

### 8.1. Housing & Urban Development Corporation (HUDCO) Limited

Housing and Urban Development Corporation Ltd. (HUDCO) was incorporated as a fully owned Government Company under the Companies Act, 1956 with the main objective of financing Housing and Urban development projects in the country. In order to achieve this objective, HUDCO finances a variety of housing and urban development projects formulated by the State Housing Boards, Development Authorities, Improvement Trusts, Co-operative Housing Societies etc. Over the years HUDCO has emerged as the leading public financial institution with the major objective of financing and encouraging housing and urban development activity in the country and has developed sound capabilities of project preparation, appraisal, financial planning and monitoring.

For the purposes of the Performance Budget Report, the operations/performance of the organisation and the performance description have been categorised under three broad heads:-

- (i) Performance during the year 2000-01
- (ii) Performance during the Current Year 2001-02 (upto November 2001)
- (iii) Future Plans/Outlook

### 8.2 Performance during the Year 2000-01 Operational Highlights

The dawn of the new millennium witnessed another year of momentous operational growth in the edifice of HUDCO be it in respect of its performance, expansion of equity base, streamlining of operations or fostering strategic collaborations. HUDCO surpassed the allocated MoU targets, both in housing and urban infrastructure development and *scaled*

new heights of operational performance. During the year 2000-01, HUDCO sanctions touched Rs. 7912.73 crores, over 19.90% above the target of Rs. 6600 crores. The assistance has been instrumental in supporting construction of over 31 lakh dwelling units and over 4 lakh sanitation units, and taking up 78 urban infrastructure projects throughout the country. The loan released during 2000-01 amounted to Rs. 4829.32 crores, surpassing the MoU target of Rs. 4200 crores by 15% in 2000-01.

Cumulatively till 31st March 2001, HUDCO has sanctioned a total of 14751 schemes involving a total project cost of Rs. 55354 crores with HUDCO's loan component of Rs. 36837 crores. HUDCO's assistance has helped in the construction of 126.40 lakh residential units, over 46.66 lakh sanitation units and in the implementation of 1840 urban infrastructure schemes effectively improving the living conditions in the urban and rural areas, in 1760 towns and thousands of villages.

HUDCO has contributed significantly towards national development in the following operational areas:-

- House (including the 2-million Housing program)
- Profitability with Social Justice: Emphasis on EWS & LIG
- Disaster Relief
- Housing through NGO/CBO initiatives
- Rental Housing initiatives
- Special initiatives in the North-Eastern region
- Initiatives in Rural Housing
- Establishment of Model Villages/ Model Improved Slums

- . Urban Infrastructure Development, including:-
- . Water Supply, Sewerage/Drainage schemes
- . Waste management efforts
- . Commercial Schemes, Energy Efficient Projects
- . Area Development Projects
- . Transport Sector, Social Infrastructure
- . Innovative efforts in Urban Infrastructure Sector (Project Initiation Fund)

### 8.3 Financial Highlights

Like previous years, HUDCO has continued its tradition of being a profit-making organization with social focus and 2000-01 has been another yet another year of impressive financial results. The profit (after prior period adjustment but before non-recognising income in respect of loans which had become NPA) was Rs. 316.36 crores as against Rs. 3 11 crores for the previous year. After providing for income tax/wealth tax, Rs. 106.93 crores was available for appropriation. Out of the above, Rs. 20.87 crores was paid as dividend to the Government

of India and Rs. 2.13 crores was paid as dividend tax. The rest was transferred to the various reserves. The Total reserves of HUDCO at the end of 2000-01 stood at Rs. **762.65** crores.

### 8.4 Awards

HUDCO once again bagged the Gold Medal for the 5th year in a row at the India International Trade Fair-2000, for its pavilion, the HUDCO Build-Tech-projecting the availability of innovative and appropriate technologies and alternative building materials for housing, building and habitat development.

