Pradhan Mantri Awas Yojana
- Housing for All (Urban) -

Mumbai

21 March, 2016
PMAY Scheme - Overview

• Housing for All by 2022 approved by Cabinet on 17.06.2015
• Guidelines launched on 25.06.2015
• Mission to cover all Statutory Towns as per Census 2011 and towns notified subsequently for beneficiaries belonging to EWS and LIG categories.
• States/UTs have the flexibility to include the Planning Area as notified in respect to the Statutory Town and which surrounds the concerned Municipal area in the Mission.
• Mission has four components:
  1) “In situ” rehabilitation of existing slum dwellers using land as a resource through private participation
  2) Credit Linked Subsidy (CLS) Scheme
  3) Affordable Housing in Partnership
  4) Subsidy for beneficiary-led individual house construction or enhancement.
### Housing For All (Urban): Development Options

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<td>Upfront subsidy @ 6.5% for EWS and LIG for loans up to Rs. 6 lakh, calculated at NPV basis</td>
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<td>GoI grant <strong>Rs. 1 lakh</strong> per house</td>
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<td>Central assistance of Rs.1.5 lakh per beneficiary.</td>
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- Beneficiary can take advantage under one component only
- CLSS is a Central Sector Scheme, while other 3 components are to be implemented as Centrally Sponsored Schemes
Mission Highlights

• Housing shortage estimated at 2 crore, but exact scope of the mission to emerge after demand assessment
• States/UTs may decide a cut off date on which beneficiary needs to be resident of that urban area to be eligible.
• Beneficiary defined as a family comprising husband, wife and unmarried children. Further, Beneficiary should not have any pucca house anywhere in India to be eligible to receive support under the mission.
• EWS category defined as a family with income upto Rs. 3 lakh and LIG from Rs. 3-6 lakh.
• Size of EWS house - 30 Sq M., LIG house - 60 Sq M. Carpet area, States to have flexibility but Central assistance fixed
• Project approval at state level.
• Aadhaar Card/Bank Account Number/PAN Number (if available) required from beneficiary or a certificate of house ownership from Revenue Authority of beneficiary’s native district.
(1) “In-Situ” Slum Redevelopment

- Using land as a resource with **private participation**
- Slums on **Central Government land/State Government land/ULB land**
  - Slum rehabilitation grant of **Rs. 1 lakh per house**, on an average.
  - **Flexibility to States/Cities** to deploy this central grant for other slums being redeveloped
  - States/Cities provide **additional FSI/FAR or TDR** to make projects financially viable
  - Land cost **not to be charged** by Central Govt. agencies
- Slums on **Private Owned Land**
  - States/Cities provide additional FSI/FAR or TDR to land owner as per its policy
  - No Central Assistance
(1) “In-Situ” Slum Redevelopment - Approach

- **State/UTs shall decide:**
  - **Eligibility criteria** like cut off date etc. preferably through legislation
  - **Beneficiary contribution**
  - **allotment** on ownership rights or on renewable, mortgageable and inheritable leasehold rights basis
  - **Restriction on transfer**

- Identify all tenable slums and their parameters such as area, available FSI, market potential etc.
- Examine **financial and technical viability** of all tenable slums for redevelopment with private partner using land as a resource
  - Consider additional FSI/FAR, TDR, relax density norms
  - Mixed usage of land
  - Cluster of slums as single project
(1) “In-Situ” Slum Redevelopment - Approach

- Two Components:
  - **slum rehabilitation component**: provides housing along with basic civic infrastructure
  - **free sale component**: available to developers for selling in the market so as to cross subsidize the project

- Sale of “free sale component” should be **linked** to the completion and transfer of slum rehabilitation component

- Only the **required slum land to be given** to private developers.

- **Consultations** with Slum Dwellers’ Associations for formulating projects

- All **financial and non financial incentives and concessions** to be declared ‘a priori’ in the bid document

- Private partner to be selected through **open bidding process**
(1) “In-Situ” Slum Redevelopment.. Contd.

- **Open bidding** for the slum redevelopment project
  - Positive premium-Select highest positive premium developer
  - Negative premium-Select lowest negative premium developer
- **Implementing agency to make allotments** to eligible slum dwellers through a transparent process
- Project developers to provide **transit accommodation** during the construction period
- ULBs should have a **single project account** for slum redevelopment projects
- **Single authority** for formulating project and according approval to projects.
- Financially unviable tenable slums can be taken up in later phases or deficiency of houses can be taken up under other components of Mission
- Untenable slums can be taken up under other components of Mission
(2) Credit Linked Interest Subsidy

- A demand side intervention
- Interest subvention on home loans taken by eligible urban poor (EWS/LIG) for acquisition, construction or enhancement of house
- **Interest subsidy of 6.5%** available on housing loans of **upto Rs. 6 lakhs** with tenure of **15 years** for EWS/LIG, loans beyond Rs. 6 Lakhs at market rate
- Interest subsidy calculated on **NPV basis @9% discount rate**
- **Subsidy credited upfront to the loan account** of beneficiaries through lending institutions
(2) Credit linked Subsidy... Contd.

