

# “Assessment of Government Policies for Affordable Housing Sector in Maharashtra”

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**ABSTRACT:** Shelter is a basic human need. The planning for housing is essential so that various services like transport, water, electricity and other amenities like hospitals, schools, recreational space etc., can be accessed by the residents efficiently and beneficially. Besides, livelihood opportunities also need to be linked to the residential areas suitably so that the housing need of the human being gets fuller satisfaction. This thesis deals with the public policy on rural housing in India and the plan wise allocation of funds towards rural housing schemes. It also analyses housing policy in India since Independence. It explains the Rajiv Awas Yojna (RAY) And Pradhan Mantri Awas Yojna of the Housing role of the rural housing finance in Maharashtra. And difference between these both policies and give some recommendation to improve those policies

**KEYWORDS:** Urbanization, Housing, Affordability, Measures and public Interventions

## I. INTRODUCTION

The State Government has resolved to provide 19 lakh houses by the year 2022, with main thrust for Economically Weaker Section (EWS), Lower Income Group (LIG) and Middle Income Group (MIG) housing. This time bound objective has given a dimension of urgency to revisit the earlier government housing policy. Thus a new housing policy needs to be in place in view of the new dynamic scenario by defining the role of the State as a Facilitator, Catalyst, Builder and Regulator.

As per the census of 2011, out of 3.36 crore census houses 2.98 crore houses were occupied in the State. The population of the rural houses in the total census houses was 52.2% and 47.8% in urban areas. A Survey by the National Housing Bank (NHB), reveals a national housing shortage of 18.78 million in 2012-13, with Maharashtra's shortage estimated at 1.94 million houses. Urbanization in Maharashtra has increased from 42.43% to 45.23% between 2001-2010.

All indicators project an ever increasing trend of urbanization. The urban population share in the total population of India is 31.16%. In a decade (2001-2011) the census houses have increased by 31.12% overall, while in rural areas the rise is 25.63% and in urban area it is 37.7%. All indicators indicate the gravity of the housing deficit in the State particularly in the affordable housing segment and hence affordable housing needs a big push. The situation warrants mission mode approach for the housing sector, starting with the introduction of a New Policy.

## A. Demand for affordable housing in India

• Affordable housing is quickly taking a center stage internationally, within the national agenda in Republic of India.

• Various factors are responsible for the demand of affordable house in India, such as, the progressive urbanization, going hand in hand with a growing urban population, which increased from 109 million in 1971 to 377 million in 2011, and is projected to grow to 600 million by 2030.

• The consequence of the growing concentration of people in urban spaces is felt in land and housing shortages and congested transit, besides the stress on basic amenities such as water, power, and sanitation.

• The Ministry of Housing estimated a housing shortage of 18.78 million houses during the 12th plan period, with 99 percent in the economically weaker and lower income groups.

## B.Objective

The following are the objectives of the present study:

1. To study the affordable housing policies in India.
2. To collect data regarding Rajiv Awas Yojna (RAY) And Pradhan Mantri Awas Yojna (PMAY) and its implementation.
3. To conduct case studies on the projects.
4. To give suggestions for successful implementation of Government schemes.

### AFFORDABLE HOUSING POLICIES

Affordable housing is a term accepted by researchers in providing solutions, guidelines and frameworks especially in formulating housing policy and schemes. For years, the Indian government has

tried to provide affordable housing, mainly through public sector housing programs, slum redevelopment and provision of land with access to infrastructure. Since Independence, government of India had launched various housing schemes.

Table 1 Housing schemes of The Government of India since independence

Sr. No.	Housing Schemes	Launched in Year
1	Integrated Subsidised Housing Scheme for Industrial workers and Economically Weaker Sections	1952
2	Low Income Group Housing Scheme	1954
3	Subsidized Housing Scheme for Plantation Workers	1956
4	Middle Income Group Housing Scheme	1959
5	Rental Housing Scheme for State Government Employees	1959
6	Slum Clearance and Improvement Scheme	1956
7	Village Housing Projects Scheme	1959
8	Land Acquisition and Development Scheme	1959
9	Provision of House Sites of Houseless Workers in Rural Areas	1971
10	Environmental Improvement of Urban Slum	1972
11	Sites and Services Schemes	1980
12	Indira AwasYojana	1985
13	Night Shelter Scheme for Pavement Dwellers	1990
14	National Slum Development Program	1996
15	2 Million Housing Program	1998
16	ValmikiAmbedkarMalinBastiAwasYojana	2000
17	Pradhan Mantra GramodayaYojana	2001
18	Jawaharlal Nehru National Urban Renewal Mission	2005
19	PradhanMantriAdarsh Gram Yojana (2009-10)	2009
20	Rajiv AwasYojana	2011
21	PradhanMantriAwasYojana- Housing for All (Urban)	2015

#### A. RAJIV AWAS YOJANA (RAY)

Rajiv Awas Yojana (RAY) envisages a “Slum Free India” with inclusive and equitable cities in which every citizen has access to basic civic infrastructure, social amenities and decent shelter.