### 8.5 Performance during the Current Year 2001-02 (Upto November 2001)

#### Performance Targets for the year 2001-02

The performance in any year is aimed at achieving/exceeding the targets as laid down in the Memorandum of Understanding signed between HIJDCO and the Ministry of Urban Development & poverty Alleviation. The targets laid down in the MoU form the basis of the overall operations that the organisation undertakes during the year. The targets and achievements for 2000-01 and for 200 1-02 are indicated below:-

S.NO.	Performance Criteria	Target (2000-01)	Achievement (2000-01)	Target (2001-02)	Achievement (2001-02)*
1	Resource Mobilisation	4000	5291	4350	1399
2	Loan Sanctions				
	(a) Housing**	3600	3871	3900	130
	(b) Urban Infrastructure	3000	4042	3250	621
3	Loan release				
	(a) Housing	2700	2842	3000	558
	(b) Urban Infrastructure	1500	1987	1650	856
4	2 Million Housing Prog -Units sanction - -				
	(a) Urban	4 lakhs	4.70 lakhs	4 lakhs	
	(b) Rural	6 lakhs	7.32 lakhs	6 lakhs	0.48
5	Evaluation by DPE				
*For the year 2001-02 (upto November 2001)			Very Good		
● * Includes Hudco Niwas					

## 8.6. PHYSICAL PROGRESS

### Dwellings Sanctioned During the Years 2000-01 and 2001-02

The table below indicates the category-wise break-up of dwelling units sanctioned by HUDCO during the years 2000-01 and

2001-02 (upto November 2001). Over 96% of the dwellings sanctioned by HUDCO during the year 2000-01 and over 98% of the dwelling units sanctioned during 2001-02 (upto November 2001) are meant for families belonging to EWS & LIG categories (including upgradation), with monthly income not exceeding Rs. 5500/-.

S.No.	Category	2000-01		2001-02 (upto Nov. '2001)	
		No. of Units	Percentage	No. of Units	Percentage
1	EWS (R)	620503	20.03	67000	26.85
2	EWS (U)	137423	4.43	160054	64.15
3	LIG	5659	0.18	20	0.01
4	MIG	6713	0.22	280	0.11
5	HIG/Rental	17663	0.57	300	0.12
6	Upgradation	2228950	71.96	18525	7.42
7	Hudco Niwas	80740	2.61	3349	1.34
<b>TOTAL</b>		<b>3097651</b>	<b>100.00</b>	<b>249528</b>	<b>100.00</b>

8.7. The summarization of performance for the current year has been made on the basis of activities/projects undertaken in the various areas such as Housing, Rural Housing, Retail Housing (Hudco Niwas), Urban Infrastructure, Training & Research Consultancy, Design & Development, Community Development, Human Resource Development, Resource Mobilisation, etc. which are given below:-

#### (A) HOUSING

HUDCO's housing operations have a major social orientation with HUDCO having a clear-cut mandate to provide financial support for affordable shelter to the EWS/LIG categories. 55% of HUDCO's loans are earmarked for EWS & LIG categories, out of which minimum 15% of total loans are earmarked for rural areas. This has helped in over 95% of the houses sanctioned by HUDCO benefiting the EWS & LIG groups. The other significant provisions that help the poor in gaining access to shelter include:

- Lower interest rates for EWS & LIG categories.

- Lower the unit cost, higher is HUDCO's loan component.

- Longer repayment period for EWS & LIG categories.

#### Night Shelter Schemes

During 1990-91, for the rehabilitation of footpath dwellers in the cities with over one million population, construction of night shelters was taken up with Central assistance and with suitable contribution by the Municipal bodies/States and loan assistance from HUDCO. The scheme provides night shelter facilities in exclusive lots to single men, women and children living on pavements, depending on the characteristic needs of an urban centre. HUDCO has so far (upto 30.11.2001) sanctioned 110 schemes with project cost of Rs. 133.20 crores of which HUDCO's loan component is Rs. 40.91 crores. Completion of these schemes will lead to creation of 18115 beds, 25965 WC'S, 2086 baths and 1833 urinals for the benefit of footpath dwellers.

Of the above, 4 schemes with a total project cost of Rs. 1.10 crores with Government of

India, subsidy of Rs. 0.58 crores have been sanctioned during the current financial year 2001-02 (upto 30.11.2001). On completion, these schemes would lead to creation of 271 WC seats, 128 baths and 9 urinals for the benefit of footpath dwellers.

