

15.1 "Housing for Rural Poor" – Upgradation of Kutcha Houses

Rural Development (CSS-1) Department

G.O. (Ms) No. 29

Dated: 09.03.2005

Read:

1. G.O.(D) No. 914 Rural Development Department, Dated 18.10.2004
2. From the Director of Rural Development, Letter No. 22029/2004/IAY-1 Dated: 10.12.2004

ORDER

In the budget for 2004-2005, under the heading "Housing for Rural Poor" it was announced that a new programme of rural housing with financing from Commercial Banks will be worked out, so that repaid progress can be made in this sector. Following this announcement, a committee under the chairmanship of the Director of Rural Development was constituted in the G.O. read above to frame a 'new housing scheme' Based on the decision taken at the meeting of the said committee held on 30.11.2004, the Director of Rural Development submitted proposals to the Government for taking up upgradation of Kutcha Houses and construction of new houses.

2. The Director of Rural Development proposed that a sum of Rs.5,000/- may be sanctioned as subsidy for each kutcha House and Rs.10,000/- be sanctioned for construction of each new house and the balance be met out of the loan amount to be obtained from the Banks. He has stated that initially in every village, 10 Kutcha houses may be developed and 5 new houses may be constructed.

3. The Government have carefully examined the proposal of the Director of Rural Development and is the view that since the Government is already implementing a free housing scheme (IAY) in the villages, another scheme for construction of houses need not be taken up. The Government have however decided to implement the scheme for upgradation of the Kutcha houses only. Accordingly the Government direct that 20,000 Kutcha Houses (existing thatched roof and kutcha or mud walls) be upgraded during the current year (2004-05) and 1,00,000 houses during the next year (2005-06) at a total unit cost of Rs.10,000/- (Rupees Ten thousand only) for each house on the following lines.

- (i) The Government will sanction a sum of Rs. 2,500/- (Rupees two thousand and five hundred only) or 25% of the cost of the upgradation whichever is less as subsidy, being the state Government's grant for upgrading each kutcha house.
- (ii) Banks and financial institutions shall extend a loan of Rs.7,000/- (Rupees seven thousand only) for each house through Self Help Groups interest rate as per the priority sector lending rates with the repayment period as 70 monthly instalments.
- (iii) The beneficiary's contribution shall be Rs.500/- (Rupees five hundred only) either in the form of cash or labour.
- (iv) The scheme shall be implemented with Banker's participation the Women's Self Help Groups.
- (v) A sum of Rs.5 Crores (Rupees five crores only) being the State Government grant should be released as subsidy for the upgradation of 20,000 houses during the current year (2004-05).

4. The Government accordingly sanction a sum of Rs. 5 Crores (Rupees five crores only) towards the upgradation of 20,000 Kutha houses existing the and kutcha or mud walls in the Villages during the current year (2004-05).

5. The expenditure will constitute as item of "New Service" The approved legislature will be obtained in due course. Pending approval of the legislature expenditure shall be met out of an

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advance from the Contingency fund regarding which will be issued by the Government in Finance (BG road) separately The Director of Rural Development should apply to the Govt. Finance (BG-II) Department in the prescribed proforma along with this order of an advance from the contingency Fund. The Director of Rural Development also send necessary draft explanatory notes for inclusion of the above expenditure the Final supplementary estimates for 2004-2005.

6. The expenditure sanctioned in Paragraph 4 above shall be date following need of account.

"2515 -00-Other Rural Development Programmes 800 – Other expenditure scheme in the Tenth five year Plan-II – State Plan.

KK. Scheme for upgradation of kutcha houses – 09 grants in all grants for specific scheme.

(DPC -2515 -00 -800 –KK-0937)

7. The Director of Rural Development is the estimating, or reconciling authority for the above new head of account.

8. The Pay and Accounts Officers / Treasury Officers are request above new head of account in the books of accounts.

9. This order issues with the concurrent Director of Rural Development G.O.No. 15686/ RD / 05, Dated: 08.03.2005 and ASL No. 1650.

(By order of the Governor)

SANTHA SHEELA NAIR
SECRETARY TO GOVERNMENT