



Home Buyer made the King in Budget for 2017-18, says Shri M.Venkaiah Naidu

Infrastructure status for affordable housing to increase investment flows; reduces risks to loans

Posted On: 02 FEB 2017 5:55PM by PIB Delhi

Push for affordable housing to ensure social justice and equality, says Minister

Budget enhanced realization of Housing for All target

Shri Naidu asserts that housing boom will return with people with income of up to Rs.18 lakh per year getting support from government

Minister of Housing and Urban Poverty Alleviation Shri M.Venkaiah Naidu has said that “Budget for 2017-18 has made the house buyer the King by incentivizing the developers and catalyzing investment flows through several concessions and incentives to affordable housing sector”. He spoke to media elaborating on the thrust given to housing sector in the Budget and their implications by way of increased options to buyers to own a house.

Shri Naidu said that the government’s thrust to affordable housing is an indication of its commitment to ensure social justice and equality under its inclusive development approach.

The Minister noted that fulfilment of the long standing demand of infrastructure status to affordable housing encourages builders by making them available low interest and long term finances, ultimately benefiting the buyers with reduced cost of houses. Infrastructure status makes lending institutions look positively at housing loans as it reduced the risk weightage of such loans.

With affordable housing getting infrastructure status, “Large public sector investors like Employee Provident Fund Organisation and Insurance Firms will now invest in housing as they are mandated to invest specified portion of their funds in infrastructure projects”, he stressed.

Shri Naidu further said that various other incentives announced in the Budget for next fiscal will incentivize producers in the form of low interest loans, tax benefits etc., besides increased availability of resources to housing sector which will increase the options of owning a house and thereby making the house buyer the king.

Shri Naidu asserted that with substantially increased thrust on housing by the Government, the housing boom will return further to large scale interventions both on supply and demand side. He elaborated on this saying that Government is providing central assistance in the range of Rs.1.00 lakh to Rs.2.30 lakh per beneficiary belonging to Economically Weaker Sections, Low Income Groups and Middle Income Groups with incomes of up to Rs. 18 lakh per year under Prime Ministers Awas Yojana(Urban) and similar support for housing in rural areas.

Shri Naidu informed that under PMAY(Urban), 15,61,000 affordable houses have been sanctioned in urban areas with an investment of Rs.84,150 cr with central assistance of Rs.24,670 cr. Of these, construction of 4,32,063 houses has begun and tenders are being called for construction of another 8,50,000 houses.

AAR/KM

(Release ID: 1481623) Visitor Counter : 35

