

CHAPTER 13

HOUSING

According to 2001 census, there are 93.56 lakh houses in Kerala and out of it 7.31 lakhs are vacant and 86.25 lakhs (Residences, Shops, Schools, Hospitals, Factories, places of worship etc) are occupied. Among the occupied houses 64.90 lakhs are residences and out of the residences, 36.30 lakh (56%) are good, 23.30 lakhs (36%) are livable and 5.33 lakhs (8%) are dilapidated. Among the 2490.96 lakh households in India, 964.47 lakhs are good houses, 849.64 lakhs are livable houses and 105.53 lakhs are dilapidated houses.

13.2 Among the 65.95 lakh households in Kerala, 44.94 lakh households (68%) live in permanent houses and 14.24 lakh (21.6%) households in semi permanent houses. At the national level 994.32 lakhs (51.8%) are permanent houses and 576.64 lakhs (30%) are Semi-permanent houses.

13.3 47.20 lakhs (71.6%) have drinking water within the premises, 10.85 lakhs, (16.4%) have drinking water near the premises and for only 12% house holds drinking water is away from premises (See table – 13.1). At all India level only 748.03 lakhs (39%) have drinking water within premises and 851.12 lakhs (44%) have near premises. For 16.7% households drinking water is away from premises.

13.4 In Kerala while 46.33 lakh households (70.3%) have electricity, 19.19 lakhs (29.1%) use kerosene as source of lighting. In India, 55.8% households use electricity and 43.3% use Kerosene. Details are given in Appendix 13.1 and 13.2.

Demand for Housing in Kerala

13.5 Shortage of houses worked out as the difference between the number of households and number

Table – 13.1
Housing Situation of Kerala

Sl. No	Item	(Nos in Lakhs)	
		1991	2001
1	2	3	4
1	Total Houses	80.72	93.56
2	Residence & Residence Cum other used houses	54.59	65.32
3	House holds	58.90	65.95
4	House hold size average (Nos)	5.3	4.9
5	(i) Pucca houses	30.56	36.30
	(ii) Semi pucca/livable	10.44	23.30
6	(iii) Kutcha houses/Dilapidated	13.59	5.33
7	House holds and drinking water		
	(i) Drinking water with in premises	36.12	47.20
	(ii) Drinking water near premises	NA	10.85
	(iii) A way from premises	17.78	7.90
8	Houses holds source of lighting		
	(i) Electricity	26.10	46.33
	(ii) Kerosene	NA	19.19
	(iii) Others	NA	0.43

Note: 2001 Census has classified houses as good livable and Dilapidated. 1991 has classified as pucca, semi pucca and Kutcha.
Source:- Census. Reports 1991 & 2001

of houses is 63000 in 2001. Taking into account the dilapidated houses, housing demand in Kerala for 2001 is worked out as follows.

Numerical shortage of houses in 2001 (65.95-65.32)	= 0.63 lakhs
Dilapidated houses which need reconstruction	=5.33 ,,
Houses, which require major repair/construction (10% of livable)	= 2.3
Total Demand (2001)	= 8.26 lakhs

13.6 Household size in Kerala is 4.9 (2001 census) as against 5.3 in 1991. Population increased from 290 lakhs in 1991 to 318 lakhs in 2001. Increase in population creates additional demand for houses. Based on projected population and household size at 4.9, demand for houses during the period 2001-08 is calculated as 14.44 lakhs. Similarly during the last three years, on an average, 2.69 lakh houses have been newly constructed with Government/Institutional support. Here houses constructed without external support are not considered. Considering all these aspects into account, it is estimated that by 2006, all people will have own houses, if the present trend of house construction continues. (See Table – 13.2)

Houses Constructed by Various Agencies

13.7 More than 20 major agencies are implementing housing programmes in the state. The Kerala State Housing Board, Rural Development Department, Kerala State Co-operative Housing Federation, Agricultural Bank and Kerala State Development Corporation for SC and ST and LSGs are the major Govern-

ment Departments and autonomous bodies implementing the programme. A review of performance of various agencies shows that during 1998-03 assistance was provided to construct 11,32,931 houses. During 2002-03, all the agencies together assisted construction of 1.33 lakh houses and out of it 40620 (30%) were assisted by nationalized Banks and 32107 (24%) were assisted by Rural development department. SC department and Agricultural Development Bank are two other, major Government departments which supported house construction. Houses constructed by different agencies during the last 3 years is shown in Table – 13.3. During 2003-04, upto (30.9.03), 51126 houses have been constructed with the assistance of these agencies. Agency/Department wise assistance provided

Table – 13.3
Houses constructed by various agencies
(2001-03)

Year	Houses Constructed (Nos)
1	2
2001-02	82082
2002-03	133228
2003-04 (up to 30.9.2003)	51126

for house construction is given in Appendix – 13.3.

