

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 2623
ANSWERED ON 24/03/2025**

LONG-TERM URBAN HOUSING STRATEGY

2623. SHRI SANJAY RAUT:

Will the Minister of *Housing and Urban Affairs* be pleased to state:

- (a) the manner in which Government plan to integrate affordable housing with urban infrastructure development, including smart cities and transit-oriented projects particularly in the State of Maharashtra ;
- (b) whether there are any initiatives to mandate or incentivize eco-friendly construction and sustainable housing solutions in urban areas;
- (c) the policies Government is implementing to encourage greater participation of private developers in affordable housing projects; and
- (d) whether there are plans to offer tax benefits or financial support for joint ventures between Government and private sector to develop affordable housing?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF HOUSING AND URBAN AFFAIRS
(SHRI TOKHAN SAHU)**

- (a) & (c): 'Land' and 'Colonization' are State subjects. Therefore, schemes related to housing for the citizens are implemented by States / Union Territories (UTs). However, the Ministry of Housing and Urban Affairs (MoHUA) has been supplementing the efforts of States / UTs, by providing Central Assistance under Pradhan Mantri Awas Yojana - Urban (PMAY-U) since 25.06.2015, to provide pucca houses with basic civic amenities to eligible urban beneficiaries of Economically Weaker Section (EWS), Low Income Group (LIG) and Middle Income Group (MIG) categories across the country. The scheme period, has been extended upto 31.12.2025 to complete sanctioned houses without changing the funding pattern and implementation methodology.

Further, based on 9 years of experience and learning from implementing PMAY-U, MoHUA has revamped the scheme and launched PMAY-U 2.0 'Housing for All' Mission with effect from 01.09.2024 to assist 1 crore additional eligible urban beneficiaries through four verticals i.e., Beneficiary Led Construction (BLC), Affordable Housing in Partnership (AHP), Affordable Rental Housing (ARH) and Interest Subsidy Scheme (ISS).

As on date, 30 States / UTs have signed Memorandum of Agreement (MOA) to implement PMAY-U 2.0 as per scheme guidelines. The operational guidelines of the PMAY-U 2.0 have been launched on 17.09.2024. The unified web portal for submitting online application and operational guidelines can be accessed at <https://pmay-urban.gov.in>.

PMAY-U 2.0 guidelines require States / UTs to formulate 'Affordable Housing Policy' along with key reforms to attract private investment and create an enabling eco-system for augmenting the affordable housing stock in the country including the metro cities. List of major reforms are as under:

- 50% additional FAR with TDR facility free of cost and built-up area used for EWS / LIG, not to be counted in overall FAR of the project.
 - Mandatory reservation of 5% of built-up area for EWS/LIG housing in all housing projects beyond 10,000 sqm built-up area or 5,000 sqm plot area.
- (b): Technology and Innovation Sub-Mission (TISM) under the Pradhan Mantri Awas Yojana - Urban 2.0 (PMAY-U 2.0) has been set up to promote innovative, sustainable, eco-friendly and disaster-resilient technologies and building materials under the scheme.
- (d): Moreover, to support the affordable housing sector, Central Government has taken various steps such as - reduction in Goods and Services Tax (GST) on under-construction Affordable Housing project from 8% to 1% without Input Tax Credit (ITC) and Infrastructure status to Affordable Housing by including it in Harmonized List of Infrastructure.
