



Excerpt of the Address of Union Minister of Housing & Urban Poverty Alleviation Shri M.Venkaiah Naidu at the launch of Affordable Housing Projects at Gandhinagar on April 9, 2017.

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Friends !

It is always a matter of great delight to visit Gujarat as one gets to feel the vibrancy of thought and action and the force of enterprise.

It was Mahatma Gandhiji who led the countrymen towards fulfilling the aspiration of Independence from foreign rule by crafting a mass movement based on truth and non-violence. Now, it is another distinguished son of this soil Shri Narendra Modi who as the Prime Minister of our country is leading another movement to help the country realise the aspiration of converting that Independence into economic empowerment of all in an inclusive framework.

Mahatma said years ago that whenever you are in a doubt about taking any governance decision, the best way of resolving it is to think of the last poor man and how he would benefit from such a decision. Modiji is now following that mantra of Mahatma in letter and spirit.

One of the first major decisions taken by the Modi Government is to ensure a decent house for a dignified living for all the poor countrymen by 2022 on the occasion of 75 years of Independence of our country. A decent house is the most fundamental aspiration of every countryman and in fact a right. Accordingly, the central government launched the Prime Minister's Awas Yojana. This mission is a corner stone of our commitment to inclusive development even as we are engaged in ensuring a high growth trajectory for rapid economic development.

While Mahatma ensured political freedom for our country, Sardar Patel ensured unification of our country and Shri Modi is now working on giving content and real meaning to these accomplishments through building a New India.

This New India has no meaning if we don't ensure houses for all and that too in a specific time frame. Prime Minister Shri Modi the year 2022 as the deadline for roofing all Indians.

This programme assumes significance in the backdrop of the vision of Mahatma, Sardar Patel and Shri Narendra Modi.

I am extremely happy that we are all gathered here to celebrate the public commitment of the Confederation of Real Estate Developers' Associations of India (CREDAI) to the cause of promoting affordable housing inspired by the spirit of Prime Minister's Awas Yojana-Housing for All Mission.

It is indeed a matter of delight that such an enlightened commitment for a larger public cause is being declared and demonstrated from a place which is motherland of Mahatma, Sardar Patel and Shri Modi.

What is of particular significance is that another distinguished Gujarati Shri Jaxay Shah is today taking over as the President of CREDAI for the next two years.

I whole heartedly compliment the outgoing President of CREDAI Shri Gitambar Anand ji, Shri Jaxay Shah ji and all the members of CREDAI for the big statement being made today in the form of their commitment to promote affordable housing for the benefit of the poor.

Friends !

For the benefit of information of friends from media and through them the larger public, I would like to inform that CREDAI and its member associations from 17 States and Union Territories are today launching 352 affordable housing projects in 53 cities and towns to build 2,03,851 houses for the benefit of urban poor and middle classes at an estimated cost of Rs.38,003 cr.

This is indeed a big day for the cause of housing urban poor and the low and middle income groups. It is a big step towards helping these section of the society fulfil their aspiration of owning a house.

It took about two years for all of us to be rejoicing today. I would like to briefly share the story behind with all of you.

After extensive consultations with States and other stakeholders including CREDAI, the Government has conceptualised PMAY {Urban} and this mission was launched by Prime Minister Shri Narendra Modi on June 25th of 2015.

Based on the experience of implementation of housing schemes during 2004-14, we have conceived PMAY(Urban) in such a manner that it will address both supply and demand side aspects of removing housing shortage quickly by 2022.

I am happy to inform all of you that within a short span of just 21 months since the launch of PMAY(Urban) in June, 2015, my Ministry has approved construction of 17.73 lakh affordable houses for urban poor with an investment of Rs.95,660 cr. For building these houses, central assistance of Rs.27,879 cr has already been approved.

Our commitment for inclusive urban development and helping the poor realise their basic aspiration of owning a house could be seen from the fact that during 2004-14, construction of only 12.41 lakh such houses was approved at a total cost of Rs.32,713 cr and with central assistance of Rs.17,401 cr.

In effect, we have exceeded in just two years what the previous government could do in 10 years. That is the difference I am trying to drive home.

