F.No. – J-11014/2/2012-RH
Ministry of Rural Development
Department of Rural Development
(Rural Housing Division)

Krishi Bhawan, New Delhi- 110 001
Dated the 4th February, 2013

The Principal Secretary
Department of Rural Development
(All States/UT Administration (except Delhi and Chandigarh)

Subject: Revision of unit assistance provided to rural BPL households for construction of houses under Indira Awaas Yojana (IAY) and Homestead site

Sir/Madam,

Government has received Cabinet approval for enhancement of IAY unit assistance as well as homestead site cost. Revised unit assistance will be made available to IAY houses sanctioned on or after 1st April, 2013 and will remain in force till further orders. Accordingly, IAY guidelines will stand changed. Revised unit assistance and substitution to be made in IAY guidelines are indicated below. The said paragraphs in Indira Awaas Yojana (IAY) Guidelines may be substituted as follows :-

<table>
<thead>
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<th>Item No.</th>
<th>Paragraph No.</th>
<th>Area</th>
<th>To be modified as</th>
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| 1.       | Paragraph 3.1 (a) | Construction of House | Rs.70,000/-
Rs.75,000/- in hilly/difficult areas including 82 LWE districts |
| 2.       | Paragraph 8.1 (vi) | Homestead sites | Financial assistance of Rs.20,000/- per beneficiary or actual, whichever is less, will be provided for purchase/acquisition of a homestead site of an area around 100-250 sq.m. |
| 3.       | New paragraph to be added 3.1 (A) | Funds for administrative expenses | 4% of funds for administrative expenses will be made available to state governments. |

Expenses on item no. 1 and 3 (construction of house and funds for administrative expenses) to be shared by the Centre and States in the ratio of 75:25, in the case of North-eastern States 90:10 and in the case of UTs the central share will be 100%. Centre : State share on expenses for item no. 2 (homestead site) will be 50:50.

Government has also approved enhancement of unit assistance for construction of toilets to Rs.9,000/- under the Nirmal Bharat Abhiyan of the Ministry of Drinking Water and Sanitation. The beneficiaries of IAY are to be accorded priority.

Yours faithfully,

(Vijay Srivastava)
Joint Secretary to the Govt. of India
Tel. : 23386411