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## **Indiramma Home Schemes for LIG, MIG & Weaker Section: A study approach to Telangana & AP**

**Dr. Kastoori Srinivas**

Associate Professor of Commerce & Project Director,  
Vivek Vardhini Degree College,  
Jambagh, Koti, Hyderabad – 95  
drsrikas@gmail.com

**Dr. Meenakshi N.**

Assistant Professor of Commerce  
Vivek Vardhini Degree College,  
Jambagh, Koti, Hyderabad – 95  
meenakshisawrikar@gmail.com

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### **Abstract**

*Owning a House is one of the essential needs of mankind, along with food, clothing and education. The Housing Finance Companies (HFCs) as they are called today have stepped up their lending over the years contributing to the growth of the Housing Sector. The speedy development in housing and various housing activities has led to the growth of the Indian Housing Finance market. In this context, the present study is undertaken to analyze the phases of the Indian Housing Finance; present the schemes offered by the various categories of Housing Finance Institutions and to make a Region-wise and District-wise analysis of the Housing Finance provided by the various categories of the Institutions of Andhra Pradesh. The Study is based on Secondary Data. The analysis of the schemes offered by the various State Government institutions financing housing in Andhra Pradesh is made Scheme-wise, District-wise and Region-wise. The data are analyzed with the help of percentages and ranks. HUDCO sanctions various schemes for housing and infrastructure activities in the States. A major portion of the total project cost is sanctioned as loan by HUDCO depending upon the progress of work. Housing Finance Companies are providing assistance for Housing Finance along with the other financial services like, Leasing and Credit, Financial Consultancy, Auto Finance, Car Finance, Personal Loans, Mortgage Loans and Insurance. Telangana State Government is offering various schemes for Lower Income Group, Middle Income Group and Weaker Section of the society through various State Government Housing Corporations.*

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### **Introduction**

Owning a House is one of the essential needs of mankind, along with food, clothing and education. Housing acts as an important component for measuring socio-economic status of the people. The relevance of housing as social need has been long recognized; and this has influenced the innovations and inventions made by the mankind.

The importance of the Housing Sector can be judged from the fact that people consider house as the best investment and wants to invest their earnings in a house. The need for finance to purchase a house brought out specialized Housing Finance Institutions. The Housing Finance Companies (HFCs) as they are called today have stepped up their lending over the years contributing to the growth of the Housing Sector.

Housing Finance is a new concept in India compared to the other financial services that are

available in the country. However, the speedy development in housing and various housing activities has understandably led to the growth of the Indian Housing Finance market. As a result, a number of players have barged into the market.

In this context, the present study is undertaken in order to present the various phases of Indian Housing Finance and the schemes offered by The Housing Finance Institutions in Andhra Pradesh.

### **Review of Literature**

1. Lee Boshier (2011) in his article “Household and Government Perception of Risk: Implications for the Appropriateness of Housing Provision in South India” highlights limited risk management strategies due to inadequate availability of insurance cover in the villages while ultimately illustrating the pitfalls of ill conceived and overly technocratic approaches to housing development.
2. Manoj P.K. (2010) in his article “Benchmarking Housing Finance Companies in India: strategies for enhanced operational efficiency and competitiveness” seeks to (i) make an overall review of the emergence of the institutional system for housing finance in India and to trace the broad pattern of its composition over the years, (ii) study the major problems and challenges faced by HFCs, particularly in comparison with CBs, the other major group, (iii) analyze the operational efficiency of the major HFCs and to benchmark them based on their relative operational efficiency, and (iv) suggest suitable strategies for enhanced operational efficiency of HFC’s in India.
3. Rao K.N. (2006) in his article “Housing Finance- A Global Perspective” mentioned that home loans have been registering exponential growth in India during the last six years. Easy liquidity conditions, low interest rates, availability of tax shelters on repayment of principal and interest surging demand from middle income group borrowers, lower regulatory capital, the comfort of tangible security have all collectivity contributed to the spurt in home loans.
4. Brar, Jasmindeep Kaur and Paricha.S (2005) in their article “Performance of Housing Finance Companies” study the operational performance, and the financial performance of the selected institutions.
5. Praveen Gupta (2005) in his article “Housing Finance Companies- An insight into regulatory aspects” highlights some key regulatory aspects pertaining to Housing Finance Companies in the light of various directives and guidelines issued by the National Housing Bank, their regulatory authority in India.
6. M.Mahadeva (2004) in his article “Housing Problem and Public Action: Contained Incompatibility experience from a South Indian State” analyzed the nature and distribution of the housing problem in Karnataka and examined how the state has addressed this issue.

The review of literature points to the fact that though many studies have been made on Housing Finance, there is a gap with regard to an in-depth study of Scheme-wise, District-wise and Region-wise Housing Finance in Andhra Pradesh and hence the study to fill the research gap.

### **Objectives of the Study**

The Objectives of the Study are to

- Analyze the phases of the Indian Housing Finance
- Present the schemes offered by the various categories of Housing Finance Institutions

- Make a Region-wise and District-wise analysis of the Housing Finance provided by the various categories of the Institutions of Andhra Pradesh Including Telangana state.

### Methodology

- The Study is based on Secondary Data. The sources of Secondary Data are Annual Reports of Housing and Urban Development Corporation, National Housing Board and Andhra Pradesh State Government Websites.
- The analysis of the schemes offered by the various State Government institutions financing housing in Andhra Pradesh is made Scheme-wise, District-wise and Region-wise.
- The data are analyzed with the help of percentages and ranks.

### Phases of Indian Housing Finance

The Housing Finance revolution in India can be divided into five distinct phases which are presented in Table I.

