

Subject: ASSAM AFFORDABLE HOUSING POLICY 2019

1. Introduction: With the rapid growth of urbanization, there is a large influx of rural migrants to urban centres in search of livelihood. Through a demand survey conducted across 97 towns of Assam under PMAY(U), it was concluded that 53% of the overall demand for urban housing is for self-built incremental housing. In a state where majority of the housing stock consists of self-built houses, the survey results clearly indicate the need for financial assistance to construct pucca houses, and also to decongest existing households through construction of extra rooms. It was also observed that there is average demand for new housing, mostly from beneficiaries who do not own land and hence are unable to construct their own houses. Due to exorbitant prices of the real estate market and limited incomes, EWS /LIG are unable to afford land or good quality housing units and end up living in cramped, poorly constructed houses. This has contributed to the growth of slums in both public and private lands.

Table 2. : Housing Shortage in Assam as available from Census 2011(HH*= Households)

Sl. No.	Type of Structure	Total HH* (slum + non-slum)	Non-slum HHs	Slum HH only	% of types of DUs
1	Semi-permanent	449609	427409	22200	88.42%
2	Serviceable	2563	2488	75	0.50%
3	Temporary Non-serviceable	44307	41545	2762	8.71%
4	Temporary Unclassified	12028	11535	493	2.37%
5	Homeless	915		-	0.18%
	TOTAL	508507	482977	25530	

The survey shows that there is a serious scarcity of affordable quality housing for the urban poor. There is also a sizeable gap between the demand and supply of housing loans in Assam. This can be attributed to a general lack of financial literacy and affordability amongst the EWS and LIGs. This has prevented them from making informed choices /decisions thus affecting their ability to demand good quality housing.

Table: Summary of demand survey under Pradhan Mantri Awas Yojana (Urban), across 97 towns in Assam

Sl. No.	Verticals of Pradhan Mantri Awas Yojana (Urban), Assam	No. of Beneficiaries	% of beneficiaries
1	In situ slum redevelopment	13,628	5.6
2	Beneficiary led construction	1,14,384	47.4
3	Beneficiary led enhancement	17,934	7.4
4	Affordable housing in partnership	72,244	30
5	Credit link subsidy scheme	23,319	9.6
6	Total beneficiaries	2,41,509	100

It is reported that there is a growth in the real estate supply of housing by private developers. But at the same time a major share of these houses constructed are left vacant. This is because most real estate projects target only MIG and the HIG customers. This is indicative of a skewed real estate development. **Despite growth of the market in general, there is very less provision for housing for the lower middle class, LIG and EWS sections of the society.**

On the other hand Government of India in order to achieve housing for all (urban) mission started the Pradhan Mantri Awas Yojana on 17.06.2015. This mission has mandate to grant central assistance to provide housing to all beneficiaries of all eligible families till 2022.

As per the Guidelines of the vertical component of Affordable Housing-in Partnership under Pradhan Mantri Awas Yojana, a project must have at least 250 housing units and minimum 35 percent of total houses must be for the EWS category to receive central assistance of Rs.1.50 lakhs, which is offcourse subject to changes on approval from Govt of India.

- Objectives of the Assam Affordable Housing Policy:** In order to implement the affordable housing in partnership component , the State Government through the Affordable Housing Policy intends to provide incentives to the developers/builders to encourage Public Private Partnership, institute long-term measures for a continuous supply of affordable housing by addressing the legal, administrative and financial barriers via systematic mandating of reforms **and** make provisions for a conducive environment for participation of all stakeholders in Assam's Housing for All Mission.

- Parameters for affordable housing:**

Government of Assam has set below mentioned parameters on the basis of

income criteria for affordable housing.

Parameter	EWS	LIG
Carpet area (sq. mtr.)	30 Sqm	Upto 60 Sqm
Layout	2 room, kitchen, bathroom, toilet	1bedroom, 1 hall, kitchen, bathroom, toilet
Annual Family Income	Upto Rs. 3,00,000/-	Rs. 3,00,000/- to 6,00,000/-

The following planning has been done for effective and quick implementation of affordable housing through public private partnership (PPP). Generally housing schemes for economically backward communities shall be carried out by Urban Local Bodies and Development Authorities on public land. Affordable housing for lower income groups (EWS, LIG,) and medium income groups (MIG-I, MIG-II) shall be constructed through public private partnership and Assam State Housing Board.

4. **General provisions** applicable to affordable housing schemes for all models are as follows.

