

# **Indira Awaas Yojana**

## **I. INTRODUCTION**

Housing is universally recognized as one of the basic human rights. It is the responsibility of the Government to ensure that every citizen has a safe, secure and healthy place to live and work and lead a life of dignity. In other words, by ensuring the right to adequate housing in rural areas, the need to enhance quality of life and opportunity of growth is addressed. A large number of rural households specially those belonging to the vulnerable sections, are unable to access good housing and civic amenities due to low income. Besides absolute shortage, congestion and obsolescence, damage due to vagaries of nature such as flood cyclone, earthquake as well as incidence of violence, has added to the problem of housing shortage.

Fulfilling the need for rural housing and tackling housing shortage particularly for the poorest is an important task to be undertaken as part of the poverty alleviation efforts of the Government. The Indira Awaas Yojana (IAY) is a flagship scheme of the Ministry of Rural Development to provide houses to below the poverty line (BPL) families in the rural areas. Under IAY, since inception, 320.55 lakh houses have been constructed, incurring an expenditure of Rs. 1,05, 518.85 crores.

## **II. HISTORICAL BACKGROUND**

The Indira Awaas Yojana (IAY) was launched during 1985-86 as a sub-scheme of RLEGP. IAY, thereafter, continued as a sub-scheme of Jawahar Rozgar Yojana (JRY) since its launch in April, 1989. Six per cent of the total JRY funds were allocated for implementation of IAY. In the initial years the housing scheme addressed the needs of SC and ST families and families of bonded labourers in BPL category. From the year 1993-94, the scope of IAY was extended to cover non-SC/ ST families in the rural areas. IAY was de-linked from JRY and made an independent scheme with effect from 1st January 1996. It is now a flagship programme of the Ministry of Rural Development as part of the larger strategy of rural poverty eradication, to provide dignity of an address to the poor households and to enable them to access benefits of other rural development schemes.

Financial assistance provided under IAY during the years is mentioned below:

Year	Financial Assistance under IAY	
	Plain Areas	Hilly/difficult/IAP areas
1985-86	Rs 10,000	Rs 10,000
1990-91	Rs 12,700	Rs 14,500
1994-95	Rs 14,000	Rs 15,800
1996-97	Rs 20,000	Rs 22,000
2004-05	Rs 25,000	Rs 27,500
2008-09	Rs 35,000	Rs 38,500
2010-11	Rs 45,000	Rs 48,500

### III. SALIENT FEATURES OF INDIRA AWAAS YOJANA (IAY)

#### (i) Components of assistance under IAY and criteria for allocation :

- (a) Assistance for construction of a new house
- (b) Upgradation of Kutcha or dilapidated houses
- (c) Provision of house site

Under IAY, w.e.f. 1.4.2013, a BPL family is given grant of **Rs. 70000/-** for new construction in plain areas and **Rs. 75,000** in hilly/difficult areas including LWE districts. Further, IAY funds can also be utilized for upgradation of a kutcha house for which a subsidy of **Rs.15, 000/-** per unit is provided. For purchase of housesites, an assistance of **Rs 20,000** is provided to the landless poor.

The criteria for allocation of IAY funds to States/UTs and from States/UTs to districts, blocks and wherever the States so desire, to the Village Panchayats would be on the basis of houseless people from among the BPL population for each category i.e. SC, ST, Minorities and others. The Ministry does the annual allocation for the States/UTs on the basis of 75% weightage to housing shortage in rural areas as per the latest Census data and 25% weightage to the number of people below poverty line (BPL).