**Table – 1**  
**Phases of Indian Housing Finance**

| Phases    | Period          | Status                           |
|-----------|-----------------|----------------------------------|
| Phase I   | Before 1970     | Government domination            |
| Phase II  | 1970-1980       | HUDCO and HDFC established       |
| Phase III | 1980-1990       | Establishment of NHB             |
| Phase IV  | 1990-2000       | Liberalization of interest rates |
| Phase V   | 2000 to Present | High Growth                      |

**Source:** ISB, Indu Centre for Real Estate and Infrastructure

Earlier to the year 1970, the Government domination was more in Housing Finance. In the year 1970, Housing and Urban Development Corporation (HUDCO), a fully owned Government Corporation was established to finance various housing and urban infrastructure activities. In the year 1977, India's first private sector housing finance company viz., Housing Development Finance Corporation Limited (HDFC) came into existence. Since then, the Housing Finance in India has been flying high. With the establishment of National Housing Bank (NHB) in the year 1988, which is wholly owned subsidiary of RBI, Housing Finance Companies in India were regulated. In the years 1990-2000, interest rates of Housing Finance Companies were liberalized. From the year 2000 onwards, there is a high growth in Housing Finance in India.

### Housing Finance Institutions in India: Schemes Offered

Currently, housing finance in India is provided to the public by the different groups of institutions viz., Scheduled Commercial Banks; Scheduled Co-operative Banks; Housing Finance Companies (with public deposits & without public deposits); and State Level Apex Housing Finance Societies. The same is presented in Table 2 along with the number of companies and schemes offered.

The Schemes of the various institutions offering Housing Finance are both direct and indirect housing finance and Housing Loans under priority sector. The Direct Housing Finance is for the construction/purchase of houses by the individuals, repairs, alterations and additions to houses by the individuals. Indirect Housing Finance includes refinancing schemes/sponsored schemes. Housing Loans under Priority Sector consists of schemes for Housing and Hostel for SC and ST and Slum Clearance Scheme.

From the below table, it is clear that the number of companies offering Housing Finance Schemes under Scheduled Cooperative Banks is the highest with 53 companies followed by Scheduled Commercial Banks (43), Housing Finance Companies not to accept deposits (33) State Level Apex Housing Societies (25) and Housing Finance Companies accepting deposits (19). It is the banks, both Cooperative Banks and Commercial, which are playing a major role in Housing Finance Sector due to their vast spread of branches, reaching every nook and corner of the country.

**Table – 2**  
**Housing Finance Institutions in India: Schemes Offered**

| S.No. | Category of Institution                         | No. of Companies | Schemes                                                                                                                                                                         |
|-------|-------------------------------------------------|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1     | Scheduled Commercial Banks                      | 43               | Direct Housing Finance, Indirect Housing Finance, Housing loans under priority sector                                                                                           |
| 2     | Scheduled Co-operative Banks                    | 53               | Construction/purchase of houses by individuals, repairs alterations and additions to houses by individuals, schemes for housing & hostels for SC and ST, Slum clearance schemes |
| 3     | Housing Finance Companies (not accept deposits) | 33               | Direct and indirect housing finance                                                                                                                                             |
| 4     | Housing Finance Companies (accept deposits)     | 19               | Direct and indirect housing finance                                                                                                                                             |
| 5     | State Level Apex Housing Societies              | 25               | Construction/purchase of houses by individuals, repairs alterations and additions to houses by individuals, schemes for housing & hostels for SC and ST, Slum clearance schemes |

**Source:** National Housing Bank Reports

### **Projects Sanctioned by HUDCO: State-wise Analysis**

HUDCO sanction various schemes for housing and infrastructure activities in the States. The State-wise sanction of schemes, loan amount and dwelling units is presented in Table 3.

From the below Table, we can observe that, among all the states, Tamil Nadu took first place with 2257 schemes sanctioned followed by Andhra Pradesh with 2126 schemes and Karnataka with 1439 schemes reflecting upon the growing needs of the housing activities and infrastructure development of the respective states.

**Table – 3**  
**State Wise Details of Projects Sanctioned by HUDCO**

| Sl. No | State/UT Name     | No. of Schemes Sanctioned | Project Cost in crores Rs. | Loan sanctioned in crores | Loan released in crores | Dwelling Units |         | Plots  |
|--------|-------------------|---------------------------|----------------------------|---------------------------|-------------------------|----------------|---------|--------|
|        |                   |                           |                            |                           |                         | UPGD           | New     |        |
|        | <b>STATES</b>     |                           |                            |                           |                         |                |         |        |
| 1      | A P & Telangana   | 2126                      | 33496.06                   | 13599.4                   | 8448.43                 | 144243         | 2305529 | 5687   |
| 2      | Arunachal Pradesh | 9                         | 16.48                      | 6.38                      | 6.39                    | 0              | 1822    | 0      |
| 3      | Assam             | 190                       | 1882.86                    | 955.17                    | 897.03                  | 15536          | 40713   | 1926   |
| 4      | Bihar             | 218                       | 9716.64                    | 2067.23                   | 242.65                  | 23032          | 81102   | 5740   |
| 5      | Chhattisgarh      | 276                       | 31812.44                   | 3152.46                   | 1066.47                 | 314            | 97754   | 18573  |
| 6      | Delhi             | 86                        | 100488.70                  | 7437.44                   | 1086.06                 | 0              | 19905   | 0      |
| 7      | Goa               | 40                        | 2853.72                    | 2130.91                   | 261.79                  | 5983           | 1410    | 1526   |
| 8      | Gujarat           | 1249                      | 50145.32                   | 8801.91                   | 5547.7                  | 58492          | 532698  | 8196   |
| 9      | Haryana           | 376                       | 4360.86                    | 1645.72                   | 1271.22                 | 17437          | 92228   | 4987   |
| 10     | Himachal Pradesh  | 183                       | 2184.84                    | 1119.09                   | 1061.07                 | 948            | 73647   | 1391   |
| 11     | Jammu & Kashmir   | 118                       | 4444.52                    | 590.32                    | 546.33                  | 11123          | 12828   | 11330  |
| 12     | Jharkhand         | 123                       | 9995.22                    | 3303.93                   | 2202.62                 | 10346          | 388185  | 2000   |
| 13     | Karnataka         | 1439                      | 48639.92                   | 12823.76                  | 9232.15                 | 287596         | 1906560 | 35872  |
| 14     | Kerala            | 1100                      | 6649.48                    | 3508.13                   | 3118.42                 | 99286          | 1156270 | 651    |
| 15     | Madhya Pradesh    | 950                       | 19256.22                   | 5805.01                   | 4154.24                 | 9436           | 176221  | 140384 |
| 16     | Maharashtra       | 1254                      | 97828.08                   | 13343.37                  | 7404.88                 | 51859          | 679756  | 18355  |
| 17     | Manipur           | 39                        | 280.59                     | 148.63                    | 140.51                  | 385            | 14207   | 0      |
| 18     | Meghalaya         | 35                        | 555.15                     | 368.58                    | 297.37                  | 291            | 15104   | 1      |
| 19     | Mizoram           | 35                        | 168.91                     | 96.26                     | 96.26                   | 5150           | 6989    | 148    |
| 20     | Nagaland          | 236                       | 1250.39                    | 886.86                    | 858.37                  | 29             | 22014   | 332    |
| 21     | Odisha            | 456                       | 12596.05                   | 2510.11                   | 1394.76                 | 15283          | 261695  | 7147   |
| 22     | Punjab            | 526                       | 5713.90                    | 2994.84                   | 879.77                  | 14864          | 103170  | 7169   |
| 23     | Rajasthan         | 1156                      | 16650.76                   | 9529.76                   | 6225.93                 | 0              | 556100  | 204286 |
| 24     | Sikkim            | 38                        | 3268.32                    | 415.85                    | 246.72                  | 3854           | 8985    | 0      |
| 25     | Tamilnadu         | 2257                      | 39894.89                   | 13967.57                  | 9735.85                 | 324651         | 1075632 | 161749 |
| 26     | Tripura           | 37                        | 268.02                     | 89.58                     | 70.82                   | 1909           | 5661    | 1      |
| 27     | Uttar Pradesh     | 1298                      | 30837.18                   | 9074.49                   | 5405.25                 | 32546          | 653690  | 65928  |
| 28     | Uttarakhand       | 105                       | 1069.89                    | 575.95                    | 318.71                  | 3506           | 51959   | 560    |
| 29     | West Bengal       | 337                       | 12702.58                   | 366.37                    | 3327.24                 | 3020900        | 194796  | 5346   |

