locally available and recycled materials.

In the Eighth Plan the expenditure on housing was provisionally fixed at Rs. 77,496 crores and the same was revised to Rs. 67,530 crores for the period of 1992-97, of which institutional flow was estimated at Rs. 25,000 crores comprising as follows:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIC</td>
<td>Rs. 5,500 crores</td>
</tr>
<tr>
<td>GIC</td>
<td>Rs. 700 *</td>
</tr>
<tr>
<td>Commercial Banks</td>
<td>Rs. 5,000 *</td>
</tr>
<tr>
<td>Provident/Pension Fund</td>
<td>Rs. 5,400 *</td>
</tr>
<tr>
<td>Housing Finance Companies</td>
<td>Rs. 5,000 *</td>
</tr>
<tr>
<td>Mortgages</td>
<td>Rs. 2,000 *</td>
</tr>
<tr>
<td>Home Loan A/C, UTY etc.</td>
<td>Rs. 1,400 *</td>
</tr>
</tbody>
</table>

Total: Rs. 25,000 crores

4. NEJD Journal Vol. 15 No. 1, Jan-March '95, p. 26
From the reverse informations it is very clear that LTC of India is the single largest contributor to the housing sector. The next largest contributor is Provident/Pension fund. Commercial Banks and Housing Finance Companies have contributed Rs. 5000 crores each. In consideration of the number of Commercial Banks and their volume of turn over, Rs. 5000 crores is only a nominal contribution by the Commercial Banks to the housing sectors. In view of the growing housing shortage of the country, the Commercial Banks should come forward and contribute more, at least 5 percent to 10 percent of their turn over to the housing sector.

4.4 Development of Rural Housing under Five Year Plans:

In India a large percentage of people are living in rural areas. As per 1991 census about 75 percent of the population are living in the rural areas. In the N.R. Region the position is still worse. In the region the percentage of rural population is about 85 percent which is noticeably higher than the all India average. Out of 5.16 crores, rural areas accounted for about 0.71 crores of population. In India as per the NBD's estimation, the shortage of housing in the rural areas was about 16.3 million units in 1991, 20.6 million units in 1991, and the same is expected to be 25.5 million units in the year 2001. This increasing trend

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5. Total population 84.63 crores, Rural population 62.87 crores, SCs. Survey, 1994-95, p. 8-116.
clearly highlights that the rural housing picture in India is very gloomy and at the same time the sector has not received much attention of the Indian planners else the same could have improved considerably.

In the year 1971, a scheme in the central sector was launched for allotting house sites and giving construction assistance to the rural landless workers and artisans including STs/SCs. The scheme was transferred to state sector in 1974 and was included under the provision of the Minimum Need Programme (MNP) during the currency of the Fifth Five Year Plan, after the same was introduced in the plan. 20 Points Programme introduced in the Fifth Five Year Plan also having provision for rural housing. The Minimum Need Programme gained momentum during the Seventh plan period. A sum of Rs. 576.9 crores was set aside for the same in the Seventh Plan. During 1990-91 and 1991-92, 43.2 lakh house sites were allotted and construction assistance was provided to 22.5 lakh families with the outlay of Rs. 129.65 crores and Rs. 128.91 crores respectively.6

After the transfer of the scheme "Rural house sites to the landless people", to the State Sector in 1974 and incorporation of the same into the "Minimum Need Programme", the scheme received attention of the state administration. The following table shows the number of house sites delivered and the construction assistance provided in Assam during the last four years from 1991-92 to 1994-95.

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Table 4.2
Performance of housing sector under Minimum Need Programme from 1991-92 to 1994-95

<table>
<thead>
<tr>
<th>Year</th>
<th>Provision of house sites (No. of families)</th>
<th>Construction assistance (No. of families)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991-92</td>
<td>18,200</td>
<td>18,200</td>
</tr>
<tr>
<td>1992-93</td>
<td>7,778</td>
<td>7,778</td>
</tr>
<tr>
<td>1993-94</td>
<td>9,280</td>
<td>9,280</td>
</tr>
<tr>
<td>1994-95</td>
<td>13,280 (Targeted)</td>
<td>13,280 (Targeted)</td>
</tr>
</tbody>
</table>

Source: Twenty Point Programme, Assam, physical target 1994-95 P&D Department, Govt. of Assam, p. 12.

From the table it is visible that on an average about 10,000 families have been allotted house sites and similar number of families has received construction assistance. Such a small quantum in the midst of mounting shortage can be treated as drops of water in a desert. To eradicate the ill effect of houselessness, the State Government should pay more attention towards this sector.

For the upliftment of the rural housing, the ministry of Rural Development is operating a fully subsidized Rural Housing Scheme known as "Indira Awas Yojana" under which housing assistance are being provided to the SCs/STs and freed bonded labourers. The yearwise number of houses constructed and the expenditure incurred under the scheme for the period 1994-95 is shown in table No. 4.3 below.
### Table 4.3

Yearwise performance of Indira Awas Yojana, India Assam

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of house constructed</th>
<th>Expenditure (Rs. in Lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>India</td>
<td>Assam</td>
</tr>
<tr>
<td>1995-96</td>
<td>51,516</td>
<td>NA</td>
</tr>
<tr>
<td>1996-97</td>
<td>1,51,813</td>
<td>NA</td>
</tr>
<tr>
<td>1997-98</td>
<td>1,64,167</td>
<td>NA</td>
</tr>
<tr>
<td>1998-99</td>
<td>1,37,477</td>
<td>NA</td>
</tr>
<tr>
<td>1999-00</td>
<td>1,82,273</td>
<td>NA</td>
</tr>
<tr>
<td>1990-91</td>
<td>1,79,605</td>
<td>NA</td>
</tr>
<tr>
<td>1991-92</td>
<td>2,07,283</td>
<td>1,494</td>
</tr>
<tr>
<td>1992-93</td>
<td>1,92,585</td>
<td>993</td>
</tr>
<tr>
<td>1993-94</td>
<td>3,60,047</td>
<td>4,492</td>
</tr>
<tr>
<td>1994-95</td>
<td>3,71,313</td>
<td>6,962</td>
</tr>
</tbody>
</table>