- Preference to Manual Scavengers, Women/widows, SC/ST/OBCs, Minorities, differently-abled and Transgender subject to them being EWS/LIG

- Self-certificate/affidavit as proof of income from loan applicant for interest subsidy

- **Central Nodal Agencies (CNAs)** to channelize subsidy to the lending institutions and for monitoring the progress
  - Housing & Urban Development Corporation (HUDCO), and
  - National Housing Bank (NHB)

- PLIs can sign **MoU with only one Nodal Agency**

- **PLIs to take NOCs quarterly** from States/UTs or designated agency for list of beneficiaries covered under Credit Linked Subsidy to avoid duplication.
(3) Affordable Housing in Partnership

• A supply side intervention

• To provide financial assistance to EWS houses being built in different partnerships by States/UTs/Cities including private sector and industries

• Central assistance @Rs. 1.5 lakh per EWS house

• Affordable housing project eligible for central assistance
  – At least 35% of the houses for EWS category
  – Project of at least 250 houses

• Allotment through transparent procedure as approved by SLSMC to beneficiaries identified in HFAPoA
• Preference to physically handicapped persons, senior citizens, SC/ST/OBCs, minorities, single women, transgender and other weaker and vulnerable sections of the society

• States/UTs to decide an upper ceiling of sale price for EWS houses

• Sale price to be fixed using following principles:
  – On no profit no loss basis when projects undertaken with no private participation
  – Through open transparent process factoring in incentives provided by Centre/State/ULB when projects undertaken with private sector

• Different models of private sector involvement prevailing in states can be adopted by others
(4) Beneficiary-led individual house construction or enhancement

- Assistance to individual eligible families belonging to EWS categories to either construct new houses or enhance existing houses on their own
- Central assistance @ Rs. 1.5 lakh per house
- Beneficiaries, in or outside slums, to approach ULBs with proof of land/house ownership
- Kutcha houses in slums not taken up for redevelopment can be covered
- ULBs to ascertain ownership of land, economic status and eligibility etc. of beneficiary
- Socio-economic Caste Census (SECC) data to be used to verify current housing status of applicant and consequent eligibility
- ULBs to prepare integrated city wide individual housing project
• **Individual applicants** for assistance shall not be considered.

• States/UTs/Cities to ensure that GoI assistance is committed only after **balance cost of construction is tied up**

• **State/UT or cities may contribute financially**

• Central assistance will be released to **bank accounts of identified beneficiaries through States/UTs**

• GoI contribution to be **released in proportion** to the value of construction in **3-4 instalments**

• Last instalment of Rs. 30,000/- of GoI assistance to be released only after completion of the house

• **Mechanisms to track progress** of such individual houses through geo-tagged photographs
State to sign MoA with Govt. of India agreeing for partnership in the Mission

Selection of Cities by States in consultation with Ministry.

Demand assessment by State & ULB. Beneficiaries to be validated by State / ULB

State to prepare city-wise and in case of bigger cities sub-city wise ward/zone ‘Housing for All’ Plan of Action (HFAPoA) with different options and fund reqt. from different sources.

Based on HFAPoA, Annual Implementation Plan (AIP) to be submitted by States/UTs for annual budgeting

Project approval at State level, Financial Assistance from GoI to be released in lumpsum based on proposals received from States/UTs in a pre-defined proforma
Mandatory Conditions for States/UTs

• Dispensing the need for separate Non Agricultural (NA) Permission if land already falls in the residential zone earmarked in Master Plan of city or area.

• Prepare/amend their Master Plans earmarking land for Affordable Housing.

• Single-window, time bound clearance for layout approval and building permissions at ULB level.

• Adopt the approach of deemed building permission and layout approval on the basis of pre-approved lay outs and building plans for EWS/LIG housing or exempt approval for houses below certain built up area or plot area.

• Either legislate or amend existing rental laws on the lines of model Tenancy Act being prepared by Ministry.