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|    |                    |              |                  |                  |                 |                |                 |               |
|----|--------------------|--------------|------------------|------------------|-----------------|----------------|-----------------|---------------|
| 30 | A & N Islands      | 16           | 25.86            | 13.21            | 10.91           | 0              | 534             | 0             |
| 31 | Chandigarh         | 78           | 2066.94          | 203.50           | 171.16          | 0              | 28036           | 8045          |
| 32 | Dadar Nagar Haveli | 2            | 0.35             | 0.25             | 0.00            | 45             | 42              | 0             |
| 33 | Puducherry         | 55           | 896.77           | 670.71           | 190.36          | 0              | 11860           | 0             |
|    | <b>TOTAL</b>       | <b>16443</b> | <b>552017.91</b> | <b>125502.75</b> | <b>75737.44</b> | <b>4159044</b> | <b>10577102</b> | <b>717330</b> |

**Source:** Annual Reports HUDCO

A major portion of the total project cost is sanctioned as loan by HUDCO depending upon the progress of work. The sanction of the loan depends not only on the project cost but also on the guarantee of the State Government towards borrowings.

The loans sanctioned for up-gradation of dwelling units is highest in case of West Bengal followed by Tamilnadu, Karnataka, and Andhra Pradesh whereas, for the new dwelling units, it is Andhra Pradesh which ranked first followed by Karnataka, Kerala and Tamilnadu. The demand for Housing Loans for plots is highest in case of Rajasthan followed by Tamilnadu and Maharashtra.

**Housing Finance in Andhra Pradesh & Telangana State**

The growing Housing Finance need in Andhra Pradesh is met by the various institutions. In Andhra Pradesh, there are 63 Housing Finance Institutions of which, 17 Finance Institutions are registered with National Housing Bank. The National Housing Bank (NHB) is a state owned bank and Regulation Authority in India created on July 8, 1988 u/s 6 of the National Housing Bank Act (1987). The institution, owned by the Reserve Bank of India, was established to promote private real estate acquisition. All Housing Finance Companies must register with National Housing Bank.

Here is the list of Housing Finance Companies in Andhra Pradesh which are registered with NHB. From the below Table, we can observe that the Housing Finance Companies are providing assistance for Housing Finance along with the other financial services like, Leasing and Credit, Financial Consultancy, Auto Finance, Car Finance, Personal Loans, Mortgage Loans and Insurance. Of the 17 Finance Institutions registered with NHB, 10 Finance Companies are providing only Housing Finance services rest of the 7 Finance Institutions are offering other services along with Housing Finance.

**Table – 4**  
**Housing Finance in Andhra Pradesh**

| S.No | Name of the Institution                   | Services                                                                          |
|------|-------------------------------------------|-----------------------------------------------------------------------------------|
| 1    | HDFC                                      | Housing Finance, Bank, Financing Leasing and Credit Organization                  |
| 2    | Dewan Housing Finance Corporation Limited | Housing Finance, Financing Leasing and Credit Organization, Investment Consultant |
| 3    | Bank of Maharashtra                       | Housing Finance, Bank, ATM                                                        |
| 4    | Bank of Baroda                            | Housing Finance, Bank, ATM                                                        |
| 5    | LIC Housing Finance Limited               | Housing Finance, Financing Leasing and Credit Organization                        |
| 6    | RepcO Home Finance Limited                | Housing Finance                                                                   |
| 7    | ICICI Home Limited                        | Housing Finance, ATM, Personal Loans, Car Finance                                 |
| 8    | Indiabulls Housing Finance Limited        | Housing Finance                                                                   |
| 9    | Canfin Homes Limited                      | Housing Finance                                                                   |
| 10   | Sundaram Bnp Paribas Home Finance Limited | Housing Finance, Financial Consultant, Leasing and Credit Organization            |
| 11   | DHFL                                      | Housing Finance                                                                   |
| 12   | National Trust Housing Finance Limited    | Housing Finance, Financial consultant, Leasing and credit Organization            |
| 13   | GIC Housing Finance Limited               | Housing Finance                                                                   |
| 14   | SBI                                       | Housing Finance, Banks, ATM                                                       |
| 15   | GE Home Loan Agent Property               | Housing Finance                                                                   |
| 16   | Manipal Housing Finance Syndicate         | Housing Finance                                                                   |
| 17   | Ind Bank Housing Ltd                      | Housing Finance                                                                   |

**Source:** www. Indiacom.com

The above mentioned Housing Finance Companies are focusing more on upper middle class and creamy layer. Andhra Pradesh State Government is focusing on the weaker sections of the society through its housing finance schemes.