During the last three years, true to the Government's commitment to promote affordable housing for the benefit of poor in a big way, the government has announced several concessions and incentives including granting of 'infrastructure status' to affordable housing, a long standing demand by organisations like CREDAI. Profits from affordable housing projects have also been exempted from Income Tax. In all, over 20 incentives have been announced by the Government to promote affordable housing projects.

Under the Credit Linked Subsidy Scheme component of PMAY (Urban), an unprecedented Interest Subsidy of 6.50% has been announced for the benefit of EWS and LIC beneficiaries with an income of up to Rs.6.00 lakh per year.

We have an expanding and substantial Middle Income population who are the key drivers of economic activity besides paying income tax. As people graduate from EWS and LIC category to MIG category, most of them are falling short of realising the dream of owning a house. Keeping this in view, Prime Minister Shri Narendra Modi announced on December 31st last year extension of Credit Linked Subsidy Scheme to MIG.

Under this, people with annual income of above Rs.6.00 lakh and up to Rs.12.00 lakh will be assisted with interest subsidy of 4% on a 20 year loan of Rs.9.00 lakh. Those with annual income of above Rs.12 lakh and up to Rs.18 lakh will be given interest subsidy of 3% on a loan of Rs.12 lakh. This comes to about Rs.2.35 lakh for each beneficiary.

In effect, people with annual incomes of up to Rs.18 lakh will be eligible for central assistance in their endeavour to own a house.

Consequently, the Government of India has come out with such a housing scheme that creates substantial opportunities for developers both at the bottom and middle of the pyramid.

This kind of push for housing schemes was never there earlier in our country. We have also put in place the much desired and long awaited Real Estate (Development and Regulation) Act,2016 to promote the real estate sector in a credible, transparent and accountable manner increasing investor confidence while at the same time securing developers' interests.

Friends !

After taking so many initiatives to give a boost to real estate sector with particular focus on affordable housing segment, I have been telling the real estate bodies like the CREDAI that you can't ask for more and you can't have any more excuses for not taking up affordable housing projects in a big way and now it is your turn to walk the talk.

The 17.73 lakh affordable houses approved so far construction with an investment of Rs.95,660 cr did not have any private sector investment. All these houses are to be built with the assistance from central and state governments and the contribution of beneficiaries.

For the goal of Housing for All to be met by 2022, private sector has to play a pro-active role by mobilising investments and taking advantage of various supporting measures announced by the Government of India.

I am happy that today CREDAI and its members have committed to invest Rs.38,003 cr to build 2,03,851 affordable houses . These include-1,03,719 units in 10 cities of Maharashtra, 41,821 in the National Capital Region of Delhi, 28,465 in 13 cities of Gujarat, 7,037 in 3 cities of Karnataka, 6,055 in 6 cities of Uttar Pradesh, 4,406 in 3 cities of Rajasthan, 2,095 in Kolkata, 1,517 in Telangana, 1,372 in Kerala, 1,932 in Goa, 860 in Andhra Pradesh etc.

This is only a beginning and I am sure CREDAI would do much more as we go along.

I would like to assure CREDAI and the member associations that my Ministry and the Central Nodal Agencies like the National Housing Bank, HUDCO and other primary lending institutions will extend full cooperation in reaching the benefits to beneficiaries who buy houses in the projects being launched today across the country.

Friends !

On this occasion, I am happy to state that Gujarat is in the forefront of implementing various new urban missions launched over the last three years including PMAY(Urban), Swachh Bharat Mission, Smart City Mission, Atal Mission for Rejuvenation and Urban Transformation (AMRUT) etc.

As far as the urban housing mission is concerned, Gujarat is way ahead of others by accounting for one third of the houses so far constructed under PMAY (Urban). Gujarat has been so far sanctioned 1,02,854 houses of which construction of about 50% has already begun.

A new India is in the making under the Mission of Making of Developed India. From mindsets to methodologies, everything is being transformed. PM has given us the mantra of 'Perform, Reform and Transform'. We need to 'inform' the change taking place to the people so that the process of change picks up further momentum. Everyone has a stake in this process of change. That is what CREDAI has proved today for which I compliment them.

Let all of us commit to making a New India.

Thank you all!

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