### **8.8. Schemes for Land Acquisition and Development of new Human settlements**

Under these schemes, HUDCO's loan assistance is available for acquisition as well as for development of land. The scheme will help the housing agencies to orient their activities as "promoters" of houses. It is envisaged that after land development stage, the public agencies may act as a catalyst and accelerate total development of the new human settlements and may undertake construction of only EWS/LIG housing. The rest of the developed land could be made available to cooperative sector, private builders, individuals etc., and some part could be reserved for shelterless service population where schemes could be implemented with the association of NGOs and State Slum Improvement Boards. For the year 2001-02, a loan sanction target of Rs. 275 crores was fixed for Land Acquisition schemes against which a total loan sanction of Rs. 82. 10 crores as been achieved upto November 2001.

### **8.9. HUDCO's contribution to Government's additional Z-Million Housing Programme**

As a part of the National Agenda, the Government has accorded priority to 'Housing for All' and it was proposed to take up construction of 2 Million houses out of which 13 lacs would be in rural areas and 7 lacs in urban areas. HUDCO has been entrusted with a task of funding one million houses every year, out of which 6 lakh houses are to be funded in rural areas and 4 lacs in urban areas.

HUDCO's contribution to the 2 million housing programme has been significant as

during the year 2000-01, HUDCO sanctioned a loan assistance of Rs. 578.87 crores for construction of 4.70 lacs units against its target of 4 lacs units in urban category. In the rural category, HUDCO has sanctioned 7.32 lakh units with a loan assistance of Rs. 643.32 crores. During the current financial year i.e. 2001-2002, so far HUDCO has sanctioned a loan amount of Rs. 47.94 crores for construction of 47938 units (as on 30. 11 .2001) in urban & rural areas. Cumulatively, HUDCO has sanctioned a total loan amount of Rs. 3550.76 crores for construction of 2834830 units under 532 schemes in 14 States and Union Territories.

### **8.10. Initiatives in Rural Housing**

HUDCO started its rural housing activity from 1977-78 by extending loan assistance on affordable terms for construction of rural houses, Every year HUDCO earmarks 15% of its funds for housing sector exclusively for financing EWS houses in the rural areas. Over the past 24 years. HUDCO through its rural housing operations has been able to contribute to the construction of around 77.84 lacs rural houses in various states of the country.

In addition to its normal rural housing operations, HUDCO has also been entrusted with the task of funding one million houses every year under the 2 million housing programme of Government of India launched during 1998. Under this programme, a target of financing 6 lacs rural dwelling units has been assigned to HUDCO. Till now on cumulative basis, around 17.40 lakhs rural dwelling unit have been sanctioned under the programme.

Out of normal housing scheme allocation of Rs. 1750 crores for the year 2000-01 a tentative allocation of Rs. 262.50 crores (15%) was made under EWS Rural housing category. Under 2MHP, for its rural component, a target of 6 dwelling units was fixed with tentative loan assistance of Rs. 600 crores. Thus, overall a target of Rs. 862.50 crores was fixed for

financing rural housing schemes during the current year. Against the allocated target, a total of 70 rural housing schemes, envisaging construction of 23,75,817 dwelling units with HUDCO's loan assistance of Rs. 1080.72 crores were sanctioned during the year 2000-01 Rs. 437.39 crores for normal housing and Rs. 643.32 crores for 2 million housing program.

#### **(a) Current year's Loan Sanction Achievements**

So far during the current years, a total of 4 rural housing schemes in the state of Karnataka, envisaging construction of 67,000 dwelling units with HUDCO's loan assistance of Rs. 67 crores have been sanctioned under normal as well as 2 million housing programme, against the allocated target of Rs. 772.50 crores.

#### **(b) Cumulative Loan Sanction Achievement**

On cumulative basis, a loan amount of Rs. 2889.79 crores has been sanctioned for the construction of 6044186 rural dwelling units under normal housing programme and a loan amount of Rs. 1769.82 crores has been sanctioned envisaging the construction of 1739443 rural dwelling units under 2 million housing programme. Thus, overall a loan amount of Rs. 4659.59 crores has been sanctioned till date in various states across the country anticipating the construction of 7783629 rural dwelling units.

