

# Govt plans to complete building 10 million houses by 2022, says housing secretary Durga Shanker Mishra

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**D**urga Shanker Mishra, secretary in the ministry of housing and urban affairs, says in an interview that the government plans to complete building 10 million houses by 2022 to help ensure that everybody has a house when the country celebrates its 75th anniversary of independence. Edited excerpts:

**Since the scheme (Pradhan Mantri Awas Yojana-Housing for All or PMAY) was launched across the nation's length and breadth, can you tell us how many houses have been built and what is the target timeline in terms of you reaching the two-crore number?**

Let me correct that. The number was never two crore. In 2011, the Planning Commission estimated that 1.78 crore houses would be built. This has been validated from different states and the number stands around one crore. The target has been set at completing one crore houses by 2022. Out of one crore houses, we have already sanctioned 47.56 lakh houses. These are sanctioned in four different verticals.

The first is the beneficiary-led construction, under which the beneficiaries may be improving the house where they are staying or may be constructing a new house because the current house is not adequate or doesn't have enough facility, enough area. We have already sanctioned around 25.8 lakh houses there.

The second is the affordable housing in partnership, where public agencies or private



Durga Shanker Mishra, secretary in the ministry of housing and urban affairs. HT

agencies in partnership with the government are constructing multistoried complexes, housing for the economically weaker section (EWS)—the LIG (low-income group) houses. There we have already sanctioned 17.8 lakh houses.

The third is the slum redevelopment houses. Slums are being redeveloped where we demolish and give temporary houses for those living in the slums. We have already sanctioned nearly 2.4 lakh houses there.

The fourth is the credit-linked subsidy scheme, where we go through the banks. The two nodal agencies are the National Housing Bank and the Housing and Urban Development Corp. Ltd. From them, the money goes to the respective bank, housing finance companies or the other banks that are participating. There

we have so far got nearly 1.69 lakh houses sanctioned.

The one which you are mentioning right now where the area has been increased, this is in the credit linked subsidy scheme. You may be aware that on 1 December 2016, the Prime Minister announced that earlier this scheme was only for the EWS

and LIG. This facility was extended to the middle-income group (MIG), in two categories. Category one included people with an income up to ₹12 lakh per annum and category two included people with an income up to ₹18 lakh. There the total area allowed was 90 square metre for MIG-I and 110 sq. m for MIG-II. This was reviewed later on the demand of the industry and this was increased to 120 and 150 sq. m, respectively.

We again received a request from the industry and real estate agencies, especially in the smaller cities, the tier-II and tier-III cities because this scheme is applicable all over the country.

There the request is that they can afford bigger area also and that's why we issued a new notification yesterday that in MIG-I the total area is allowed to be 160 sq. m, which comes to around 1,750 sq. feet and MIG-II, which is for people with an income of ₹18 lakh per annum, the area has been increased to 200 sq. m, which is around 2,150 sq. ft.

**What is the subsidy that has been set aside under this particular scheme and how much has already been given in the last year or so?**

If you take the total PMAY, under all the four verticals so far we have sanctioned 47.6 lakh houses and it's an investment to the tune of ₹2.7 lakh crore. Out of that the central government assistance is to the tune of ₹73,000 crore and we have already released nearly ₹25,600 crore.

The state governments are also putting in some money. It varies from state to state. Some of the states are putting ₹50,000, some are putting as much as ₹6 lakh depending on their own resources. So I would say huge subsidy for three verticals, that is beneficiary-led construction, affordable housing and slum redevelopment.

As regard credit-linked subsidy scheme, the subsidies are going directly to the banks and

it is a direct benefit transfer. The amount is credited in the account of the person who is taking the loan.

**What is the amount?**

For EWS and LIG this amount is ₹2.67 lakh. For MIG-I it is ₹2.35 lakh and for MIG-II it is ₹2.30 lakh. This leads to interest subvention of 6.5% for the EWS and LIG, 4% for MIG-I and 3% for MIG-II. This interest subvention leads to reduction in their EMI (equated monthly instalment), which gets reduced by ₹2,500 per month.

**The management of Gruh Finance said they haven't yet received subsidies from the government. Could you tell us how much you have disbursed so far and when is the next round of disbursement of these subsidies going to come?**

As on date we have released subsidy to the tune of ₹25,596 crore. There is absolutely no problem. Last year the government of India constituted the National Housing Fund so that there is no shortage of money. We created this fund of ₹60,000 crore. We will support this.

The Prime Minister has given a commitment that when we celebrate the 75th anniversary of independence, everybody must have a house. That is what we are working towards and so far the progress is good and I am sure by end of this financial year, we will be sanctioning more than 80 lakh houses. The progress is good. So far we have completed seven lakh houses.

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