### **State Government Housing Corporations in Andhra Pradesh: Schemes offered**

In Andhra Pradesh, Housing Finance is provided by the various institutions viz., Institutions registered with NHB (17), Institutions not registered with NHB (46) and Housing Corporations fully owned by State Government (4). The schemes offered by the State Government Housing Corporations in Andhra Pradesh are provided in Table-5 below.

**Table – 5**

#### **Andhra Pradesh State Government Housing Corporation: Schemes offered**

| <b>Name of the Institution</b>           | <b>Incorporated Year</b>       | <b>Schemes</b>                                                                                                                                                                                                                    |
|------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A.P. Housing Board                       | 1 <sup>st</sup> July 1960      | Integrated/Composite Housing Schemes                                                                                                                                                                                              |
| A.P. Housefed                            | 13 <sup>th</sup> December 1968 | L.I.G.H.-I&II, M.I.G.H-I&II, Repairs and Extensions                                                                                                                                                                               |
| Andhra Pradesh State Housing Corporation | 5 <sup>th</sup> July 1979      | Indiramma, Flood Housing, Indira Awas Yojana, Beedi Workers Housing in Rural and Urban areas, Integrated Housing and Slum Development Programs, Jawaharlal Nehru National Urban Renewal Mission, Weavers Work Shed, Other Schemes |
| A.P. Rajiv Swagruha Corporation Limited  | August, 2007                   | Housing Schemes for moderate income group                                                                                                                                                                                         |

**Source:** A.P. State Government Websites

From the above Table, it is observed that Andhra Pradesh State Government is offering various schemes for Lower Income Group, Middle Income Group and Weaker Section of the society through various Housing Corporations. The State Government Housing Corporations are Andhra Pradesh Housing Board, Andhra Pradesh Housefed, Andhra Pradesh State Housing Corporation and Andhra Pradesh Rajiv Swagruha Corporation Limited. Now a detailed study of these Government Corporation Schemes is made.

#### **Andhra Pradesh Housing Board: Schemes Offered**

A.P Housing Board is the oldest among all the State Government Housing Corporations. A.P. Housing Board earlier known as City Improvement Board was established on 1<sup>st</sup> July 1960. The various Schemes offered by the Andhra Pradesh Housing Board, the first State Government Housing Corporation in Andhra Pradesh is presented in Table-6

**Table – 6: Andhra Pradesh Housing Board: Schemes Offered**

| Sl. No     | Name of the District      | SFC         | HIG         | MIG          | LIG          | EWS         | CIB         | RGK          | Total         | Rank       |
|------------|---------------------------|-------------|-------------|--------------|--------------|-------------|-------------|--------------|---------------|------------|
| <b>I</b>   | <b>Telangana Region</b>   |             |             |              |              |             |             |              |               |            |
| 1          | Mahabubnagar              |             | 26          | 327          | 841          | 109         |             | 384          | 1687          | 16         |
| 2          | Nalgonda                  | -           | 14          | 419          | 1194         | 286         | -           | -            | 1913          | 13         |
| 3          | Ranga Reddy               | 66          | 3563        | 6499         | 8828         | 1749        | -           | 25747        | 46452         | 1          |
| 4          | Hyderabad                 | 1506        | 86          | 2784         | 7254         | 2647        | 2324        | -            | 16601         | 2          |
| 5          | Medak                     | -           | -           | 775          | 1777         | --          | -           | -            | 2552          | 9          |
| 6          | Nizamabad                 | -           | 20          | 1454         | 1215         | -           | -           | 992          | 3681          | 3          |
| 7          | Adilabad                  | -           | -           | 306          | 770          | 208         | -           | -            | 1284          | 19         |
| 8          | Warangal                  | -           | 28          | 962          | 1561         | 24          | -           | 512          | 3087          | 5          |
| 9          | Karimnagar                | -           | -           | 675          | 793          | 167         | -           | -            | 1635          | 17         |
| 10         | Khammam                   | -           | -           | 79           | 16           | 187         | -           | -            | 282           | 23         |
|            | <b>Total</b>              | <b>1572</b> | <b>3737</b> | <b>14280</b> | <b>24249</b> | <b>5377</b> | <b>2324</b> | <b>27635</b> | <b>79174</b>  | <b>I</b>   |
| <b>II</b>  | <b>Rayalaseema Region</b> |             |             |              |              |             |             |              |               |            |
| 11         | Kurnool                   | -           | 106         | 827          | 929          | -           | -           | 120          | 1982          | 12         |
| 12         | Ananthapur                | -           | 16          | 718          | 1068         | -           | -           | -            | 1802          | 15         |
| 13         | Cuddapah                  | -           | 45          | 284          | 815          | -           | -           | 1248         | 2392          | 10         |
| 14         | Chittoor                  | -           | 12          | 179          | 279          | -           | -           | -            | 470           | 22         |
|            | <b>Total</b>              | <b>-</b>    | <b>173</b>  | <b>2008</b>  | <b>3091</b>  | <b>-</b>    | <b>-</b>    | <b>1368</b>  | <b>6640</b>   | <b>III</b> |
| <b>III</b> | <b>Andhra Region</b>      |             |             |              |              |             |             |              |               |            |
| 15         | Nellore                   | -           | 179         | 400          | 1336         | 100         | -           | 704          | 2719          | 8          |
| 16         | East Godavari             | -           | 131         | 589          | 1120         | 60          | -           | -            | 1900          | 14         |
| 17         | West Godavari             | -           | 110         | 834          | 1616         | 245         | -           | 280          | 3085          | 6          |
| 18         | Krishna                   | -           | 126         | 1767         | 120          | -           | -           | -            | 12013         | 11         |
| 19         | Guntur                    | -           | 49          | 961          | 138          | -           | -           | 1888         | 3036          | 7          |
| 20         | Prakasam                  | -           | -           | 389          | 250          | -           | -           | -            | 639           | 21         |
| 21         | Vizayanagarm              | -           | -           | 414          | 579          | -           | -           | -            | 993           | 20         |
| 22         | Srikakulam                | -           | -           | 797          | 677          | -           | -           | -            | 1474          | 18         |
| 23         | Visakhapatnam             | -           | 169         | 1823         | 1417         | -           | -           | -            | 3409          | 4          |
|            | <b>Total</b>              | <b>-</b>    | <b>764</b>  | <b>7974</b>  | <b>7253</b>  | <b>405</b>  | <b>-</b>    | <b>2872</b>  | <b>19268</b>  | <b>II</b>  |
|            | <b>Grand Total</b>        | <b>1572</b> | <b>4680</b> | <b>24262</b> | <b>34593</b> | <b>5782</b> | <b>2324</b> | <b>31875</b> | <b>105088</b> |            |