##### Vision

- Improving and provisioning of housing, basic civic infrastructure and social amenities in intervened slums.
- Enabling reforms to address some of the causes leading to creation of slums.
- Facilitating a supportive environment for expanding institutional credit linkages for the urban poor.
- Institutionalizing mechanisms for prevention of slums including creation of affordable housing stock.
- Strengthening institutional and human resource capacities at the Municipal, City and State levels through comprehensive capacity building and strengthening of resource networks.
- Empowering community by ensuring their participation at every stage of decision making through strengthening and nurturing Slum Dwellers’ Association/Federations.

#### B. PRADHAN MANTRI AWAS YOJANA (PMAY)

Pradhan Mantri Awas Yojana (PMAY) is an initiative by Government of India in which affordable housing will be provided to the urban poor with a target of building 20 million affordable houses by 31 March 2022. It has two components: Pradhan Mantri Awas Yojana (Urban) (PMAY-U) for the urban poor and Pradhan Mantri Awas Yojana (Gramin) (PMAY-G OR PMAY-R) for the rural poor.

The features of Pradhan Mantri Awas Yojana are that the government will provide an interest subsidy of 6.5% on housing loans availed by the beneficiaries for a period of 20 years under credit link subsidy scheme (CLSS) from the start of a loan. The houses under Pradhan Mantri Awas Yojana would be constructed through a technology that is eco-friendly, while allotting ground floors in any housing scheme under PMAY, preference will be given to differently abled and older persons.

### Phases

3 Phases of PMAY envisage starting and completing the house construction work as follows:

- PMAY Phase-1 from April 2015 to March 2017 to cover 100 cities.
- PMAY Phase-2 from April 2017 to March 2019 to cover additional 200 cities.
- PMAY Phase-3 from April 2019 to March 2022 to cover the remaining cities.

## II. CONCLUSION

1. Rajiv Awas Yojana (RAY) Improving and provisioning of housing, basic civic infrastructure and social amenities, and decent shelter in intervened slums. And Pradhan Mantri Awas Yojana (PMAY) is an initiative by Government of India in which affordable housing will be provided to the urban poor
2. Pradhan Mantri Awas Yojana has two components: Pradhan Mantri Awas Yojana (Urban) (PMAY-U) for the urban poor and Pradhan Mantri Awas Yojana (Gramin) (PMAY-G OR PMAY-R) for the rural poor.
3. Where (PMAY-G) Providing shelter for poor has always been a challenge for India and the problem is more prominent in rural areas. Various international resolutions such as United Nations Declaration of Human Rights, International Covenant for Economic, Social and Cultural Change Rights, Vancouver Declaration on Human Resettlements, etc., have recognized housing as a part of the right to an adequate standard of living.
4. And Pradhan Mantri Awas Yojana (Urban) or PMAY (U) scheme is The Credit Linked Subsidy Scheme (CLSS) for Middle Income Group (MIG) to be called CLSS for MIG I and MIG II
5. The Pradhan Mantri Awas Yojana's inception and supersession of RAY can be attributed to the change in the ruling party, The PMAY in comparison to RAY though adopting quite a different approach in the issue of 'Housing for All' is quite similar in its objective of achieving 'Slum free cities' by 2022. PMAY in contrast to RAY is much more decentralized in financing the construction and development of the dwellings. RAY on the other hand involved a larger role by the central. Nearly 75% of the project costs were to be borne by the central and the remaining by the State government and a minimal amount by the beneficiaries.
6. The funds are released only after Third Party Inspection and Monitoring Agency (TIPMA) reports are forwarded to and approved by the CSMC. When the reports are delayed, the funds are consequently delayed the projects get delayed due to this and the beneficiaries tend to lose faith in these projects and develop a strong resistance to relocation/development.

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