NA = Not available

Source:
1. Report on Trend and Progress of Housing in India, 1992, NHB, p. 45
4. Rural Housing Fact Sheet, Ministry of Rural Areas and Employment, Government of India, New Delhi, p. 8
FIG. 4 HOUSE CONSTRUCTED UNDER INDIRA AWAS YOJANA.
Indira Awas Yojana is a part of the Jawahar Rozgar Yojana, the scheme was formulated for the economic upliftment of the rural people. The scheme aimed to develop a viable micro-habitat for the beneficiaries and to provide them earning oriented housing. It will be worthwhile to mention here that by considering the serious deficiencies in the rural housing of the country, the Finance Minister in the Union Budget 1995-96, has made considerable provision for the Indira Awas Yojana. The physical target under the scheme has been increased to ten lakh housing units in 1995-96 from 4 lakh housing units of 1994-95. This clearly indicates that the Government also is well conversed about the acute housing problem of the rural areas.

4.5 DEVELOPMENT OF INFRASTRUCTURAL FACILITIES VIS-A-VIS HOUSING GROWTH

Housing growth and Infrastructural Development is inter-related and to be more specific is a coherent whole, without infrastructural development proper housing growth cannot be thought of. Basic amenities to housing such as, sewerage, drainage, water supply, communication including transportation facilities, railway service, air service, telecommunication, Postal service etc. educational facilities, health service, market, security and other social services etc are very much essential for the development and enrolling together of the housing units and also the root cause of the development of urban areas. Whenever any one thinks to construct or to purchase one's own house or flat or want to
take a house on rental basis, the availability of the above mentioned facilities comes to his mind first and only after duly considering the same he decides his course of action. There are instances that instead of having own plot of land at a distant place people resides in rental house in the urban agglomeration. The basic cause of the same is nothing but the availability of some allied facilities which is required to make the life more meaningful. Without the provision of proper infrastructure to housing, the very purpose of housing becomes meaningless and the dwellers of a locality without the proper infrastructure become slum dwellers and the life become hazardous. The housing strategy for 2000 framed by the United Nation's Centre for Human Settlements (Habitat) provides for infrastructure facilities to the households. National Housing Policy, May, 1992, declared by the Government of India, contains the following provisions for the infrastructure development.  

(1) Increased investments to be made by the Central, State and local agencies within the framework of regional plans as well as the development of growth centres in order to meet the rapidly increasing needs of serviced land and to improve the availability of services in different settlements.

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7. Financing Human Settlements Development and management in developing countries, United Nation's Centre for Human Settlements (Habitat) Nairobi, Kenya, p.iii

(ii) Adequate investment be made to provide portable water supply to one per cent of the urban population. Similarly investment be made to provide basic sanitation to seventy five per cent of the urban population. Total abolition of manual scavenging in the settlement inhabited by the poor people is also aimed at.

(iii) Larger investment in public transport and traffic network to serve the needs of the poorer sections for cheaper and speedier access to work places and to integrate transport, land use and shelter.

(iv) Special attention to the development of small and medium towns by strengthening their linkage with contiguous rural areas as a part of integrated planned development of the region, and steps for reducing the migration to larger cities.

(v) Encouraging use of construction technologies which are most effective, incrementally upgradable and environmentally appropriate.

(vi) Support from State Governments for extension of infrastructure based on the participation of the landowners or of enterprises in new growth centres or townships and private developers or on innovative system of infrastructure leasing.
(vii) Assistance by the State Governments to the local bodies to ensure adequate cost recovery, proper maintenance of services and upgradation of the capability of the personnel in local bodies and functional agencies.

(viii) Securing Community Support in the design, installation and upkeep of the services strategy and rural development programmes.

(ix) Strengthening the financial viability and implementation capacity of local bodies and functional agencies and augmenting their sources on the basis of recommendations of the State Municipal Finance Commission.

From the above points it is clear that India is lagging behind in infrastructural facilities. Therefore, it seeks urgent attention of the authority for its development which will in turn help in the growth of the housing sector.

4.6 CONCLUSION:

From the foregoing discussions it is seen that due emphasis has been given in the different Five Year Plans for the development of housing sector in the country. Funds have been earmarked for housing development right from the First Five Year Plan. It is seen that amount of investment in this sector has shown an increasing trend whereas percentage of housing investment to total investment has shown a declining trend. From Rs. 1150 crores in the First plan,
total plan investment in the housing sector has increased to over Rs. 77 thousand crores in the Eighth Five Year Plan. Volumewise the amount is quite significant but percentage-wise the allocation declined from 34.2 per cent in the First plan to 9 per cent in the Seventh plan. The inadequacy of plan investment on housing may have a bearing on the increasing housing shortage of the country.

Development of housing depends to a great extent on the development of infrastructure facilities. Therefore, for the success of any housing projects adequate provision for infrastructure should be made. The housing strategy formulated by the United Nations Centre for Human Settlement also has given emphasis for infrastructural facilities for housing development.