

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 1331**

TO BE ANSWERED ON DECEMBER 19, 2022

**FAILURE OF GOVERNMENT'S AFFORDABLE
HOUSING SCHEMES TO ATTRACT BUYERS**

NO. 1331. SHRI JAGGESH:

Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

- (a) whether it is a fact the Central Government's and State Governments' affordable housing schemes fail to attract buyers and a huge number of houses built are lying unsold for years;
- (b) whether Government is forced to amend housing regulations in a bid to attract more buyers; and
- (c) if so, the reasons for houses lying unsold and measures taken by the Government to make affordable housing schemes attractive?

**ANSWER
THE MINISTER OF STATE IN THE
MINISTRY OF HOUSING AND URBAN AFFAIRS**

(SHRI KAUSHAL KISHORE)

- (a): 'Land' and 'Colonization' are State subjects. Therefore, the respective State/UTs have to address the housing needs of its population. However, Ministry of Housing and Urban Affairs, under the vision of 'Housing for All', is supplementing the efforts of States/ UTs by providing Central Assistance under Pradhan Mantri Awas Yojana- Urban (PMAY-U) for construction of houses for all eligible families/ beneficiaries since 25.06.2015 in urban areas.
- (b) & (c): Ministry of Housing and Urban Affairs (MoHUA) has launched Affordable Rental Housing Complexes (ARHCs) as a sub-scheme of Pradhan Mantri Awas Yojana - Urban (PMAY-U) to provide dignified living to urban migrants/poor near their workplace. This scheme is being implemented through two models as under:
 - i. Model-1: Utilizing existing Government funded vacant houses constructed under Jawaharlal Nehru National Urban Renewal Mission (JnNURM) and Rajiv Awas Yojana (RAY) to convert into ARHCs through Public Private Partnership (PPP) or by Public Agencies,
 - ii. Model-2: Construction, Operation & Maintenance of ARHCs by Public/ Private Entities on their own available vacant land.

Moreover, in order to enhance the affordability the Government has taken various fiscal and financial measures such as- reduction in Goods and Services Tax (GST) on under-construction Affordable Housing project from 8% to 1% without Input Tax Credit (ITC); increase in Priority Sector Lending (PSL) for Affordable Housing Project from Rs. 28 lakh to Rs. 35 lakh in metros and from Rs. 20 lakh to Rs. 25 lakh in non-metros; setting up of Affordable Housing Fund in National Housing Bank; Infrastructure status to Affordable Housing by including it in Harmonised List of Infrastructure.