

Hon'ble Prime Minister envisioned Housing for All by 2022 when the Nation completes 75 years of its Independence. In order to achieve this objective, Central Government has launched a comprehensive mission "Housing for All by 2022"

Housing for All (HFA) mission is since launched in compliance with the above objective of the Government and with the approval of competent authority.

The mission seeks to address the housing requirement of urban poor including slum dwellers through following programme verticals:

- Slum rehabilitation of Slum Dwellers with participation of private developers using land as a resource
- Promotion of Affordable Housing for weaker section through credit linked subsidy
- Affordable Housing in Partnership with Public & Private sectors
- Subsidy for beneficiary-led individual house construction.

1. Scope

- 1.1 "Housing for All" Mission for urban area will be implemented during 2015-2022 and this Mission will provide central assistance to implementing agencies through States and UTs for providing houses to all eligible families/beneficiaries by 2022.
- 1.2 Mission will be implemented as Centrally Sponsored Scheme (CSS), except for the component of credit linked subsidy, which will be implemented as a Central Sector Scheme.
- 1.3 A beneficiary family will comprise husband, wife, unmarried sons and/or unmarried daughters. The beneficiary family should not own a pucca house either in his/her name or in the name of any member of his/her family in any part of India, to be eligible to receive central assistance under the mission.
- 1.4 States/UTs, at their discretion, may decide a cut-off date on which beneficiaries need to be resident of that urban area for being eligible to take benefits under the scheme.
- 1.5 Mission with all its component has become effective from the date 17.06.2015 and will be implemented upto 31.03.2022.

2. Coverage and Duration

2.1 All 4041 statutory towns as per Census 2011 with focus on 500 Class I cities would be covered in three phases as follows:

- Phase I (April 2015 - March 2017) to cover 100 Cities selected from States/UTs as per their willingness.
 - Phase II (April 2017 - March 2019) to cover additional 200 Cities
 - Phase III (April 2019 - March 2022) to cover all other remaining Cities
- Ministry, however, will have flexibility regarding inclusion of additional cities in earlier phases in case there is a resource backed demand from States/UTs.

However, States/UTs will have the flexibility to include in the Mission the Planning areas as notified with respect to the statutory town and which surrounds the concerned municipal area.

2.2 The mission will support construction of houses upto 30 square meter carpet area with basic civic infrastructure. States/UTs will have flexibility in terms of determining the size of house and other facilities at the state level in consultation with the Ministry but without any enhanced financial assistance from Centre.

Slum redevelopment projects and Affordable Housing projects in partnership should have basic civic infrastructure like water, sanitation, sewerage, road, electricity etc. ULB should ensure that individual houses under credit linked interest subsidy and beneficiary led construction should have provision for these basic civic services.

3. Implementation Methodology

The Mission will be implemented through four verticals giving option to beneficiaries, ULBs and State Governments. These four verticals are as below:

"In situ" Slum Redevelopment

- Using land as a resource
- With private participation
- Extra FSI/TDR/FAR if required to make projects financially viable

Affordable Housing through Credit Linked Subsidy

- Interest subvention subsidy for EWS and LIG for new house or incremental housing
- EWS: Annual Household Income Up to Rs3 lakh and house sizes upto 30 sq.m
- LIG: Annual Household Income Between Rs. 3-6 lakhs and house sizes upto 60 sq.m

Affordable Housing in Partnership

- with private sector or public sector including Parastatal agencies
- Central Assistance per EWS house in affordable housing projects where 35% of constructed houses are for EWS category

Subsidy for beneficiary-led individual house construction

- For individuals of EWS category requiring individual house
- State to prepare a separate project for such beneficiaries
- No isolated/splintered beneficiary to be covered.

4. Credit-Linked Subsidy Scheme

The Mission, in order to expand institutional credit flow to the housing needs of urban poor will implement credit linked subsidy component as a demand side intervention. Credit linked subsidy will be provided on home loans taken by eligible urban poor (EWS/LIG) for acquisition, construction of house.

- 4.1 Beneficiaries of Economically Weaker section (EWS) and Low Income Group (LIG) seeking housing loans from Banks, Housing Finance Companies and other such institutions would be eligible for an interest subsidy at the rate of 6.5 % for a tenure of 15 years or during tenure of loan whichever is lower. The Net Present Value (NPV) of the interest subsidy will be calculated at a discount rate of 9 %.
- 4.2 The credit linked subsidy will be available only for loan amounts upto Rs 6 lakhs and additional loans beyond Rs. 6 lakhs, if any, will be at nonsubsidized rate. Interest subsidy will be credited upfront to the loan account of beneficiaries through lending institutions resulting in reduced effective housing loan and Equated Monthly Instalment (EMI).
- 4.3 Credit linked subsidy would be available for housing loans availed for new construction and addition of rooms, kitchen, toilet etc. to existing dwellings as incremental housing.

The carpet area of houses being constructed under this component of the mission should be upto 30 square metres and 60 square metres for EWS and LIG, respectively in order to avail of this credit linked subsidy. The beneficiary, at his/her discretion, can build a house of larger area but interest subvention would be limited to first Rs. 6 lakh only.