At the national level, 60% of the funds are earmarked for SCs and STs with the proportion between SCs and STs being fixed by the Ministry of Rural Development and reflected in the targets. From the year 2011-12 onwards, 60% of total allocation under IAY is being earmarked for SCs/STs under separate Budget Head. Further, 15% of the funds are set apart for beneficiaries from among the Minorities. The States should ensure that at least 3% beneficiaries of IAY are from among persons with disabilities. The earmarking is only the minimum limit that should be achieved by the State and States, if they so desire may add to the target under these categories. The 60% target for SC/ST cannot be diverted to 'others'. However, SC&ST targets are interchangeable

The construction of a house is to be carried out by the beneficiary himself/herself. No contractor should be involved in the construction of houses under IAY. But construction may be facilitated by Govt. agencies in the case of very old beneficiaries above sixty years of age and persons with disabilities who may not be able to stand the strain of supervising construction and who request for such support in writing. Government departments or agencies can give technical assistance and may arrange coordinated supply of material for the convenience of beneficiaries. States can also accredit reputed CSOs, institutions, agencies for providing support services for adoption of suitable design, technology and material.

(ii) **Special Projects:** 95% of the total budget can be utilized for the components relating to new houses, upgradation of houses and provision of house sites and administrative expenses. The remaining 5% is at Centre and is set aside for special projects which can be used for –

- Rehabilitation of BPL families affected by natural calamities, law and order problems
- Settlement of families of vulnerable tribal groups , FRA beneficiaries, families of bonded labourers and manual scavengers
- Rehabilitation of persons affected by occupational diseases
- House construction for demonstration of eco-friendly, appropriate and locally relevant technology

An Empowered Committee has been set up at the Ministry level, which among other functions, will also sanction Special Projects submitted by State Governments every year.

(iii) **Administrative expenses:** Upto 4% of the funds released can be utilised for administrative expenses of which upto 0.5% can be retained at the State level and the balance is to be distributed to the districts. The administrative expenses may be used for –

- IEC activities, MIS evaluation studies
- Social audit
- Capacity building initiatives
- Technology demonstration

The administrative expenses shall be shared by the Central and States in the same ratio as applicable to the programme expenditure.

(iv) **Funding & Release:** The funding of IAY is shared between the Centre and States, (except in North-Eastern States and Sikkim) in the ratio of 75:25 respectively. In the case of North-Eastern States and Sikkim, funding is shared in the ratio of 90:10. In the case of UTs, entire funds of IAY are provided by the Centre. The cost of providing house sites is shared in the ratio of 50:50 between Government of India and State Governments. Government of India provides the full cost in respect of Union Territories (UTs).

Release of funds under IAY to the State Governments from 2014-15, onwards, will be by transfer to the Consolidated Fund of the respective State Governments. The submission of UCs, Audit Reports and compliance of conditions imposed during earlier releases will now have to be done by the State Governments. A dedicated bank account for IAY funds is to be used and the same is to be registered on CPSMS. The annual allocation will be released in two instalments. First instalment shall be equal to 50% of annual allocation and second instalment shall be equal to the annual allocation minus first instalment and applicable deductions.

The Central share is to be released to the DRDAs/ZPs bank accounts dedicated to IAY within 3 days of their receipt from the Central Government and in the event of failure on this account; the States will be liable to pay the interest @ 12% per annum for the period of delay. The corresponding State share is to be released within 15 days of release of Central share.

The State Government shall release the full state share corresponding to the central share along with the state share of 4% administrative expenses and allocate it among the districts within 15 days of release of central share. The number of instalments given to beneficiaries should be fixed at three. The release of instalments should be linked to the level of construction reached.

#### IV. NEW INITIATIVES

IAY Guidelines have been revised with effect from 1<sup>st</sup> April, 2013 with the objective of making the scheme flexible. States and experts in the sector were consulted before finalizing the Guidelines. The major new initiatives are –

- **Priority to vulnerable categories:** Among the eligible BPL families, to ensure coverage of the most vulnerable categories, priority should be given to –
  - Families of manual scavengers and bonded laborers
  - Households with single girl child
  - Physically and mentally challenged persons
  - Transgenders
  - Widows / next of kin of defence / paramilitary / police personal killed in action in (even if not BPL)
  - Households where a member is suffering from leprosy or cancer
  - People living with HIV (PL HIV)
- **4% Administrative cost:** For the first time 4% of the funds allocated are earmarked for meeting administrative expenses.
- **Social Audit:** To ensure public accountability in implementation, States have been directed to conduct at least one social audit every year in a Gram Panchayat. Social Audit teams and resource persons should be identified and trained to verify the processes and procedures regarding selection, construction, completion, timelines and quantum of payment, support services provided, grievance redressal etc. Detailed instructions have been issued in this regard.