Source: A.P. Housing Board Website

The above Table shows the details of houses constructed and allotted for different districts in Andhra Pradesh since its inception. From the Table, it is observed that, it is providing different housing schemes namely, SFS (Self Finance Scheme), HIG (Higher Income Group) MIG (Middle Income Group), LIG (Lower Income Group), EWS (Economically Weaker Sections) and CIB (City Improvement Board) and RGK (Rajiv Gruhakalpa).

- Scheme-wise analysis reveals that the number of houses constructed is highest in Lower Income Group (34593) and under Rajiv Gruha Kalpa (31875).
- District-wise analysis shows that Ranga Reddy District took first place in the total number of houses constructed with 46452 houses followed by Hyderabad

- (16601) and Nizamabad (3681).
- As per the Region-wise analysis, Telangana Region ranked one (79174 Houses) on an overall basis followed by Andhra (19268) and Rayalaseema (6640) Region.
  - An interesting feature is that, in Telangana Region, Rajiv Gruha Kalpa Scheme is popular whereas in Rayalaseema, Lower Income Group Schemes are popular and in Andhra Region, popularity is for Middle Income Group Schemes.

### **Andhra Pradesh Housefed: Schemes offered**

A.P. Housefed was registered as an Apex Cooperative Federation under the Andhra Pradesh Cooperative Societies Act (A.P.C.S), 7 of 1964 on 13.12.1966 and started functioning since 1968. Its area of operation is the entire State of Andhra Pradesh. As on today, it has got 1,438 Primary Societies as Members, of which 820 are borrowing members.

The main objective of the A.P. Housefed is to advance loans to the members of the Primary Housing Societies in the State of Andhra Pradesh by availing loans from Life Insurance Corporation of India, Mumbai. The loans availed from the LIC of India are not guaranteed by the Government of A.P.

The A.P. Housefed is financing loans to the members of the affiliated Primary Cooperative Housing Societies in the State of Andhra Pradesh under 7 Schemes viz., L.I.G.H.-I and II; M.I.G.H and H.I.G.H-I, II and III; and Repairs and Extensions.

### **Andhra Pradesh State Housing Corporation Limited (APSHCL): Schemes Offered**

A.P. State Housing Corporation Limited (APSHCL) was incorporated on 5<sup>th</sup> July 1979 under Companies Act. APSHCL aims to bring dignity to each and every below poverty line family by assisting them, both financially and technically, for construction of permanent (Pucca) houses. APSHCL is implementing various schemes viz., Indiramma, Rachabanda, Flood Housing and Indira Awaas Yojana (IAY) in rural areas; Beedi Workers Housing in Rural and Urban areas; Integrated Housing and Slum Development Program (IHSDP) and Jawaharlal Nehru National Urban Renewal Mission (JNNURM).

Andhra Pradesh Government has taken a decision to take up the development of model villages and towns with an intention to saturate certain identified basic needs of the people and the village/town infrastructure in an integrated and focused manner. This is planned to be achieved in a period of 3 years. This new model of development is named as **Indiramma** (Integrated Novel Development in Rural areas and Model municipal areas)

The aim of Indiramma program is to provide in every village pucca houses, drinking water supply, individual sanitary latrines, drainages, power supply to every households, road facilities for transportation, pension to eligible old age persons, weavers, widows and disabled, primary education to all, special nutrition to adolescent girls/pregnant and lactating women and better health facilities in all the villages over a period of three years in a saturation mode, to improve the living standards of the people significantly.

Indiramma Scheme is the major activity of the APSHCL which is offered under three phases as provided in the Tables below.

- From the below Table, it is observed that among all the schemes, number of houses constructed is highest in Rural including IAY Scheme with 89.13 % of the total followed by Urban (9.60 %) and Flood Housing Schemes (1.26%).
- Among all the districts, Ananthapur district took 1st place in the total number of houses allotted with 1,33,899 houses and Cuddapah and Visakhapatnam are placed

2nd and 3rd places with 1,11,614 and 1,09,912 houses allotted respectively.

- According to Region-wise analysis, Andhra Region was in the 1st place with 777817 houses followed by Telangana Region (738996) and Rayalaseema Region (459208). As far as Rural including IAY and Flood Housing Schemes are concerned, it is Telangana Region which topped the list. Rayalaseema is in the last position with regard to all the schemes under Indiramma Phase – I Program.