Local Self Government and Housing

13.8 Since 1997-98, Local Self-Government have been actively involved in house construction for economically weaker sections. Increase of subsidy per house from Rs.9000 to Rs.35,000 in 1998 increased the demand for housing assistance. During 1997-2002 (Ninth Plan) LSGs have assisted construction of 5.71

Table – 13.2
Estimated Demand for Houses by 2008 using 2001 actual population and demand in lakhs

Sl. No	Year	Demand during the year	Cumulative demand for houses	Average houses likely to be constructed (cumulative)	Balance houses
1	2	3	4	5	6
1	2001	8.26	8.26	--	--
2	2002	1.59	9.85	2.69	7.16
3	2003	1.07	10.92	5.38	5.54
4	2004	0.73	11.65	8.07	3.56
5	2005	0.51	12.16	10.76	1.4
6	2006	0.55	12.71	13.45	--
7	2007	0.64	13.35	16.14	--
8	2008	1.09	14.44	--	--

Note: Demand during each year is calculated based on the average family size 4.9.

Table – 13.4
Houses constructed and repaired by LSGs (1997-2002)

Year	Houses Constructed (Nos)	Houses Repaired (Nos)
1	2	3
1999-00	28478	40851
2000-01	158282	33965
2001-02	288301	32420
Total	475061	107236

lakh houses and repair of 1.86 lakh houses. Table 13.4 give the details.

Kerala State Housing Board

13.9 Kerala State Housing Board has constructed 54930 houses under various schemes as on 30.9.03. KSHB assisted construction of 282238 Maithri Houses out of which 258245 houses are fully completed. The achievement under major housing schemes implemented by the Board are shown in the Table – 13.5.

Table – 13.5
Housing Schemes Implemented by Kerala State Housing Board
Other than Maithri Scheme (Houses Constructed) (Nos)

Sl. No.	Scheme	Upto 31.3.99	1999-00	2002-03	2003-04 upto 30.9.03
1	2	3	4	5	6
1	LIG Cash Loan Scheme	15213	1829	161	41
2	MIG Cash Loan Scheme	9734	1593	71	25
3	HIG Cash Loan Scheme	2872	88	0	0
4	MLA/MP Housing Scheme	91	7	1	0
5	Repair and Renewal of LIG	1148	295	6	9
6	Repair and Renewal of MIG	819	222	1	6
7	Repair and Renewal of HIG	185	40	0	0
8	Flood Loan Schemes(1992)	14934	301	0	0
9	WJHS (Subsidy)	388	19	8	16
10	Jubilee Housing Scheme	201	36	0	0
	Total	45585	4430	248	97

Source:- Kerala State Housing Board.

Appendix - 13.5 shows the achievements under Maithri housing scheme.

13.10 Due to heavy borrowing, poor recovery and increase in unsold houses/flats and plots, the Board landed itself in acute financial difficulties by 2000 and future lending to the Board was stopped by agencies like HUDCO. The Board started in 2001 aggressive recovery measures like recovery of arrear loans, selling of unsold plots, renting out revenue towers and flats and starting consultancy services. During 2003-04, Board sold 134 units of unsold property and raised Rs. 1000 lakhs. Through loan recovery, an amount of Rs. 2392 lakhs has been recovered. Similarly 52 developed house plots were sold for Rs. 110 lakhs. Revenue towers in four towns have been completed and allotted for rent to government departments and collected Rs.59 lakhs. Board also started consultancy services and raised Rs. 0.15 lakh through rent. Continuing the tempo, Housing Board altogether mobilised Rs.

3577 lakhs during the first six months of 2003-04.

13.11 Out of the 2973 plots available for allotment. 2671 plots have been allotted so far. Similarly out of 5599 Plot with Building (PWB) available for allotment, 4897 PWB have been allotted. Flats available for allotment were 3137 units and out of it 2721 units have been allotted. However, still 416 flats and 302 house plots are available for allotment as on September 2003.

13.12 During 2002-03, Board raised Rs. 320 lakhs through market borrowing and Rs. 4800 lakhs as subsidy for Mythri Housing from State Government. An amount of Rs. 2563 lakhs was raised from Commercial Banks during 2002-03. Board disbursed Rs. 7738 lakhs for various works during 2002-03. During 2003-04 Board received Rs. 209 lakhs for Mythri Housing Scheme from State Government and raised Rs. 2000 lakhs from HUDCO upto October 2003 and distributed Rs. 30 crores.

Kerala State Nirmithi Kendra

13.13 Kerala State Nirmithi Kendra is an agency engaged in the propagation and promotion of cost effective and environment friendly techniques in house construction. Nirmithi Kendra also conducts training programmes for engineers, architects and artisans to equip them with skill to practice cost effective and environment friendly building construction. KESNIK has established production centres in 12 centres all over Kerala. The Kendra has a joint venture with SDC (Swiss Agency for Development Corporation) for a building material project. In the first phase project is aimed at increasing the availability of cost effective and environment friendly building materials. In the second phase the focus is on rural housing. It is proposed to take up 55 Grama Panchayats in the project. Activities are going on in 15 selected panchayats in six districts in a phased manner and 29 grama panchayats have been taken up additionally.