#### **(C) Retail Housing-Hudco Niwas**

HUDCO Niwas scheme since its inception in March 1999 has received an overwhelming response from over 2.63 lakh applicants on account of its competitive terms, value added services and user friendly options, HUDCO Niwas in its successive two years of operations has achieved commendable results with sanctions touching a record Rs. 2328.14 crores and disbursement crossing Rs. 1469.82 crores,

thereby emerging as the fastest growing retail financing scheme. During the year 2000-01 alone, an amount of Rs. 1068.31 crores was sanctioned for 80,704 applicants. During the year 2001-02 (upto November 2001), a total of Rs. 87.56 crores has been sanctioned to more than 3287 beneficiaries through HUDCO Niwas and Rs. 291.24 crores has been released to the applicants so far during the year.

#### **(D) Urban infrastructure financing**

India's successive Five Year Plans have emphasized the need for multi-pronged efforts in order to check the deterioration of conditions in our cities and towns and the need to devise special arrangements to assist in the orderly and timely investments in urban infrastructure. The existing arrangements are clearly inadequate to deal with the growing deficit in urban services, both in terms of maintaining services and extending them to un-served areas. The acceleration in the rate of urbanisation has heightened attention both to the inadequacy in existing infrastructure in terms of water supply, sewerage, sanitation, solid waste management, conservancy treatment effluent, roads etc. and the poor access to these services of a large population at low income levels. Since the level of urbanisation will continue to grow, the financial requirements of urban development will also continue to increase. If we seek to promote efficient and equitable urban growth, ways and means have to be found to provide incentives as well as control mechanisms for local authorities to conserve resources while making the necessary investments in urban infrastructure and services. This necessarily implies a systematic financial structure which increases the access of local authorities and functional agencies to capital funds along with an assumption of much greater financial responsibility to make the former possible, while improving the access of the urban poor to basic services like water supply and sanitation in an integrated spatial framework.

Institutional finance for urban infrastructure is a new concept in India. The growth of urban settlements during the past years has put tremendous pressure on urban services like water supply, sanitation, drainage, solid waste disposal, transportation etc. In order to supplement the efforts for urban development including improvement of services, the Govt. of India decided to entrust the task of urban infrastructure financing to HUDCO, which already had necessary expertise to appraise such projects as well.

As the market leader in urban infrastructure financing, HUDCO continued extending finance for a variety of projects. During the last financial year i.e. 2000-01, a total of 78 UI projects were sanctioned with a total project cost of Rs. 6349.68 crores and a HUDCO loan component of Rs. 4039.45 crores. Further, for supporting the infrastructure projects, an amount of Rs. 1986.88 crores has been released. The projects sanctioned include 16 water supply schemes, 11 sewerage/drainage/solid waste management schemes, 5 commercial schemes, 6 area development schemes, 16 transport schemes and 24 social infrastructure schemes. During the current financial year (upto 30.11.2000), HUDCO has sanctioned 39 UI schemes, having a loan amount of Rs. 2089 crores and Rs. 1111.11 crores has been released to the borrowing agencies. Cumulatively, 833 UI projects having HUDCO loan component of Rs. 16,292.86 crores have been sanctioned by HUDCO, out of which Rs. 8833.02 crores have been released to the borrowing agencies.

In addition to providing long term finance for projects such as water supply, sewerage/solid waste management, transportation, commercial projects, social infrastructure, etc. under the infrastructure portfolio, HUDCO is also involved in the following activities for the development of urban infrastructure:-

- (i) Providing consultancy services for formulation of solid waste management projects;
- (ii) Providing project development initiation fund;
- (iii) Involved in Central Government sponsored Integrated Low Cost Sanitation (ILCS) scheme by providing financial assistance and routing G01 subsidy to various State Government agencies.

