



Union Minister Shri Venkiah Naidu Press Meet in New Delhi Background Material Pradhan Mantri Awas Yojana (Urban)-Housing for All Mission

Posted On: 20 APR 2017 5:27PM by PIB Chennai

Launch of the Mission

Further to announcement by Prime Minister Shri Narendra Modi that all the homeless and those living in kaccha houses in the country would be enabled to own decent pucca houses with required basic infrastructure facilities by 2022, the Ministry of Housing & Urban Poverty Alleviation formulated 'Pradhan Mantri Awas Yojana (Urban)-Housing for All Mission' to meet the stated objective in urban areas of the country.

Prime Minister Shri Narendra Modi launched PMAY(Urban)-HFA on June 25, 2015.

This scheme is to be implemented in all the 4,041 statutory cities and towns in all the 29 States and 7 Union Territories.

Further to its launch in June, 2015, the Government has so far approved financing of construction of 17,73,533 affordable houses for the benefit of beneficiaries belonging to Economically Weaker Sections (EWS) and Low Income Groups (LIG) in 2,008 cities and towns in all the 29 States and 5 Union Territories. Only the UTs of Andaman & Nicobar Islands and Lakshadweep are still to propose projects under PMAY (Urban).

The scheme was originally intended to benefit EWS and LIG beneficiaries.

Prime Minister Shri Narendra Modi on December 31, 2016 announced extension of PMAY(Urban) to Middle Income Groups (MIG).

The Technical Group set up by the Ministry of HUPA in 2011 has estimated housing shortage of 18.78 million dwelling units covering 0.99 million urban households living in non-serviceable kachha houses, 2.27 million households living in obsolete houses, 14.99 million households living in congested houses requiring construction of new houses and 0.53 million homeless urban families. **Taking into consideration subsequent growth in urbanization, housing demand of about 2.00 cr dwelling units in urban areas was expected at the time of launch of PMAY(Urban).** Subsequently, States/UTs have been asked to undertake fresh demand assessment and the same is nearing completion.

Salient features of PMAY (Urban)-HFA

Target beneficiaries include Economically Weaker Sections (EWS) with an annual income up to Rs.3.00 lakh, Low Income Groups (LIG) with an annual income between Rs.3.00 and Rs.6.00 lakh, MIG(1) with annual income between Rs.6.00 lakh and Rs.12.00 lakh and MIG(2) with annual income between Rs.12.00 and Rs.18.00 lakh.

Upper income ceiling of Rs.18.00 lakh of targeted beneficiaries being substantial in Indian conditions, PMAY (Urban)-HFA benefits large sections of the society and in line with the Government's stated development philosophy of "Sabka Saath - Sabka Vikas".

Central Assistance under PMAY (Urban)

Union Cabinet chaired by Prime Minister Shri Narendra Modi has approved PMAY(Urban)-HFA on June 17, 2015 committing central assistance in the range of Rs.1.00 lakh to Rs.2.30 lakh per each beneficiary under different components of the scheme, as below:

1. In-situ Slum Redevelopment (ISSR) : Under this component, slum dwellings are to be redeveloped at same place using land as resource for meeting project costs so that slum dwellers get pucca houses in multi-storied buildings with basic infrastructure facilities free of cost. Central assistance of up to Rs.1.00 lakh is provided to make the projects viable, wherever required.

2. Affordable Housing in Partnership (AHP): Central assistance of Rs.1.50 lakh is provided for each EWS beneficiary for houses to be built with partnerships by States/UTs/Cities/Private sector if 35% of houses are earmarked for EWS in projects with a minimum number of 250 units each.

3. Beneficiary Led Construction (BLC): Central assistance of Rs.1.50 lakh each is provided to EWS beneficiaries to enable them construct new house or enhance existing houses on their own.

4. Credit Linked Subsidy Scheme (CLSS): Central assistance is provided in the form of interest subsidy on housing loans availed for new construction and addition of rooms, kitchen, toilet etc by beneficiaries belonging to EWS, LIG and MIG categories.

Interest subsidy of 6.50% on a 20 year loan component of Rs.6.00 lakh is given to EWS and LIG beneficiaries, 4% subsidy for MIG beneficiaries with annual income between Rs.6.00 lakh and Rs.12.00 lakh on a 20 year loan component of Rs.9.00 lakh and 3% interest subsidy for MIG beneficiaries with annual income between Rs.12.00 lakh and Rs.18.00 lakh on a loan component of Rs.9.00 lakh. This subsidy which comes to about Rs.2.30 lakh and Rs.2.40 lakh is paid upfront to reduce the EMI burden on beneficiaries.

In respect of housing for EWS and LIG beneficiaries, the houses to be built are required to be in the name of adult female member of the family or jointly in the name of adult female and male members of the family.

Under CLSS for MIG, adult earning members even though unmarried are made eligible for availing interest subsidy.

Affordable housing projects are also being promoted under Smart City Mission and quite a few of them have proposed such projects.