**Table – 7**

**Indiramma Phase – I: Region-wise and District-wise Analysis of Houses Allotted Under Various Schemes during 2006 - 07**

| Sl. No.    | District                  | Urban         | Rural including IAY | Flood Housing | Total          |
|------------|---------------------------|---------------|---------------------|---------------|----------------|
| <b>I</b>   | <b>Telangana Region</b>   |               |                     |               |                |
| 1          | Mahabubnagar              | 3939          | 97428               | 0             | 101367         |
| 2          | Ranga Reddy               | 5634          | 35816               | 151           | 41331          |
| 3          | Hyderabad                 | 0             | 0                   | 0             | 0              |
| 4          | Medak                     | 6943          | 61263               | 1979          | 73185          |
| 5          | Nizamabad                 | 7037          | 51378               | 5678          | 64093          |
| 6          | Adilabad                  | 11575         | 80911               | 939           | 93425          |
| 7          | Karimnagar                | 10697         | 54766               | 127           | 65590          |
| 8          | Warangal                  | 10256         | 88487               | 2681          | 101424         |
| 9          | Khammam                   | 7297          | 96830               | 1263          | 105390         |
| 10         | Nalgonda                  | 4306          | 89248               | 365           | 93191          |
|            | <b>Total</b>              | <b>67684</b>  | <b>656127</b>       | <b>13183</b>  | <b>738996</b>  |
| <b>II</b>  | <b>Rayalaseema Region</b> |               |                     |               |                |
| 11         | Chittur                   | 11704         | 92281               | 0             | 103985         |
| 12         | Cuddapah                  | 8457          | 103157              | 0             | 111614         |
| 13         | Ananthapur                | 10093         | 123806              | 0             | 133899         |
| 14         | Kurnool                   | 13711         | 95999               | 0             | 109710         |
|            | <b>Total</b>              | <b>43965</b>  | <b>415243</b>       | <b>0</b>      | <b>459208</b>  |
| <b>III</b> | <b>Andhra Region</b>      |               |                     |               |                |
| 15         | Srikakulam                | 5922          | 69096               | 1875          | 76893          |
| 16         | Vizayanagaram             | 10362         | 67493               | 1755          | 79610          |
| 17         | Visakhapatnam             | 5134          | 102989              | 1789          | 109912         |
| 18         | East Godavari             | 14558         | 8391                | 5230          | 102879         |
| 19         | West Godavari             | 13641         | 81120               | 1095          | 95856          |
| 20         | Krishna                   | 6287          | 60519               | 00            | 66806          |
| 21         | Guntur                    | 5179          | 71723               | 00            | 76902          |
| 22         | Prakasham                 | 4956          | 77296               | 19            | 82271          |
| 23         | Nellore                   | 12202         | 75486               | 00            | 86688          |
|            | <b>Total</b>              | <b>78241</b>  | <b>614113</b>       | <b>11763</b>  | <b>777817</b>  |
|            | <b>Grand Total</b>        | <b>189620</b> | <b>1760183</b>      | <b>24946</b>  | <b>1974749</b> |
|            | <b>% to Total</b>         | <b>(9.60)</b> | <b>89.13 %</b>      | <b>1.26 %</b> | <b>100 %</b>   |

Source: APSHC website

**Table – 8**  
**Indiramma Phase – II: District wise allotment**

| S/No       | District                  | Urban                 |                                  | Rural             |                                   | Total          | Rank       |
|------------|---------------------------|-----------------------|----------------------------------|-------------------|-----------------------------------|----------------|------------|
|            |                           | No. of Municipalities | No. of Houses                    | No. of Panchayats | No. of Houses                     |                |            |
| <b>I</b>   | <b>Telangana Region</b>   |                       |                                  |                   |                                   |                |            |
| 1          | Mahabubnagar              | 40                    | 6308                             | 508               | 155936                            | 162244         | 2          |
| 2          | Ranga Reddy               | 148                   | 3344                             | 248               | 28193                             | 31537          | 21         |
| 3          | Hyderabad                 | 0                     | 0                                | 0                 | 0                                 | 0              | 23         |
| 4          | Medak                     | 63                    | 11548                            | 341               | 92244                             | 103792         | 15         |
| 5          | Nizamabad                 | 57                    | 10635                            | 228               | 59177                             | 69812          | 19         |
| 6          | Adilabad                  | 80                    | 16765                            | 347               | 102858                            | 119623         | 11         |
| 7          | Karimnagar                | 69                    | 17540                            | 451               | 77089                             | 94629          | 17         |
| 8          | Warangal                  | 30                    | 11811                            | 414               | 119207                            | 131018         | 8          |
| 9          | Khammam                   | 68                    | 13343                            | 278               | 125804                            | 139147         | 6          |
| 10         | Nalgonda                  | 46                    | 8982                             | 456               | 131416                            | 140398         | 4          |
|            | <b>Total</b>              | <b>601</b>            | <b>100276</b>                    | <b>3271</b>       | <b>891924</b>                     | <b>992200</b>  | <b>II</b>  |
| <b>II</b>  | <b>Royalaseema Region</b> |                       |                                  |                   |                                   |                |            |
| 11         | Chittor                   | 85                    | 19692                            | 534               | 125100                            | 144792         | 7          |
| 12         | Cuddapah                  | 80                    | 12465                            | 315               | 99943                             | 112408         | 12         |
| 13         | Ananthapur                | 108                   | 33015                            | 363               | 181595                            | 214610         | 1          |
| 14         | Kurnool                   | 63                    | 12847                            | 339               | 130107                            | 142954         | 5          |
|            | <b>Total</b>              | <b>336</b>            | <b>78019</b>                     | <b>1551</b>       | <b>536745</b>                     | <b>614764</b>  | <b>III</b> |
| <b>III</b> | <b>Andhra Region</b>      |                       |                                  |                   |                                   |                |            |
| 15         | Srikakulam                | 42                    | 7286                             | 404               | 75631                             | 82917          | 18         |
| 16         | Vizianagarma              | 43                    | 14660                            | 323               | 114157                            | 128817         | 10         |
| 17         | Vishakhapatnam            | 20                    | 3405                             | 347               | 114727                            | 118126         | 9          |
| 18         | East Godavari             | 74                    | 13559                            | 352               | 148604                            | 162163         | 3          |
| 19         | West Godavari             | 93                    | 16872                            | 297               | 95356                             | 112228         | 14         |
| 20         | Krishna                   | 52                    | 8792                             | 374               | 55679                             | 64471          | 20         |
| 21         | Guntur                    | 134                   | 140183                           | 358               | 87765                             | 101948         | 16         |
| 22         | Prakasam                  | 42                    | 6555                             | 380               | 73668                             | 80223          | 19         |
| 23         | Nellore                   | 50                    | 15722                            | 370               | 97582                             | 113304         | 13         |
|            | <b>Total</b>              | <b>550</b>            | <b>227034</b>                    | <b>3205</b>       | <b>863169</b>                     | <b>1090203</b> | <b>I</b>   |
|            | <b>Grand Total</b>        | <b>1487</b>           | <b>279329</b><br><b>(10.86%)</b> | <b>8037</b>       | <b>2291832</b><br><b>(89.14%)</b> | <b>2571161</b> |            |