### **8.11. Integrated Programme for Low Cost Sanitation and Scavenger Rehabilitation Schemes**

In a concerted effort to eliminate the inhuman practice of manual scavenging still prevalent in the country, the Govt. had prepared an action plan for implementing the programme for conversion of dry latrines to water-seal pour flush latrines. construction of new water-seal pour flush latrines where none exist and simultaneous rehabilitation of the scavengers thus liberated, all over the country on a 'whole town' basis.

The centrally sponsored program of ILCS is being implemented through HUDCO from 1989-90. The subsidy available from the Ministry of Welfare for the purpose is transferred to HUDCO, which sanctions the amount together with its own loan component, to various nodal agencies and local bodies implementing the schemes of low-cost sanitation in different states of the country. 30th November 2001, a cumulative loan amounting to Rs. 575.22 crores has been sanctioned for this programme.

### **8.12. Programme-Wise Performance (cumulative as on 30.11.2001)**

The sector-wise information on schemes sanctioned by HUDCO so far is given below:-

(Rs. in crores)

Programme	No. of Schemes	Loan Sanctioned
I. Water Supply	325	5109.19
2. sewerage	54	601.68
3. Drainage	11	847.41
4. Solid Waste Management	19	216.60
5. Transport Nagar/Terminals	25	682.32
6. Commercial	69	705.08
7. Social Infrastructure	91	1460.64
8. Roads/Bridges	92	3698.31
9. IDSMT schemes	22	34.72
10. Area Development	107	1915.86
11 Airports/Ports	8	378.07
12. Miscellaneous	4	642.98
<b>Total</b>	<b>833</b>	<b>16292.86</b>

### 8.13 Resource Composition

During the years, HUDCO has been able to achieve a significant success in its resource mobilisation efforts. Mobilisation of an all time high of Rs. 5291.01 crores was achieved during 2000-01 as against Rs. 3839.06 crores raised in 1999-2000, registering a growth of about 38%. This mobilisation has been through a basket of options covering both domestic and international sources.

During the current financial year 2001-02 (upto 30.11.2001), resources amounting to Rs. 1537.60 crores (including Govt.'s support through equity) have been mobilised against the MoU target of Rs. 4350 crores. The details of resources mobilised during 2000-01 and 2001-02 are as follows:-

(Rs. in crores)			
S.No.	Sources of Funds	2000-01	2001-02*
I	Equity Support from Govt.		
	1. MoUD (Housing)	155.00	47.00
	2. MoUD (Urban Dev)	25.00	25.00
	3. Min. of Rural Development	100.00	
II	Bonds & Borrowings		
	1. Banks/Institutions	3577.50	432.47
	2. Public Sector Bonds	899.39	787.51
	3. Public Deposits	201.33	232.01
III	International Borrowings	308.53	
IV	Grants	24.26	13.42
	<b>TOTAL</b>	<b>5291.01</b>	<b>1537.41</b>

\*Fund released during the period 1.4.2001-30.11.2001

8.14. Government Support through Equity:- HUDCO was established with an equity base of Rs. 2 crores in 1970-71. Over the years, the HUDCO's equity base has been expanded by the Government and the present authorised capital base of HUDCO is Rs. 1250 crores, which is under consideration with the Government of India for increase to Rs. 2500 crores. Against the above-mentioned authorised capital, Rs. 1178

crores had already been subscribed by the Government towards equity as on 31.03.2001 out of which Rs. 782 crores equity has been subscribed in the last 3 years only (1998-99 to 2000-01) as compared to Rs. 396 crores equity in the last 28 years (upto 31st March 1998). During the current year, Rs. 230 crores has been allocated by the Government towards HUDCO's equity, out of which

Rs. 72 crores has been received upto 30.11.2001.

### **8.15. Community Development**

A. HUDCO has a mandate of providing 55% of its annual housing budget to the EWS & LIG category clientele. As a government institution HUDCO's objective is to effectively reach out to the poor and evolve affordable dwellings. Since most of the poor are from the unorganised/informal sector, HUDCO opened a special channel for extending loans to the rural and urban poor through NGOs. Under this scheme, HUDCO has been providing loan assistance for house construction/up-gradation to economically weaker sections (EWS) and low-income groups (LIG) categories, both from the urban and rural areas. The implementation of such schemes is through NGOs with a proven track record of having worked successfully with the development needs of the informal sector/unorganised sector clientele particularly those specializing in the micro credit activity. During 2000-01, HUDCO continued to extend significant support to the NGO/CBO initiatives in housing delivery and sanctioned 11 schemes for construction of 4235 housing units with a total HUDCO assistance of Rs. 12.31 crores.