Impact of increased housing construction:

Construction sector has a significant multiplier effect on GDP besides supporting 250 ancillary industries and is the second largest employer. Several initiatives taken by the Government to promote this sector including granting of 'Infrastructure status' for affordable housing segment, over 20 concessions and incentives including exemption of profits from affordable housing projects from Income Tax, enactment of the Real Estate (Regulation and Development) Act, 2016 etc., are expected to boost the sector resulting in additional employment generation.

Initiatives for effective implementation of PMAY (Urban)-HFA

Government in the Budget for 2017-18 has announced Infrastructure status for affordable housing which benefits the sector in the form of increased and low cost credit flow.

In the light of the experience of implementation of housing schemes under JNNURM during 2004-14, the Government has made mandatory on the part of States/UTs to amend/prepare Master Plans earmarking land for affordable housing, single window approval for layout and building plans, doing away with separate Non-Agricultural Permission if land is already in earmarked residential zones, provision of additional FAR/FSI/TDR for slum redevelopment projects etc.

Progress under PMAY (Urban) - Comparison with 2004-14

Further to the launch of the mission in June, 2015, the Ministry of HUPA has so far approved construction and financing of 17,73,533 affordable houses for the benefit of urban poor in 2,008 cities and towns.

Affordable houses being taken up under PMAY(Urban) exceed 13,82,768 houses sanctioned during ten years during 2004-14 under Jawaharlal Nehru Urban Renewable Mission (JNNURM) and Rajiv Awas Yojana (RAY) in 939 cities and towns by 3,90,765.

Under PMAY(Urban), a total investment of Rs.96,266 cr has so far been approved as against only Rs.31,000 cr during 2004-14.

Under PMAY(Urban), central assistance of Rs.27,883 cr has already been approved so far as against the central assistance committed of only Rs. 20,920 cr during 2004-14. In fact, central assistance committed under PMAY(Urban) comes to much more given the central assistance committed of Rs.1.00 lakh to Rs.2.40 lakh per each beneficiary.

During 2014-17, construction of 3.55 lakh affordable houses has been completed as against 7.99 lakh houses constructed during the ten years (2004-14).

This goes to prove that affordable housing has received more vigorous and focused thrust during the last three years reflecting in performance that exceeded what was done during the previous ten years (2004-14).

State/UT wise details of affordable houses being taken up under PMAY(Urban), Investments and central assistance approved as on date are:

| State/UT | No of affordable houses approved under PMAY (Urban) | Investment approved (Rs. Cr) | Central assistance approved (Rs. Cr) |
|----------------|---|------------------------------|--------------------------------------|
| Andhra Pradesh | 1,95,047 | 10,697 | 2,954 |
| | | | |

| | | | |
|----------------------|----------|--------|-------|
| Bihar | 88,293 | 3,909 | 1,453 |
| Chattisgarh | 30,075 | 2,760 | 445 |
| Goa | 11 | 1.12 | 0.22 |
| Gujarat | 1,44,687 | 9,581 | 2,025 |
| Haryana | 4,299 | 338 | 224 |
| Himachal Pradesh | 4,890 | 222 | 96 |
| Jammu & Kashmir | 6,243 | 292 | 104 |
| Jharkhand | 64,567 | 2,411 | 1,007 |
| Karnataka | 1,46,548 | 6,288 | 2,492 |
| Kerala | 28,275 | 943 | 451 |
| Madhya Pradesh | 2,09,711 | 15,572 | 3,247 |
| Maharashtra | 1,26,081 | 13,458 | 1,915 |
| Odisha | 48,855 | 2,108 | 824 |
| Punjab | 42,681 | 1,199 | 600 |
| Rajasthan | 37,856 | 2,646 | 685 |
| Tamil Nadu | 2,27,956 | 8,279 | 3,482 |
| Uttar Pradesh | 20,682 | 1,056 | 466 |
| Uttarakhand | 7,904 | 510 | 201 |
| West Bengal | 1,44,369 | 5,870 | 2,175 |
| | | | |
| North-Eastern States | | | |
| Arunachal Pradesh | 1,606 | 98 | 78 |
| Assam | 24,353 | 730 | 365 |
| Manipur | 9,748 | 257 | 146 |
| Meghalaya | 48 | 2.52 | 0.72 |
| Mizoram | 10,549 | 219 | 164 |
| Nagaland | 13,560 | 335 | 229 |
| Sikkim | 1 | 0.10 | 0.02 |
| Tripura | 45,908 | 1,264 | 721 |
| | | | |
| Union Territories | | | |
| Chandigarh | 5 | 0.64 | 0.10 |
| Dadra & Nagar Haveli | 854 | 32 | 13 |

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|-------------|-------|-----|------|
| Daman & Diu | 51 | 2 | 0.78 |
| Delhi | 237 | 23 | 3.52 |
| Puducherry | 3,862 | 163 | 58 |

RCN/SG

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