Source: APSHC Website

**Table - 9**  
**Indiramma Phase – III: Stages of Beneficiaries Houses as on 16-10-2012**

| S.No. | District                  | Reg.                         | NS                             | BBL                          | BL                           | LL                           | RL                           | RC                             | ISL                           | Total          |
|-------|---------------------------|------------------------------|--------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|--------------------------------|-------------------------------|----------------|
| I     | <b>Telangana Region</b>   |                              |                                |                              |                              |                              |                              |                                |                               |                |
| 1     | Mahabubnagar              | 2308                         | 76853                          | 4418                         | 12172                        | 3433                         | 9038                         | 43099                          | 6882                          | 155895         |
| 2     | Ranga Reddy               | 1113                         | 19456                          | 3519                         | 4625                         | 1433                         | 1979                         | 32293                          | 4763                          | 68158          |
| 3     | Hyderabad                 | 0                            | 0                              | 0                            | 0                            | 0                            | 0                            | 0                              | 0                             | 0              |
| 4     | Medak                     | 3072                         | 44224                          | 4107                         | 6477                         | 3786                         | 3102                         | 27439                          | 5012                          | 94147          |
| 5     | Nizamabad                 | 1680                         | 28624                          | 931                          | 1548                         | 819                          | 748                          | 9589                           | 3877                          | 46136          |
| 6     | Adilabad                  | 585                          | 22046                          | 5261                         | 7251                         | 3792                         | 8156                         | 29380                          | 1793                          | 77679          |
| 7     | Karimnagar                | 859                          | 23074                          | 1437                         | 2793                         | 937                          | 1384                         | 17644                          | 4448                          | 51717          |
| 8     | Warangal                  | 1659                         | 53363                          | 6059                         | 6014                         | 2989                         | 5320                         | 36553                          | 6670                          | 116968         |
| 9     | Khammam                   | 565                          | 33275                          | 1825                         | 3732                         | 1186                         | 4210                         | 31925                          | 4025                          | 80178          |
| 10    | Nalgonda                  | 4111                         | 39010                          | 1865                         | 5886                         | 1584                         | 4118                         | 28728                          | 7773                          | 88964          |
|       | <b>Total</b>              | <b>15952</b>                 | <b>339925</b>                  | <b>29782</b>                 | <b>50498</b>                 | <b>19959</b>                 | <b>38055</b>                 | <b>256650</b>                  | <b>38361</b>                  | <b>779842</b>  |
| II    | <b>Rayalaseema Region</b> |                              |                                |                              |                              |                              |                              |                                |                               |                |
| 11    | Chittoor                  | 5970                         | 33547                          | 1676                         | 7092                         | 678                          | 3984                         | 55066                          | 6701                          | 108744         |
| 12    | Kadapa                    | 2693                         | 13703                          | 600                          | 4300                         | 303                          | 1059                         | 17320                          | 7555                          | 44840          |
| 13    | Ananthapur                | 11308                        | 23858                          | 6755                         | 8020                         | 1305                         | 7117                         | 34070                          | 10374                         | 91499          |
| 14    | Kurnool                   | 6055                         | 36481                          | 2545                         | 4528                         | 1187                         | 3348                         | 33220                          | 14400                         | 95709          |
|       | <b>Total</b>              | <b>26026</b>                 | <b>107589</b>                  | <b>11576</b>                 | <b>23940</b>                 | <b>3473</b>                  | <b>15508</b>                 | <b>139676</b>                  | <b>39030</b>                  | <b>340792</b>  |
| III   | <b>Andhra Region</b>      |                              |                                |                              |                              |                              |                              |                                |                               |                |
| 15    | Srikakulam                | 1942                         | 40385                          | 1135                         | 2998                         | 1084                         | 2028                         | 31401                          | 2188                          | 81219          |
| 16    | Vizayanagaram             | 1857                         | 44079                          | 1346                         | 5544                         | 1840                         | 2897                         | 40123                          | 3877                          | 99706          |
| 17    | Visakhapatnam             | 686                          | 37837                          | 2192                         | 4290                         | 2296                         | 5250                         | 40287                          | 5433                          | 97585          |
| 18    | East Godavari             | 2651                         | 32787                          | 2684                         | 1775                         | 561                          | 2169                         | 27185                          | 13868                         | 81029          |
| 19    | West Godavari             | 2149                         | 15524                          | 595                          | 950                          | 268                          | 819                          | 15861                          | 9978                          | 43995          |
| 20    | Krishna                   | 11902                        | 18912                          | 468                          | 1067                         | 364                          | 1073                         | 16376                          | 4903                          | 43163          |
| 21    | Guntur                    | 2003                         | 24288                          | 1092                         | 1844                         | 694                          | 1139                         | 23336                          | 8940                          | 61333          |
| 22    | Prakasam                  | 1531                         | 27613                          | 688                          | 1989                         | 620                          | 1154                         | 19044                          | 5750                          | 56858          |
| 23    | Nellore                   | 1647                         | 24287                          | 969                          | 1733                         | 441                          | 871                          | 19974                          | 3280                          | 51555          |
|       | <b>Total</b>              | <b>26368</b>                 | <b>265712</b>                  | <b>11169</b>                 | <b>22190</b>                 | <b>8168</b>                  | <b>17400</b>                 | <b>233587</b>                  | <b>58271</b>                  | <b>616443</b>  |
|       | <b>Grand Total</b>        | <b>68346</b><br><b>3.93%</b> | <b>713316</b><br><b>41.06%</b> | <b>52167</b><br><b>3.00%</b> | <b>96628</b><br><b>5.56%</b> | <b>31600</b><br><b>1.81%</b> | <b>70963</b><br><b>4.08%</b> | <b>629913</b><br><b>36.26%</b> | <b>142490</b><br><b>8.20%</b> | <b>1737077</b> |

**Source:** A.P. State Housing Corporation website

Under Indiramma Phase – II Program, the total number of houses allotted for rural area is 89.14 per cent of the total houses allotted emphasizing the fact that rural areas were given top priority.