13.14 Nirmithi Kendra implemented 161 projects during 2002-03 and during 2003-04 upto September, 31 projects have been taken up. Similarly during 2003-04, 69 projects have been completed against 189 during 2002-03. Details are given in Appendix – 13.6.

Kerala State Co-operative Housing Federation

13.15 Kerala State Co-operative Housing Federation is an apex body financing 207 primary co-operative housing societies affiliated to it. It has a share capital base of Rs.2793 lakhs as on 31-3-2003. The Federation helps low income, middle income and high income families for construction of houses through its primary societies spread through out the state. It mobilised Rs.6500.00 lakhs from the Financial Institutions during 2002-03 Rs.4000 lakhs from LIC and Rs. 2500 lakhs from NHB. It has disbursed an amount Rs.242.70 crores upto 30.9.2003. During 2002-03 the Federation disbursed Rs. 5715.13 lakhs as against Rs.7060 lakhs during 2001-02. During 2002-03 Federation assisted construction of 10826 houses and during 2003-04 up to 30.9.2003, it has assisted 4283 houses. It has targeted to assist 14234 houses during 2004-05.

13.16 During 2002-03, out of the total houses assisted 3702 (34%) were EWS and 3953 (36.5%) were LIG. Outstanding borrowings of the federation which was Rs.34818 lakhs as on 31.3.2002 increased to Rs.37628 lakhs as on 31.3.2003. Loan distributed and houses assisted are given in Appendix - 13.7.

Kerala Police Housing and Construction Corporation Ltd

13.17 The Kerala Police Housing and Construction Corporation was formed in 1990 with a view to constructing houses, quarters and office buildings for the police department. The Corporation has an authorised share capital of Rs. 10 crore. It has completed 723 quarters and 30 police stations under the Xth Finance Commission Award. Under XI th Finance Commission Award, Six police stations and four Rest Room works have been completed and about 124 works are in progress. Similarly certain modernisation works, work of Kerala Police Academy and Vigilance Head Quarters are in progress. The Corporation raised Institutional Finance from HUDCO and LIC to the tune of Rs.1239 lakhs during 2003 for various works. Institu-

Table – 13.6
Fund raised by Kerala Police Housing and Construction Corporation (Rs. lakhs)

SL. NO	Year	Hudco	Lic	Total
1	2	3	4	5
1	2001-02	817.88	110.00	927.88
2	2002-03	237.44	1001.68	1239.12

Source: Kerala Police Housing construction Corp.

tional Finance raised by the Corporation is shown in Table – 13.6.

HUDCO and Housing

13.18 HUDCO provides assistance for house construction to individuals and Institutions and also for construction works like road, bridges, Commercial Complex etc. HUDCO sanctioned Rs.5987.6 lakhs to institutions and individuals in Kerala during 2001-02 and Rs.45835.45 lakhs during 2002-03. During 2001-02, Rs.1617.00 lakhs was given to individuals. In 2002-03, there was an increase of Rs.40779 lakhs. Similarly the assistance given to Institutions also increased from Rs.3439.45 lakhs in 2002-03 to Rs.6932.16 lakhs in 2003-04. Details are given in Appendix-13.8. Amount sanctioned and released by HUDCO for Housing Finance Schemes are given in Table – 13.7.

Table- 13.7
Amount Sanctioned and released by HUDCO for Housing Finance Schemes Rs in lakhs

Year	Amount Sanctioned		Amount Released	
	Institutions	Individuals	Institutions	Individuals
2001-02	4370.60	1617.00	4370.63	1617.00
2002-03	3439.45	42396.00	3439.45	42396.00
2003-04	6932.16	561.00	6932.16	561.00

Housing Finance

13.19 In early 1990s, housing finance was available at interest rates ranging from 13 to 18 percent per annum and only a few Banks were providing housing finance. With more funds flow and flexibility to the institutional sector, emergence of more competitive financial institutions and liberal policies pursued by banks, housing finance has become cheaper and also available on easy terms. Institutions involved in housing finance are

mainly Nationalized Banks, HDFC, HUDCO, LIC, GIC, Canfin Homes, Co-operative Housing Federation etc. Interest rate for house loan now is as low as 7.75% (up to 5 years) depending upon the period of loan and amount of loan. The interest rates as on, October 2003 in the case of 21 institutions are given in Appendix 13.9. The availability of relatively low cost housing finance from banks etc and the over-all housing situation in the state, calls for a rethinking on the role of

institutions like the Housing Board. The government have already switched over to bank finance in the case of housing loans of government servants. It is only housing for the poor that needs to be addressed by government and its agencies. The Government of India have recently announced low interest loans/subsidy for housing of the rural poor and details of the scheme are awaited. The availability of funds under this new scheme has also to be taken into account.

