OFFICE ORDER

Subject: Setting up of Committee to explore, examine and recommend setting up of a dedicated Micro Finance Company with focus on micro-housing finance.

The Government constituted a High Level Task force under the Chairmanship of Shri Deepak Parekh, Chairman, Housing Development Finance Corporation Limited (HDFC) to give its recommendation for ‘Affordable Housing for All’. The Task Force while examining the issue of fiscal and financial framework for affordable housing has observed that there is a dearth of institutions that are systematically giving housing loan, especially to the poor in the informal sector. The Task Force has noted that this sector requires a different kind of financial framework to meet its credit needs; and has visualised the need for a housing finance company whose main focus will be on micro-housing loans. It has further recommended that at the same time, existing micro-finance institutions should be encouraged, supported and upscaled by effecting changes in the existing regulations that constraint their operations, the taking of deposits being one of them.

2. Government has considered the recommendation of the Task Force and it has been decided with the approval of the competent authority to set up a committee to develop and suggest measures to flesh out the recommendations of the Deepak Parekh Task Force in regard to strengthening the housing loan functions of micro-finance institutions and to establishing housing micro-finance institutions that meets the housing finance need of the poor in the information sector.
3. The composition of the Committee will be as under:-

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<tr>
<td>1.</td>
<td>Shri S. Sridhar, Chairman &amp; Managing Director, Central Bank of India and CMD, National Housing Bank (NHB)</td>
<td>Chairperson</td>
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<td>2.</td>
<td>Ms. Renana Jhabwala, Chairperson, Self Employed Women’s Association(SEWA) Bank &amp; Executive Trustee, Gujarat Mahila Housing Sewa Trust</td>
<td>Member</td>
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<td>3.</td>
<td>Ms Vijayalakshmi Das, Chief Executive, Friends of Women’s Worker Banking (FWWB), India</td>
<td>Member</td>
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<td>4.</td>
<td>Shri Ramesh Ramanathan, Founder, Janaagraha</td>
<td>Member</td>
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<td>5.</td>
<td>Shri Vijay Mahajan, Chairman, BASIX</td>
<td>Member</td>
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<td>6.</td>
<td>Ms. Anita Reddy, Association of Voluntary Action and Services (AVAS)</td>
<td>Member</td>
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<td>7.</td>
<td>Ms Renu Sood Karnad, Joint Managing Director, HDFC</td>
<td>Member</td>
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<td>8.</td>
<td>Principal Secretary (Housing), Govt. of Andhra Pradesh</td>
<td>Member</td>
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<td>9.</td>
<td>Principal Secretary (Housing), Govt. of Chattisgarh</td>
<td>Member</td>
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<td>10.</td>
<td>J S level officer from Department of Financial Services, Ministry of Finance</td>
<td>Member</td>
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<td>11.</td>
<td>Shri R.V.Verma, Executive Director, National Housing Bank (NHB)</td>
<td>Member</td>
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<td>12.</td>
<td>Chairman &amp; Managing Director, Housing &amp; Urban Development Corporation Ltd., (HUDCO)</td>
<td>Member</td>
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<td>13.</td>
<td>Joint Secretary (Housing), Ministry of Housing and Urban Poverty Alleviation</td>
<td>Member Convener</td>
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4. The Committee will examine :-

(i) the prevailing customer base, loaning practices and repayment behavior of informal sector customers of successful micro-finance institutions.

(ii) the existing rules and regulations governing the functioning of the micro-finance institutions, and suggest any changes that may be required to permit the micro-finance institutions to successfully provide housing loans to the poor in the informal sector;

(iii) the rationale for setting up a dedicated housing micro-finance institution and if convinced of the need, recommend the structure, size, target group, operations, initial funding requirements, supportive regulatory amendment, etc. of the proposed institution; and

(iv) any other matter that the Committee may consider necessary in the context of the above.

5. The Committee will submit its report within a period of three months from the date of order.
6. The admissibility of TA/DA in respect of official members for attending the meeting of the Committee shall be governed by the respective service rules applicable in their case and borne by the concerned Department / organization to which they belong.

7. The admissibility of Room rent, conveyance, TA/DA etc. in respect of non-official members for the meeting of Committee constituted as above, shall be as follows:-

(a) Reimbursement of rent in any State Guest House or for single room in medium range ITDC hotels like Lodhi Hotel, Qutub Hotel, Janpath Hotel, Ashok Yatri Niwas or State Government run Tourist hotels/hostels or residential accommodation provided by registered societies like India International Centre and India Habitat Centre to the outstation non-official members subject to provisions contained in Appendix 2 of FR&SR Part II.