In the current financial year (2001-02), HUDCO has sanctioned EWS housing schemes for construction of 54 units at a cost of Rs. 22.66 lakhs with a HUDCO loan component of Rs.11 lakhs in Bangalore by Ambedkar Sewa Sangha & Indira Welfare Association. The significant projects proposed to be undertaken during the current year include housing scheme for Beedi Workers at Village Kumbahari in district Solapur in

Maharashtra. The housing scheme envisages construction of 705 units at a cost of Rs. 407.14 lakhs with HUDCO loan component of Rs. 176.24 lakhs.

#### **B. Research projects being coordinated:**

1. ADB-TA- Strengthening Micro Finance Institutions for Urban Infrastructure Finance: This TA focuses on Integrating MFIs in Urban and Environmental Infrastructure Development, initiating capacity building programmes for MFIs for Urban Infrastructure Financing, initiate Pilot Projects by assisting selected MFIs in identifying, selecting, financing, and monitoring sample urban infrastructure projects. This TA is presently under implementation.

2. ADB TA on Reducing Poverty in Urban India: The TA aims to assess the impact of current urban poverty reduction strategies programs at the central and state level. It will help formulate a national urban poverty reduction development framework, and will outline capacity building and investment areas for consideration by external agencies, providing for synergies of different development efforts by the Government, communities, private sector and external assistance agencies. This TA is under consideration.

3. HUDCO-USAID grant-in-aid to GMHST- Implementation of Integrated Slum Improvement Project: The objective is to refine and implement a new community development based partnership approach in infrastructure investment planning. Infrastructure provision on financial and social sustainability basis. The project aims to establish adequate Social, Financial, Physical and Information Infrastructure. The project is under implementation.

#### **8.16. Training, Research & Consultancy- Human Settlements Management Institute**

The Human Settlement Management Institute (HSMI) was founded in 1985 by the Housing



and Urban Development Corporation Ltd. (HUDCO) to promote applied research and provide training support for professionals involved in the planning and development of human settlements. HSMI is also a Research and Training Wing of HUDCO and its activities are supported by a core group of qualified and experienced professionals from various disciplines.

At HSMI, the emphasis is on participatory learning and sharing of experience, which is amply reflected in the output generated in the course of its training and research programmes.

- . In-house research
  - Contract research under the IHSP Research Cycle;
  - HUDCO supported Documentation Studies; and
- . HUDCO supported policy and market research

The in-house research programme is carried out in areas relevant to the policy base of HUDCO's operations and to serve as educational material for HSMI/IHSP workshops.

### 8.17. Training

The information in respect of training programs conducted/planned is given below:-

Sl. No.	No. of Programs	Year
1.	2001-2002 (upto November, 2001)	60
2.	2001-2002 (December, 2001-March 2002)	30

- . Provisional Figures including training programs conducted outside Delhi and at Decentralised Training Centers under HUDCO Chair.

### 8.18. Research and Consultancy

Under research, consultancy and documentation efforts, HUDCO (through HSMI) is handling the following major projects:-

- . Preparation of national Report for Istanbul+5 on behalf of the Ministry of Urban Development & P.A.
- . Study on Urban Indicators Program as signed to HSMI by Ministry of Urban Development & P.A., Government of India, to develop city level indicators for identified cities under the categories of shelter, social development and eradication of poverty, environmental management, economic development and governance.
- . Research study on Evaluation of Social Housing Schemes was undertaken by the Institute. The study was sponsored by the Ministry of Urban Development & P.A., Government of India.
- . An MoU has been signed between HUDCO and Technology Information Forecasting and Assessment Council (TIFAC) for the implementation of project entitled the Mission for Application of Technology to Urban Renewal and Engineering (MATURE). The prime objective of the Mission is to employ community based interventions as a means of catalyzing the urban renewal in selected locations. The identification of the town under the Mission is underway. This project is the result of a new initiative by the Department of Science and Technology, Government of India, with the financial assistance from UNDP.

