

Terms of Reference for Evaluation of Rajiv Gandhi Rural Housing Corporation Limited

1. Study Title

Title of the proposed study is “Evaluating the performance of Rajiv Gandhi Rural Housing Corporation Limited (RGRHCL)”

2. Background information

Rajiv Gandhi Rural Housing Corporation (RGRHCL) was established in the year 2000 by the Government of Karnataka to cater to the Housing needs of economically and Socially Weaker sections of the society. The purpose of the corporation was to help the Economically and Socially Weaker sections of the society to access better and affordable housing both through direct financial support and provide other support services.

The corporation operates on a no-profit no-loss basis. The main objective of the corporation is to ensure smooth and efficient flow of resources in order to achieve the objectives of better housing for the economically and socially weaker sections of the society. The administrative expenses of the corporation are met through budgetary support from the State Government. The corporation also works in close co-ordination with the banks in order to ensure that the beneficiaries also are able to access bank finance under the Differential Rate of Interest Scheme.

The corporation promotes housing with the concept of self-help and local participation. It works towards providing an eco-system where the poor are able to lead a life of dignity. It also ensures that the poor get the benefits of the schemes of the State & Central Government in a friendly way.

The corporation has undertaken several initiatives to ensure a greater transparency and efficiency in management and release of financial resources on the basis of objectively verifiable progress indicators. In the process, the corporation has effectively used modern technology and has also been awarded for its innovative use of the digital platform.

3. Evaluation scope, purpose and objectives:

The main objective of this evaluation is to understand if the establishment of a separate Corporation by the Government has made any difference in effective implementation of the schemes. Therefore this study should

bring out the uniqueness in implementing of the schemes by the Corporation, its significance and also review its weakness and failings in order to provide a positive feedback for greater effectiveness and relevance to the target segment of population.

4. Evaluation questions process :

Based on the above objectives, the terms of the study are framed as below (without any order of preference/importance):

- a. What is the amount of loan given (year wise) and year wise outstanding amount since inception and how much is recovered so far from beneficiaries?
- b. What is the beneficiary friendly recovery mechanism evolved? How far has it helped in recovery of loan from beneficiaries?
- c. What is the average time taken to construct one house? Is it changing over years? Is the time taken significantly different between urban and rural areas? If so, why?
- d. What is the action taken by the Corporation to have convergence between other schemes of Government like water supply, sanitation etc to ensure effective utilization of resources and providing all facilities for proper living to beneficiaries?
- e. What is the condition of houses today that were constructed 10 years ago, 5 years ago and 2 years ago?
- f. Is the house occupied as on date? Who lives in the house? Whether beneficiary or non-beneficiary? Is it rented or leased?
- g. What is the expected life of a house as examined by competent qualified engineer?
- h. All the above questions to be explained separately for rural and urban housing programmes and major differences pointed out.
- i. Examine the schemes as articulated by the State & Central Government in detail, particularly the intent, the resource availability, the size of the problem and the timeframe in which the problem on the housing needs of the economically and socially weaker sections of the rural poor to be addressed.

- j. Examine the current arrangement in implementation of the schemes, how it is benefiting the intended beneficiaries.
- k. Examine the process followed in detail, understand the role of multiple players - local self governments, bankers, employees, nodal officers; and see how the benefits could be made available to the intended beneficiaries in a manner that is friendly and hassle free.
- l. Examine the critical factors that constrain the scheme from operating most efficiently - the factors broadly being divided into internal processes and practices and also issues with other participating agencies.
- m. Examine scope for better transparency and objectivity in the entire process to avoid adverse usage of any aspect of the scheme.
- n. What is the perception of beneficiaries about the scheme, beneficiary selection mechanism, and quality of construction, design of the house etc.,

5. Evaluation Methodology:

- a. Take at least 300 houses in each district per year such that all taluks are represented with stratified sampling application to cover housing for Ashraya, Indira Aawas Yojane , Basava Vasati Yojane, Vajpayee Housing and Programmes for Special Occupational Groups.
- b. The resource person will gather all the relevant data from the Corporation, the design of the schemes, the process flow, the co-ordination mechanisms. In the process the researcher will clearly identify the bottlenecks that are causing delays and difficulties for the beneficiaries.
- c. The resource person will speak to a wide range of people, not only within the corporation, but also people from local self governments, beneficiaries, bankers, and others in order to understand how the processes identified in (b) above is helping or causing difficulty for the beneficiaries.
- d. The resource person will use these inputs to give recommendations on a better and more efficient process that will ensure that the transaction flows are minimised, the pipeline transaction costs are reduced, the transparency and

objectivity increased and improved and finally the efficiency of the corporation as a whole improves. The researcher will also provide some measures on which the effectiveness of the implementation of the recommendations can be measured.

6. Deliverables and time Schedule

RGRHCL will provide the required information and data to the resource person and the following timelines and deliverables are expected:

- a. Work plan submission – within one month after the release of the contract sum.
- b. Primary data collection, interviews with people and agencies concerned – within three months after the work plan is approved by KEA.
- c. Draft evaluation report submission – within one month after completing the data collection and interviews. This report will be submitted for approval by a joint team of KEA and line department/agency officers.
- d. Final report submission – within one month after the draft report is approved

Excluding the time taken for approval, the study will be completed within 6 months.

7. Cost and schedule of budget releases:

KEA may fix the evaluation cost in consultation with RGRHCL. Output based budget release by the RGRHCL shall be as follow:

- a. The **first instalment** of Consultation fee amounting to 30% of the total fee shall be payable **as advance** to the Consultant after the approval of the inception report, but only on execution of a Bank guarantee of a scheduled nationalized bank valid for a period of at least 12 months from the date of issuance of advance.
- b. The **second instalment** of Consultation fee amounting to 50% of the total fee shall be payable to the Consultant after the approval of the Draft report.
- c. The **third and final instalment** of Consultation fee amounting to 20% of the total fee shall be payable to the Consultant after the receipt of the 10 hard and 3 soft copies of the final report in the form and presentation style approved by the KEA. Three hard and one soft

copy of final report along with all raw data, literature relied upon, data process etc. To be given to KEA for hosting on website.

8. Contact person to get further details about the study:

Sri. G. Prabhu, KAS, General Manager (PI) Mobile No. 9448287503 and Smt. Asha.S, Manager (Admin) Mobile No. 9448287510 will be the contact persons for getting information and details for this study.

9. The study is already awarded to Centre for Public Policy, Indian Institute of Management, Bangalore with the support from the Department of Public Enterprises. KEA has no comments to offer on this except that rules, procedures and norms prescribed by the Government of Karnataka needs to be followed by all concerned.

10. Other general conditions

The report and its findings must demonstrate highest professional standards. The KEA will provide the required oversight for the study.