• Provide additional Floor Area Ratio (FAR)/Floor Space Index (FSI)/ Transferable Development Rights (TDR) and relaxed density norms for slum redevelopment and low cost housing, if required.
Convergence with Other Ministries

- Industries to plan and make provision for accommodation facilities for all its employees whether contractual or permanent.
- Railway to undertake housing for poor including slum dwellers on its land in its transit area development.
- Other land owning central govt. agencies shall also contribute by providing land and undertaking housing construction activities for poor.
- MoUD to converge civic amenities and infrastructure development in fringe areas of cities under NUDM to make more land available for housing.
- Smart city to also include adequate provision for EWS housing.
- States requested to utilise Construction Worker Welfare Fund for creating adequate stock of affordable/rental housing.
Administrative Structure

- **CSMC** under Chairpersonship of Secretary (HUPA) for implementation of Mission, approvals there under and monitoring
- **Mission Directorate** at MoHUPA headed by Joint Secretary (Mission)
- **SLSMC** headed by State Chief Secretary for approval of action plans and projects
- States to designate **SLNA** for coordination and reform related activities
- **City level Mission** under Chairpersonship of Mayor/Chairman
- Suitable **grievance redressal mechanism** at both State and City level
- **For implementation of CLSS**
  - Committee of Secretary (HUPA) and Secretary (DFS) for monitoring, giving targets to PLIs
Technology Sub-Mission

• Set up to facilitate adoption of:
  – **Modern, innovative and green technologies** and **building material** for faster and quality construction of houses
  – Layout designs and building plans suitable for various geo-climatic zones

• Will work on: i) Design & Planning ii) Innovative technologies & materials iii) Green buildings using natural resources and iv) Earthquake and other disaster resistant technologies and designs.

• Assist State/Cities in deploying **disaster resistant and environment friendly technologies**

• Will coordinate with various regulatory and administrative bodies for:
  – Mainstreaming and up scaling the deployment of modern construction technologies, material in place of conventional construction and
  – Use of green and energy efficient technologies, climate changes etc.

• Centre and State/UT to **partner with** willing IITs, NITs and Planning & Architecture institutes for developing technical solutions, capacity building and handholding

• State or region specific needs of technologies and designs would also be supported under this Sub-Mission.
Technology Sub-Mission : Strategy

• Constitution of Technology Sub-Mission comprising of experts, academicians, practitioners for resolving impending issues related with technologies right from planning to execution of projects.

• Involving R&D institutions, IITs/NITs by harnessing their strength in identification, review, testing, design and consultancy in Housing Technology.

• Handholding and technical support to the States for preparation of DPR, planning & design, quality control, preparation of Schedule of Rates (SoRs), analysis of Rates, Standards and Specifications, Code of Practice, manuals and guidelines, etc.

• Capacity Building and training for State engineers, Municipal Engineers, architects, planners and artisans etc.
## Technology Sub-Mission: Implementation Strategy

### Tier – I

Technology sub-mission headed by JS (HFA) comprising of Technical Experts and 4 States on Rotation basis. A dedicated technical cell will be set up at BMTPC to support Technology Sub-mission.

*The group will work under overall guidance of CSMC headed by Secretary (HUPA)*

**Role:** Program Development

### Tier – II

Regional Hubs represented/run by IITs/NITs in respective region (Each Hub covering 5-6 States)

**Role:** Overall technical support to states, comprehensive testing facilities, R&D, Training of trainers, technical vetting, preparation of manual & guidelines etc.

### Tier – III

IITs/NITs/ State Engg. Colleges

**Role:** Technical audit of DPRs, Monitoring of quality on random basis, testing Training of engineers & planners, Any other activity based on expertise available in the institute.
Technology Sub-Mission : Outcome

- Mass scale adoption of different emerging and proven technologies.
- Framework at state level for use of emerging and proven technologies.
- Enhancing availability of skilled professionals / artisans for construction of houses.
- Documentation of success stories.
- Confidence in the mind of stake holders on emerging and proven technologies.
- Reduction in construction Time & Cost.
Technology Sub-Mission:
Initiatives taken so far

- Compendium of Prospective Emerging Technologies for mass Housing
- Compendium of best Practices for habitat planning, design & state policies
- Model Expression of Interest for Empanelment of Agencies for Construction of Housing/Buildings with Alternate Technologies
- Multi-attribute Evaluation methodology for emerging housing technologies
- MoU with willing IIT, NIT and Planning & Architecture institutes for technical support, capacity building and handholding
- Advisory group for mainstreaming to assess Glass Fibre Reinforced Gypsum Wall Panel (GFRG) technology as a cost effective alternative to conventional building materials
- Virtual Platform i.e. a web-based knowledge network for technical information on building products, materials, technologies, systems, and processes encompassing sustainable habitat.
Thank You