. Study on assessment of Training Supply & Demand with reference to cost effective environment and energy friendly building technologies. This study is sponsored by Swiss Center for Development Cooperation in Technology and Management (SKAT) with funds from the Swiss Development Cooperation.

. DFID funded project on Community Asset Management in collaboration with Westminster University, UK, with the objective of working out a system for community based public asset management and to disseminate cost effective construction technology.

### 8.19. Other Activities

In addition to the above projects being undertaken, the Institute brings out a quarterly professional journal 'Shelter', 'HSMI News' and other research publications. A special issue of the 'Shelter' was brought on World Habitat Day on the theme of Cities without Slums. The Institute also brought out special publications of "State of India Cities 2001" and "Best Practices for Good Urban Governance".

The Institute also lends desired support to the Ministry in its endeavors in the sector and was entrusted with organising the India Launch of Good Urban Governance Campaign on behalf of the Ministry.

### 8.20. Publication-Journals and News Letters

HUDCO brings out number of publications, which provided detailed information on various issues relating to rural & urban housing, urban development, land development and rehabilitation, for the purpose of information sharing & dissemination to its employees, agencies and the public at large. In addition to the above,

various in-house journals and newsletters are also published on HUDCO's activities.

The various publications/newsletters brought out by HUDCO are:-

- Action Plan Manual as per Gol guidelines of May 1995)
  - . Nirman Bharati
  - . HUDCO Build-Tech
  - . Indian Building Centre Movement
  - . HUDCO in figures
  - . Awas Bharati
  - . Urban Infrastructure Financing
  - . Interface
  - . Vikas Bharati
  - . HUDCO Niwas Patrika
  - . HUDCO Corporate Profile
  - . HUDCO Vittiya Vaarata
  - . Jaagriti
  - . HUDCO economist
  - . Shelter
  - . HSMI News

### 8.21. Future Outlook

HUDCO, since its inception in 1970, has made steady and significant strides in the field of housing and urban infrastructure financing, to emerge as the pioneer and the trend setter. Catering to the needs of every section of the population, with a basket of delivery options both in housing and urban infrastructure development, HUDCO aims to achieve sustainable growth in these sectors. Having emerged as the market leader in its operational area, HUDCO aims at consolidating its position and enhancing the performance by laying emphasis on its core competencies and exploring diversified avenues of service delivery.

The effective span of HUDCO's omnipresent techno-financial umbrella could be gauged by the fact that on an average, one in every 16 houses in the country has invariably availed HUDCO's assistance. This has earned the institution the rare distinction of being in the array of the largest facilitators of housing across the globe. In a bid to widen its coverage, HUDCO has fanned out and spread its wings far and wide, touching the daily lives of the people in every alternate town and city in India besides thousands of villages.

"Shelter for all" has been identified as a priority area in National Agenda for Governance. Despite the die-hard efforts since independence, the nation has been unable to cope up with the ever-growing need of shelter to every citizen in India. As per estimates, India's population has crossed the one billion mark on 11th May 2000 and by the year 2021, the population will exceed 1.35 billion. These precarious situations will not only lead to the shortage of decent shelter but also food grains, water, power, proper infrastructure, etc. To house 1000 million population, India needs at least 200 million houses. According to figures available, at present we have nearly 167 million houses. Hence, there exists a yawning gap to be bridged.

HUDCO emerges as the only organisation of its kind to deal with the growing demand of shelter and infrastructure development in the human settlements and make available its techno-financial assistance to benefit the vast multitude of the city & village population. HUDCO is now geared to support nearly 1.5 million houses per year both in urban and rural areas. HUDCO as the market leader in the housing and city infrastructure sector, will continue to build foundations for a stronger India by developing sustainable shelter and services for human settlements in harmony with nature.

