

GOVERNMENT OF INDIA  
MINISTRY OF RURAL DEVELOPMENT  
DEPARTMENT OF RURAL DEVELOPMENT

**LOK SABHA**  
**UNSTARRED QUESTION NO. 224**  
ANSWERED ON 02.02.2021

RURAL HOUSING INTEREST SUBSIDY

224. SHRI DHANUSH M. KUMAR:  
SHRI C.N. ANNADURAI:  
SHRI VIJAY KUMAR DUBEY:  
SHRI REBATI TRIPURA:  
SHRI SELVAM G.:  
SHRI GAUTHAM SIGAMANI PON:  
SHRI GAJANAN KIRTIKAR:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether the Government is implementing the rural housing interest subsidy scheme for housing the rural poor in the country and if so, the details thereof;
- (b) the details of rural poor who have benefited from the above scheme during the last three years in the States of Maharashtra, Tamil Nadu, Uttar Pradesh and Tripura, year-wise;
- (c) the progress and performance of the above project especially in Maharashtra, Tamilnadu, Uttar Pradesh and Tripura;
- (d) whether the scheme has managed to spend barely around Rs.10 crore out of the 50 crore released, if so, the reasons for poor utilization of funds and weak response from the rural poor; and
- (e) whether now the Government is seeking to revive the scheme by roping in two financial institutions with strong rural network and if so, the steps taken by the Government in this regard?

**ANSWER**  
MINISTER OF RURAL DEVELOPMENT  
(SHRI NARENDRA SINGH TOMAR)

(a): Yes, in order to realize the Government's objective of "Housing for All" by 2022, Rural Housing Interest Subsidy Scheme (RHISS) was approved by the Union Cabinet on 24<sup>th</sup> January 2017. The guidelines were released for RHISS on 19th June 2017. RHISS provides for interest subsidy at the rate of 3.0 percent on the principal amount of the loan. The interest subsidy by Government of India is admissible for a maximum loan amount of Rs.2.00 lakh for 20 years or full period of loan whichever is less. The maximum amount of subsidy for a beneficiary is Rs.38,359/- for the entire duration of the loan.

National Housing Bank (NHB) was identified as the Central Nodal Agency (CNA) to channelize the subsidy to the lending institutions and to monitor the scheme implementation. Primary lending institutions for RHISS include Scheduled Commercial Banks, Housing Finance Companies, Regional Rural banks, State Cooperative banks, Urban Cooperative banks, Small finance banks, Non Banking Financial Companies (NBFC), Micro-Finance Institutions (MFIs) or any other institution identified by the Ministry.

RHISS progress till 14<sup>th</sup> January, 2021 is as below:

<b>RHISS Disbursement data as on 14-01-2021</b>			
<b>Sl No</b>	<b>Primary Lending Institution (PLI)</b>	<b>No of claims</b>	<b>Total Disbursement (Subsidy Released + Processing Fee-Subsidy Refund) In Rs.</b>
1	Aptus Value Housing Finance India Ltd	429	11,869,135
2	Fasttrack Housing Finance Limited	12	350,531
3	GRUH Finance Ltd.	1,295	41,234,502
4	IIFL Home Finance Ltd.	69	2,303,981
5	Manappuram Home Finance Ltd	106	3,813,500
6	MAS Rural Housing & Mortgage Finance Ltd.	323	8,280,010
7	Navarathna Housing Finance Ltd.	1	16,017
8	Sundaram Home Finance Ltd.	36	1,031,920
9	Swarna Pragati Housing Microfinance Private Ltd.	646	8,586,078
10	Wonder Home Finance Ltd	18	565,946
		<b>2,935</b>	<b>78,051,620</b>
11	Aryavart Bank	2,161	11,924,955
12	Bangiya Gramin Vikash Bank	1	33,913
13	Chhattisgarh Rajya Gramin Bank	225	8,140,496
14	Dakshin Bihar Gramin Bank	11	341,069
15	Maharashtra Gramin Bank	508	15,253,146
16	Saurashtra Gramin Bank	4	154,990
17	Uttar Bihar Gramin Bank	25	845,172
		<b>2,935</b>	<b>36,693,741</b>
18	United Bank of India	204	7,322,324
		<b>204</b>	<b>7,322,324</b>
		<b>6,074</b>	<b>122,067,685</b>

(b): In order to realize the Government's objective of "Housing for All" by 2022, Rural Housing Interest Subsidy Scheme (RHISS) was approved by the Union Cabinet on 24<sup>th</sup> January 2017. The initial funding of Rs. 48.54 crore was released by the Ministry of Rural Development to NHB on 31st July, 2019 and subsequently, subsidy has been disbursed during current year also. Year wise details of rural poor who have benefited from the above Scheme in the States of Maharashtra, Tamil Nadu, Uttar Pradesh and Tripura from the amount so far released, are given below:

<b>State Wise disbursement figures under RHISS in FY 2019-20</b>			
<b>Sl. No</b>	<b>State Name</b>	<b>No. of claims</b>	<b>Total Net Subsidy (in Rs.)</b>
1	Maharashtra	678	21,367,470
2	Tamil Nadu	3	96,735
3	Tripura	-	-
4	Uttar Pradesh	2	30,746

<b>State Wise disbursement figures under RHISS in FY 2020-21</b>			
<b>Sl. No</b>	<b>State Name</b>	<b>No. of claims</b>	<b>Total Net Subsidy (in Rs.)</b>
1	Maharashtra	788	20,603,847
2	Tamil Nadu	424	10,716,836
3	Tripura	-	-
4	Uttar Pradesh	2,161	11,924,955

(c): No subsidy has been disbursed in the State of Tripura so far. The progress and performance of the subsidy disbursed under the scheme especially in Maharashtra, Tamil Nadu and Uttar Pradesh are as under:-

<b>State Wise disbursement figures under RHISS in FY 2019-20</b>				
<b>Sl No</b>	<b>State Name</b>	<b>No of claims</b>	<b>Total Net Subsidy (in Rs.)</b>	<b>% of subsidy disbursed in state against total subsidy disbursed across all states</b>
1	Maharashtra	678	21,367,470	40.25
2	Tamil Nadu	3	96,735	0.18
3	Uttar Pradesh	2	30,746	0.06

<b>State Wise disbursement figures under RHISS in FY 2020-21</b>				
<b>Sl No</b>	<b>State Name</b>	<b>No of claims</b>	<b>Total Net Subsidy (in Rs.)</b>	<b>% of subsidy disbursed in state against total subsidy disbursed across all states</b>
1	Maharashtra	788	20,603,847	29.87
2	Tamil Nadu	424	10,716,836	15.53
3	Uttar Pradesh	2161	11,924,955	17.29

(d): Total subsidy disbursed under the scheme till 14<sup>th</sup> January, 2021 is Rs 12.20 crore. The reasons for poor utilization of funds and weak response from the rural poor are as below:

- i. Major public sector banks like State Bank of India, Punjab National Bank, Canara Bank, UCO Bank and Indian Bank have not entered into an MoU with NHB.
- ii. As the subsidy needs to be extended to beneficiaries who are not part of the Permanent Wait List of PMAY G, identification of such borrowers is difficult.
- iii. Unavailability of credit guarantee is affecting the off-take of the scheme through Regional Rural Banks (RRBs) as they are reluctant to sanction loans without credit guarantee.

(e): NHB is the Central Nodal Agency for RHISS. Inclusion of new PLIs is a continuous process undertaken by NHB.

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