- **Special Projects:** To address special needs of the eligible families the provision of Special Projects has been expanded by including following additional categories –
  - Families forced to relocate along international borders
  - Households benefitted under FRA
  - Houses built for technology demonstration
  - Families affected by natural calamities and law and order problem
  - Families belonging to particularly vulnerable tribal groups
  - Persons / Families affected by occupational diseases or epidemic
  
- **Flexibility in identification of Difficult Areas:** Presently the NE States, States of HP, J&K and Uttarakhand and all 82 LWE districts are identified as difficult and hilly areas. These States/ districts are eligible for sanction of IAY house @ Rs. 75,000/- per house. In the new Guidelines, provision has been made for States to identify difficult areas, where due to reasons like low availability of material, poor connectivity and adverse geo-climatic conditions, the cost of construction is very high. For this Gram Panchayat may be treated as a unit, and the States can submit the proposals, with adequate justification for a one –time approval of the Empowered Committee in the Ministry.
  
- **Appropriate building technologies:** States should proactively identify appropriate building technologies focusing on use of local materials. Geo-climatic factors and socio-cultural issues should be addressed while developing design options. Options like prefabricated structures, reuse and recycling of construction material, facilitation of supply of building material at reasonable rates should be explored and adopted for the convenience of beneficiaries. In congested localities, where cost of land is high, construction of multi-storeyed house should be allowed, but it should not exceed 3 floors.
  
- **Convergence :** A house is not just a dwelling place, but a socio-economic asset for the rural family. The larger strategy of rural housing is to support development of an environmentally sound habitat with adequate provision for safe drinking water, sanitation, electricity, infrastructure like road, schools, etc. A State level mechanism to supervise and oversee the convergence initiatives with an action

plan, has been suggested. IAY beneficiaries should be provided services through schemes like – MGNREGS, RGGVY, RSBY, Aam Aadmi Bima Yojana, NSAP etc. Convergence with NBA for construction of IHHL ( Individual House hold Latrines) has been made **mandatory** and joint instructions for implementation have been issued along with Ministry of DWS.

- **Capacity Building:** To strengthen the quality of implementation the States should have a comprehensive capacity building plan, with the following elements-
  - Training of district level officials and functionaries
  - Training of cutting edge level functionaries
  - Training of masons, extension workers
  - Training of SHGs, CRPs, Panchayat functionaries
  - Training of Quality Monitors

SIRDs and identified State and National level institutions can be involved in this exercise.

**'Rural Housing Knowledge Network'** was launched in July, 2012 in collaboration with IIT, Delhi with the objective of compiling a comprehensive nationwide updatable repository of practitioners, institutions and practices related to affordable and sustainable solutions for rural housing and to develop a multi-lingual web portal in the public domain. The project was for a period of two years with six specific deliverables namely compendium of professionals and institutions, comprehensive technology profiles on design, best cases of implementation of rural housing projects, good/universally accepted practices and innovations, a web portal and learning exchanges. The website can be accessed at [www.ruralhousingnetwork.in](http://www.ruralhousingnetwork.in).

It is an interactive platform developed with and used by various stakeholders in rural housing. RHKN is actively engaging with home-owners, masons, panchayats, district and state governments, NGOs, corporate bodies and academia to understand ground issues in different geo-climatic zones of the country. So far, 13 interactive events have been conducted in different parts of the country for the purpose.

