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Ratlam only district where banks have provided loans to poor

Staff Reporter | Bhopal

Following disinterest of banks, the scheme for providing five per cent subsidy on loans for 34,000 houses for the urban poor and low-income groups is not making headway. Ratlam is the only district in the State where banks have provided loans to 129 out of 460 applicants of low-income group.

Under the scheme, a total of 34,027 urban poor have been selected for extending loans to build their houses. These poor people include those who have been given residential pattas of land between 1984 and 2009. The total number of such urban poor is 3,40,275. Only 10 per cent of these people or 34,027 such people are to be provided loans with five per cent subsidy.

Half of these beneficiaries are those who come from economically weaker sections and whose monthly income is not more than `5,000 and half of them are those who belong to low-income group whose monthly income is more than `5,000 but less than Rs 10,000.

This scheme has been implemented in all the 50 districts of the State through civic bodies. But the banks are not showing due interest in extending loans to these poor people for constructing their own houses.

Under the scheme, a provision has been made to provide loans up to `1.60 lakh to economically weaker section (EWS) people for constructing houses on 25 square metre plinth area and low-income group (LIG) beneficiaries to built their houses on 40 square metre plinth area.