(b) D.A. at the rate of 90% of ordinary rates of D.A. as admissible to the highest grade of civil servant for boarding purposes to the outstation non-official members subject to provisions contained in Appendix 2 of FR&SR Part II.

(c) Conveyance Allowance : Actual conveyance hire charges subject to a ceiling of Rs. 100/- per day in respect of both local and outstation non-official members.

(d) A sitting fee @ Rs. 2000/- per meeting will be paid to the outstation non-official members.

(e) Air Journey: The outstation non-official members can travel by Economy Class and to and fro airfare from their normal place of station to the place of meeting will be reimbursed.

8. A bill for the expenditure on this account shall be raised by Housing & Urban Development Corporation Limited (HUDCO) for reimbursement by the Ministry out of A&OE Head of Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) for the respective year. The Finance Division has given concurrence to the proposal vide their Dy. No. 2755-F dated 18.8.2009.

[Signature]

Under Secretary to the Government of India
Telefax: 23061285

To

1. Members of the Committee
2. Joint Secretary & FA, Ministry of Housing & Urban Poverty Alleviation
4. Chairman and Managing Director, National Housing Bank (NHB)
5. NIC for updating the website
1. Shri S. Sridhar, Chairman & Managing Director, Central Bank of India and Chairman & Managing Director, National Housing Bank (NHB),

Central Bank of India, Corporate Office, Chander Mukhi, Nariman Point
Mumbai – 400 021 Tel.: 022 – 6638 7777

National Housing Bank (NHB), India Habitat Centre, Lodi Road, New Delhi

2. Ms. Renana Jhabwala, Chairperson, Self Employed Women’s
Association(SEWA) Bank & Executive Trustee, Gujarat Mahila Housing Sewa
Trust, 401, 4th Floor, Akash Ganga Complex, Brahmashastri Cooperative
Society, Behind Gujarat Place, Ahmedabad, Gujarat

3. Ms Vijayalakshmi Das, Chief Executive, Friends of Women’s Worker
Banking (FWWB), Friends of Women’s World Banking, India 101, Sakar- I Building,
Opp. Gandhigram Station, Ashram Road, Ahmedabad -380009
Phone: 91-79-2658 0119, 2658 4199, 2658 4082, 2658 4002
Fax: 91-79-26580119

4. Shri Ramesh Ramanathan, Founder, National Technical Advisor and
Chairperson, Janagraha Centre for Citizenship and Democracy, 4th Floor, UNI
Building, Thimmaiah Road, Bangalore-560 052.

5. Shri Vijay Mahajan, Chairman, BASIX,

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6. Ms. Anita Reddy, Executive Trustee, Association of Voluntary Action and
Services (AVAS), 11, Wood Street, Ashoknagar, Bangalore-560025,Karnataka.

7. Ms.Renu Sood Karnad, Joint Managing Director, HDFC Ltd.

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TEL: +91 (11) 41115111 FAX: +91 (11) 26194617
8. Sri M. Samuel, IAS, Principal Secretary (Housing), Govt. of Andhra Pradesh, L-Block, Floor - 4, Room No-407, Secretariat, Hyderabad, Andhra Pradesh (Fax: 040-23450625)

9. Shri Vivek Dhand, Principal Secretary (Housing), Govt. of Chattisgarh, Room No. 312, BKF Bhawan, Mantralaya, Raipur. Tel: 0771-4080317 Fax: 0771-4080021

10. Additional Secretary, Dept. of Financial Services, Ministry of Finance, Jeevan Deep Building, Parliament Street, New Delhi (for nominating a JS level officer from Department of Financial Services, Ministry of Finance)

11. Shri R.V. Verma, Executive Director, National Housing Bank (NHB), India Habitat Centre, Lodi Road, New Delhi – 110 003

12. Chairman & Managing Director, Housing & Urban Development Corporation Ltd., (HUDCO), India Habitat Centre, Lodi Road, New Delhi – 110 003

13. Joint Secretary (Housing), Ministry of Housing and Urban Poverty Alleviation
Copy to:

1. PS to MHUPA
2. Sr. PPS to Secretary (HUPA)
3. PS to JS(H) / Director (H)

(Yash Paul)
Under Secretary to the Government of India
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