Interactions in the form of '**Grameen Awaas - Sawaal, Jawaab evam Samvaad**' have been conducted in Tripura, Himachal Pradesh, Sikkim,

Maharashtra, Rajasthan and Chhattisgarh during the year. These interactions involved IAY beneficiaries, PRIs, Government Officials where technology demonstrations are made and specific knowledge solutions to beneficiaries' queries are provided by the RHKN Team and technology practitioners.

## **V. IT ENABLED MONITORING AND IMPLEMENTATION**

### **AwaasSoft**

AwaasSoft is a work flow based Management Information System (MIS) designed to capture the implementation process through its Target Setting and Fund Management modules. The Beneficiary Management module captures details of the beneficiary and status of his/her sanction. Real time reports generated by the system are useful tools for monitoring of progress and reporting. This was launched in July 2010.

Reports are available in the public domain for all citizens to know the progress of the scheme in their area. The system also provides for an online grievance redressal platform to register grievances and track the status of action taken on them. The software captures all relevant data of beneficiary including the category he / she belongs to, the Aadhaar number etc. There is provision for uploading of photographs of houses under different stages of construction.

The use of MIS has increased substantially over the years. 27.63 lakh beneficiaries have been registered on the system and 21.83 lakh houses were sanctioned through AwaasSoft in 2013 -14. The system has helped increase transparency in implementation of the scheme and ensures accountability. States can use this software for their own rural housing schemes also.

Ministry with the help of NIC has been organizing training programmes for State Govt. official in phases at the national level. In addition, state level training programmes were organized on demand, for training of district officials in Chattisgarh, Tamil Nadu, Gujarat, Goa, Jharkhand, Maharashtra, West Bengal and Tripura. One training programme was held for all 8 states of North East at SIRD, Guwahati.

To ensure efficient and proper implementation, the scheme is being monitored through other mechanism such as monthly and annual progress reports, audit reports, periodical review meetings with the officers of the State Governments, field visits by officers of the Ministry and visits of National Level Monitors.

## VI. GRIEVANCE REDRESSAL

The complaints received in the Ministry are forwarded to the respective State Governments for taking action in the matter. The Action Taken Report is to be submitted by the concerned State Governments within a month. In case of serious complaints, National Level Monitors (NLMs) are appointed to examine the complaint. The status of the complaints received in the Ministry is uploaded on the website of IAY regularly.

There is grievance redressal system at the block and district level to look into the irregularities in the implementation of IAY.

The year wise abstract of complaints referred to State Govt.during the year 2012-13 and 2013-14 and the year-wise complaints where NLM were deputed is at Annexure-I.

## VII. ACHIEVEMENTS

The achievements made in the scheme during 11<sup>th</sup> & 12<sup>th</sup> Five Year Plan are tabulated below:

in Rs

Five Year Plan	Years	Total allocation (C+S) (in crore)	Total Releases (C+S) (in crore)	Total Available Funds(in crore)	Utilization (in crore)	% Utilization	Physi-cal target (in lakh)	Physical Achieve-ment(in lakh)	% achieve-ment
11 <sup>th</sup> Five Year Plan	2007-08	5374.19	5175.10	6527.17	5464.54	83.72	21.27	19.92	93.65
	2008-09	7523.85	11727.04	14460.35	8348.34	57.73	21.27	21.34	100.32
	2009-10	11131.59	11316.90	15852.34	13292.46	83.85	40.52	33.86	83.55
	2010-11	13181.32	13295.22	17956.54	13465.73	74.99	29.09	27.15	93.36
	2011-12	12436.47	12920.36	19159.30	12926.33	67.47	27.27	24.71	90.64
12 <sup>th</sup> Five year Plan	2012-13	13776.21	9776.48	16172.34	12177.25	75.30	30.10	21.85	72.62
	2013-14	18210.20	14420.97	16951.94	10278.87	60.64	24.80	15.62	62.99

