

GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION
RAJYA SABHA
QUESTION NO 19.11.2009
ANSWERED ON
SUBSIDY ON HOUSING LOANS

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SHRI R.C. SINGH

Will the Minister of COAL COAL EXTERNAL AFFAIRS HOUSING AND URBAN POVERTY ALLEVIATION be pleased to state :-

(a) : whether it is a fact that Government is seriously considering to provide 5 percent interest subsidy on housing loans to low income group with a view to provide housing to poor;

(b) : whether it is also a fact that the above proposal has already been sent to the Finance Ministry for final approval; and

(c) : if so, the details of (a) and (b) above ?

ANSWER

THE MINISTER OF HOUSING & URBAN POVERTY ALLEVIATION

(KUMARI SELJA)

(a) to (c) : The Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) has been launched w.e.f. 26/12/2008. It seeks to provide interest subsidy to Economically Weaker Section (EWS) and Low Income Group (LIG) beneficiaries on availing loans from the Banks / Housing Finance Companies (HFCs) to enhance affordability of these income segments. Under this scheme, an interest subsidy of 5 percent per annum will be given upfront on loans upto Rs. 1,00,000/- taken from Banks / Housing Finance Companies (HFCs) during 11th Five Year Plan. The Loan repayment Period would be 15-20 years. The guidelines of the scheme have been drawn up & circulated.