

GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 1026
ANSWERED ON 09/02/2026

HOUSING AFFORDABILITY CRISIS IN RAPIDLY GROWING CITIES LIKE PUNE

1026. DR. MEDHA VISHRAM KULKARNI:

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

- (a) whether Government has taken note of the declining housing sales in affordable and mid-income segments in Pune during 2025 due to rising prices, outdated affordable housing caps and reduced project launches;
- (b) whether Government proposes to revise the definition and price threshold of affordable housing in major urban centres and extend fiscal incentives to revive supply; and
- (c) the steps being taken to coordinate with Government of Maharashtra for faster approvals, GST rationalisation and targeted support for first-time urban homebuyers?

ANSWER

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

(a) to (c): 'Land' and 'Colonization' are State subjects as per Entry 18 of List – II of the Seventh schedule of the Constitution of India. The Ministry of Housing and Urban Affairs (MoHUA) does not maintain the data pertaining to sale, prices, launch of housing projects.

However, the Ministry of Housing and Urban Affairs supplements the efforts of States/UTs, by providing Central Assistance for pucca houses to eligible urban beneficiaries across the country under Pradhan Mantri Awas Yojana- Urban (PMAY-U) since 25.06.2015.

Based on the learnings from the experiences of implementation of PMAY-U, MoHUA has revamped the scheme and launched PMAY-U 2.0 'Housing for All' Mission with effect from 01.09.2024 for implementation in urban areas across the country to construct, purchase and rent a house by eligible beneficiaries at affordable cost, for 1 crore additional eligible 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 per the scheme guidelines of PMAY-U 2.0, the fund required for purchase/construction of houses under the scheme is shared between the Central Government, State/UT Government/ Urban Local Bodies (ULBs) / Implementing agencies and the beneficiaries. States share has been defined and made mandatory with flexibility to the State(s) to increase their share to ensure affordability of houses to the prospective beneficiaries.

Further, a committee was constituted by NITI Aayog in May 2025 to prepare a detailed approach paper proposing a comprehensive framework to promote and enable affordable housing and has given its report in December 2025 namely 'A Comprehensive Framework to Promote Affordable Housing'. The recommendations inter alia include certain tax exemptions and fiscal incentives. The report may be seen on the website of NITI Aayog at: https://niti.gov.in/sites/default/files/2026-01/A_Comprehensive_Framework_to_Promote_Affordable_Housing.pdf.

The recommendations of the Committee have been shared with Ministries/Departments of the Government / States and UTs/ various other stakeholders for necessary action.

Further, the Central Government has taken various measures to increase the supply of affordable houses to meet the needs of the common people 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 Harmonised List of Infrastructure.