The special packages sanctioned during 2013-14 are as follows:

<b>S No.</b>	<b>State</b>	<b>No. of districts</b>	<b>No. of units</b>	<b>Amount allocated (in crore)</b>
1.	Uttarakhand	5	5000	Rs 14.06
2.	Chhattisgarh	33	63,349	Rs 350.77
3.	Uttar Pradesh	1	2904	Rs 15.25
4.	Manipur	1	2483	Rs 16.76
5.	Arunachal Pradesh	3	3111	Rs 21.00
6.	Tripura	8	11,913	Rs 80.40
7.	Odisha	14	43,838	Rs 203.74
8.	Tamil Nadu	2	34,380	Rs 180.54
9.	Himachal Pradesh	1	313	Rs 1.76
10.	Rajasthan	1	94	Rs 0.51

The year-wise allocation made by Planning Commission for the 12<sup>th</sup> Five-Year Plan is as follows:

<b>S. No</b>	<b>Year</b>	<b>Allocation (in crore)</b>
1.	2012-13	Rs 11075.00
2.	2013-14	Rs 13894.90
3.	2014-15	Rs 16000.00
4.	2015-16	Rs 17127.50
5.	2016-17	Rs 17127.50

Further, for the current financial year of 2014-15 the total budgetary outlay for rural housing is **Rs.16,000** crore with a physical target for construction of 25.19 lakh houses.

### **Bharat Nirman**

Rural Housing is one of the components of Bharat Nirman, which was launched in 2005 as a time bound action plan for rural infrastructure. In phase I of Bharat Nirman 60 lakh houses were to be constructed under IAY (in the period 2005-2009) . Against this, 71.76 lakh houses were constructed with an expenditure of Rs. 21720.39 crores.

In phase II of Bharat Nirman ( 2009-14) the target was fixed at 120 lakh houses under IAY. Against this target, 121.31 lakh houses have been constructed with an expenditure of Rs. 62042.25 crores.

The physical and financial achievements in year 2013-14 are at Annexure II.

## **VIII. BEST PRACTICES**

### **(1) Additional assistance from State resources**

IAY beneficiaries receive additional assistance in many State Govts. ranging from Rs.5,000 to Rs.3.15 lakh . Details are as follows

<b>State/UT</b>	<b>Assistance given</b>
Andhra Pradesh	Rs. 30,000 for SC Rs. 35,000 for ST
Goa	Rs. 25,000
Haryana	Rs. 11,000
Karnataka	Rs. 50,000
Kerala	Rs. 1,30,000 for SC and general Rs. 1,80,000 for ST
Maharashtra	Rs. 25,000
Rajasthan	Rs. 5,000
Sikkim	Rs. 3,25,000
Tamil Nadu	Rs. 50,000

Puducherry	Rs.30,000
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## **(2) Housing Agencies/Corporation**

In Andhra Pradesh and Karnataka, the scheme is implemented by a public Corporation. These Corporations have taken up centralised procurement and supply of material and also provide technical support during construction. The release of instalments directly to the bank account of beneficiaries is done electronically and is linked to the progress of the houses as recorded by means of a geo-tagged photograph. A robust system of monitoring is also in place in them.

## **(3) Quality inputs**

- In Tamil Nadu temporary shelters are provided to the needy beneficiaries by the Gram Panchayat during the construction of IAY units.
- Tamil Nadu Government also encourages construction of Green Houses by using recycled, reused eco-friendly materials for IAY beneficiaries. Social audit is conducted in Gram Sabha by submitting their work performance, financial allocation, expenditure level etc., in a transparent manner.
- Under the Chief Minister's Rural Housing Mission (CMRHM), the State Government of Sikkim aims to achieve the status of a Kutcha House free State by 2015 along with a qualitative improvement in the housing status of the poor in the State.

The CMRHM builds on tradition of community support by allowing co-financing in cash and kind from all quarters in the village.