District-wise Analysis shows that, Ananthapur district took 1<sup>st</sup> place in the total number of houses allotted with 214610 houses and Mahabubnagar and East Godavari are placed 2nd and 3rd with 162224 and 162163 houses allotted respectively.

As per the Region-wise Analysis, Andhra Region (1090203) ranks first followed by Telangana (992200) and Rayalaseema Region (614764) in absolute terms. A noteworthy feature is that Telangana Region ranked first in the number of houses allotted in rural area and Andhra Region occupied the first place as far as the number of houses allotted in urban area. Rayalaseema Region ranked last in respect of the number of houses allotted in both,

urban and rural areas as the number of districts is less.

District-wise Analysis shows that, Mahabubnagar took 1<sup>st</sup> place with 155895 houses and Warangal and Chittoor are placed 2nd and 3rd places with 116968 and 108744 houses respectively. As per the Region-wise Analysis, Telangana Region (779842) ranks first followed by Andhra (616443) and Rayalaseema Region (340792) in absolute terms. As far as registration of houses is concerned Andhra Region (26368) occupies first position followed by Rayalaseema (26026) and Telangana (15952).

#### **Andhra Pradesh Rajiv Swagruha Corporation: Rajiv Swagruha Scheme**

Government launched this program in 2007 for providing affordable housing to the moderate income group for implementation in all Municipalities and Municipal Corporations in the state. The main objective of Rajiv Swagruha Program is to make available the houses/flats to the moderate income group at cost 25% less than the prevailing market rate with best quality of construction and other infrastructure facilities. The details of places, number of units and project cost as on 2012 are given below is Table- 10.

**Table – 10**

#### **Andhra Pradesh Rajiv Swagruha Corporation Limited: Number of Units and Project Cost as on 2012**

| S.No | Place                  | No. of Units | Project Cost (Rs. in Crores) | Rank (on the basis of No. of Units) |
|------|------------------------|--------------|------------------------------|-------------------------------------|
| 1    | Chandanagar            | 1140         | 132                          | 23                                  |
| 2    | Pocharam               | 2604         | 405                          | 9                                   |
| 3    | Bandlaguda             | 2970         | 460                          | 8                                   |
| 4    | Kondapur               | 1736         | 407                          | 15                                  |
| 5    | Ananthapur             | 1134         | 170                          | 25                                  |
| 6    | Vetapalem (Chirala)    | 427          | 48                           | 35                                  |
| 7    | Nellore                | 1249         | 185                          | 21                                  |
| 8    | Bachupalli-I (39 & 40) | 3517         | 760                          | 6                                   |
| 9    | Gajularamaram          | 2520         | 650                          | 10                                  |
| 10   | Mahabubnagar           | 1134         | 122                          | 25                                  |
| 11   | Kakinada               | 1664         | 285                          | 16                                  |
| 12   | Nizamabad              | 1140         | 174                          | 23                                  |
| 13   | Jawaharnagar           | 6214         | 1000                         | 3                                   |
| 14   | Bachupalli-II          | 2000         | 650                          | 12                                  |
| 15   | Adilabad               | 963          | 130                          | 26                                  |
| 16   | Yendada (VSP)          | 3588         | 1030                         | 5                                   |
| 17   | Nalgonda               | 458          | 65                           | 34                                  |
| 18   | Tandur (R.R. Dist.)    | 761          | 110                          | 29                                  |
| 19   | Vizag (Nadipur)        | 17000        | 5000                         | 1                                   |
| 20   | Etcherla (Srikakulam)  | 1461         | 225                          | 18                                  |

|    |                         |       |       |    |
|----|-------------------------|-------|-------|----|
| 21 | Karimnagar              | 7350  | 1000  | 2  |
| 22 | Narasaraopet            | 672   | 70    | 30 |
| 23 | Ongole-I (Flats)        | 1548  | 120   | 17 |
| 24 | Srikalahasthi           | 357   | 50    | 36 |
| 25 | Tirupathi               | 1332  | 230   | 20 |
| 26 | Rajampet                | 168   | 38    | 38 |
| 27 | Rayachoti (KDP)         | 480   | 85    | 32 |
| 28 | Khammam                 | 1836  | 262   | 14 |
| 29 | Chandanagar-II (Arambh) | 1344  | 760   | 19 |
| 30 | Munaganur               | 2000  | 380   | 12 |
| 31 | Bahadurpalli            | 5400  | 1190  | 4  |
| 32 | Kamareddy               | 580   | 85    | 31 |
| 33 | Vikarabad               | 1200  | 175   | 22 |
| 34 | Gadwal                  | 906   | 155   | 27 |
| 35 | Ramagundam              | 176   | 40    | 37 |
| 36 | Boduppall               | 3068  | 665   | 7  |
| 37 | Eluru                   | 900   | 140   | 28 |
| 38 | Nuzividu                | 468   | 55    | 33 |
| 39 | Anakapalli              | 2008  | 340   | 11 |
| 40 | Proddutur               | 488   | 40    | 31 |
|    |                         | 85961 | 17866 |    |

**Source:** A.P. Swagruha Corporation Limited Website

From the above Table, it is observed that among all the places, Vizag took 1<sup>st</sup> place in the total number of units allotted with 17000 units and Karimnagar and Jawaharnagar are placed 2nd and 3rd with 7350 and 6214 units allotted respectively.

### Conclusion

Investment in house is considered as the best option and the speedy development in housing and various housing activities has led to the growth of the India Housing Finance Market. The Government domination in housing finance has been reduced since 1970 and at present there is a high growth in the housing sector. The establishment of NHB has led to the regulation of the housing finance in India. Banks play a major role in Housing Finance Sector due to the vast spread of their branches reaching every nook and corner of the country. In Andhra Pradesh, the growing housing finance need is met by the various State Government Housing Corporations namely, A.P.Housing Board, A.P. Housefed, Andhra Pradesh State Housing Corporation and A.P. Rajiv Swagruha Corporation Limited by offering various housing finance schemes.

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