## **8.22 Major Government Programs (to be implemented through HUDCO):-**

- (i) Valmiki ,Ambedkar Awas Yojana (VAMBAY)-VAMBAY is a new Centrally sponsored scheme shared on a 50:50 basis with States which envisages an annual subsidy of Rs. 1000 crores from the Ministry of Urban Development & Poverty Alleviation to be matched by an equal amount of long term loan from HUDCO to be availed against usual State Government guarantee. The programme was announced by the Hon'ble Prime Minister in this year's Independence Day speech. The State Government has been given the option to obtain resources from any other source (i.e. other than HUDCO) e.g. budgetary support, own resources of local bodies, loans from other agencies, etc. A Sanctioning Committee in the Department of Urban Employment & Poverty Alleviation will scrutinize and sanction the projects received from each State Government; the subsidy, however, will be released only after the State Government/Local body has contributed its own share of 50%. Both the subsidy and the loan (when required) will be released by HUDCO.
- (ii) Nirmal Bharat Abhiyan-The Ministry of Urban Development & Poverty Alleviation has taken a major initiative to provide 100% sanitation in all six mega-cities, 29 metro-cities and other capital cities of States/UTs. This will have significant thrust towards providing sanitation in all slum areas which would be maintained by the community with appropriate 'pay use charges' from the families. The scheme provides for a grant component of 50% of Government of India

and 50% loan assistance from HUDCO. It is proposed to complete the project for 100% coverage for sanitation for all in a phased manner during the 10th plan period. In the 1st year, it is proposed to take up 1 lakh sanitation units and the additional units would be taken up in subsequent years.

### 8.23. Hindustan Prefab Limited

Hindustan Prefab Limited is a Government of India Enterprise functioning under the administrative control of Ministry of Urban Affairs & Employment since 1955. After creation of new Ministry of Urban Employment & Poverty Alleviation, this PSU has come under the administrative control of this Ministry. The Company has its registered office and Factory at Jangpura, New Delhi- 1100 14.

### 8.24. Operational Areas

- a) Construction works at various sites all over India.
- b) The following items are manufactured at Jangpura factory:-
  - i) Prestressed Cement concrete Rly. Sleepers.
  - ii) Rly. Bridge slabs/ballast retainers.
  - iii) Prestressed cement concrete electric poles. Light weight autoclaved cellular concrete blocks for insulation and partition walls etc.

### 8.25. Construction Works all over India

At present, the company is executing the following major construction works:

(Rs. in lakh)

- i) Construction of Building for Employees Provident Fund Organisation at:
  - a) Janakpuri, New Delhi 624.00

b) Faridabad, Haryana 400.00

- ii) Construction of staff quarters for RBI at SALBONI; Distt. Midnapore in West Bengal 2349.00
- iii) Construction of staff quarters for SBI at Durgapur, West Bengal 641.75
- iv) Construction of Office Building for Gujrat Mineral Development Corporation at Ujaj & Ahmedabad, Gujarat 861 .00
- v) Prefab Bridges for Northern Rly in Delhi-Ambala Sector 348.00
- vi) Construction of Regional Office Building at Wazirpur: Delhi for EPF.

### 8.26. Capital:

The Company's authorized capital is Rs. 10.00 crore and the paid up capital is Rs. 6.97 crores.

The loan liability to the Government is Rs. 11.13 crore excluding interest of Rs. 31 .05 crore thereon as on 31.12.2001.

### 8.27. Performance:

During the year, the company has achieved production and turnover of Rs. 13.87 crore and Rs. 10.00 crore respectively upto 31.12.2001.

### Achievement during 1999-2000

(Rs. in crore)		
Turnover		
	Actual 1999-2000	Actual 2000-2001
a) Factory turnover	8.15	4.90
b) Construction	7.51	5.74
<b>Total</b>	<b>16.32</b>	<b>10.64</b>

**8.28. Order Book Position**

As on 1st December 2001 order worth Rs. 23.00 cr. were in hand.

8.29. The Disinvestment commission has recommended disinvestment of Government

equity in HPL to the extent of 74% of Government share holding. The matter has since been considered in this Ministry and it has been decided to recommend the case for disinvestment to the competent authority.