4.1.Incentives to private developers

- a. Affordable housing schemes can be carried out in all areas of Development Authority and Urban Local Bodies except those areas which are declared as restricted zone etc.
- b. Under affordable housing policy the plots (for affordable as well as free sale both type of constructions) on which affordable categories of EWS/LIG /MIG I/ MIG II houses are built will be eligible for additional FAR up to a max. of 35% over the permitted FAR, as per the Building Bye Laws in force. This FAR can be utilized only on plots where affordable houses are built and cannot be transferred to some other place.
- c. The developer is eligible to make commercial construction at 10% of the total of the total built up area.
- d. The developer is entitled to receive tax benefits announced for such projects by the Central Government and can be obtained from authorized department.

4.2. Planning Parameters

- a. Under this policy carpet area means net usable area of the house and built up area means carpet area + walls + stairs + lift + lobby passage.

- b. Rain water harvesting structure is mandatory for this project.
- c. The developer can use latest technology for construction of houses under this project provided this technology has been examined, assessed and approved by a state/central institution which has been authorized for this purpose.
- d. Minimum specifications for EWS and LIG will be as described in the annexure.
- e. Provision of internal civic infrastructure within the campus will be made by the developer
- f. The developer shall not claim anything more than the amount described in the policy for any development within the campus.
- g. Internal civic amenities shall include internal roads, footpath, drinking water connections, water storage and distribution for the housing scheme, electricity connection, transformers (if necessary), internal drainage, compound gate, street light, garden etc.
- h. It is also desirable that wherever possible energy saving, eco- friendly building materials may be used and water is recycled.
- i. In such projects landscaping and tree plantation should be done according to the climate of the place. It is desirable that Neem, Jamun, Arjun, Hilica, and Amla, are planted.

4.3. Permission required for development:-

- a. Beneficiaries eligible for affordable housing will be given only as much public land as required for the construction of their house on 99 year lease.
- b. The ownership of the land will be vested with the agency responsible for implementation of the project.
- c. Only the state level prescribed authority shall have the power to grant concessions in any criterion
- d. Scrutiny of applications made by developer can only be done by implementing agency or by appropriate prescribed agency by SLAC.
- e. Single Window Clearance for all building permissions and NOCs from various Departments shall be obtained by Technical Committee to SLAC for Affordable Housing Project.
- f. There will be strict vigilance regarding quality of construction and supervision will be done at every stage. The implementation agency shall therefore appoint a qualified technical officer and carry out regular checking by a reputed TPI.

4.4. Details of allotment procedure to beneficiaries:

- a. Under affordable housing schemes beneficiaries shall be defined as families.
- b. For this policy those beneficiaries will be eligible who do not have houses within the radius of aerial distance 10 kilometers of a municipal corporation limit , within aerial distance of 5 kilometers for Other Municipal bodies limit radius, or within 3 kilometers of Development Authority Areas.
- c. Housing benefits through ULBs as well as DAs can be claimed by only those beneficiaries who have been living in the respective cities/urban area for at least three years.
- d. Before determining eligibility, applications must be invited from prospective beneficiaries.
- e. Under this scheme the implementation agency shall allot houses to those beneficiaries who qualify as per criteria. List of beneficiaries will be finalized before development work begins.
- f. Beneficiaries can get assistance from developer/ implementation agency to obtain loans from financial institutions.
- g. Beneficiaries of EWS/LIG housing will not be permitted to sell their allotted houses or sublet them for at least 7 years.
- h. Beneficiaries of MIG housing will not be permitted to sell their allotted houses or sublet them for at least 5 years.

4.5. Repair and maintenance:

- a. Structural defect liability period for affordable housing scheme developed by the developer shall be for 99 years from date of issue of completion certificate.
- b. For repair and maintenance of housing scheme maintenance deposit shall be taken from the beneficiary. The responsibility of operation and maintenance will be that of housing beneficiaries association, for the execution of which developer will provide them with necessary training.
- c. Repair and maintenance of lift shall be the responsibility of developer for at least 3 years after handing over possession of houses. Thereafter beneficiaries association will maintain the lift service.

4.6. Model -1 –Public Agency on Public Land

- a. According to this model affordable housing scheme can be developed by public agency on Government ULB/ULC/development authorities land

and land available with Assam State Housing Board.

- b. Implementation agency for this model will be Urban Local Bodies, Assam State Housing Board and Development authorities.
- c. Selection process of contractor or developer shall be done on basis of lowest-quoted tender bid and the entire process will be open and transparent.
- d. In order to cross subsidize EWS/LIG, the repair and maintenance (O&M), MIG –I and MIG II housing scheme and commercial development can also be made.
- e. For this model, capital subsidy scheme sanctioned by State and Central Government can be adjusted against the cost of the house.
- f. The selling price for dwelling units in case of Model 1 are as fixed below.

Development Area/Plan/City	Economically Weaker Section (EWS) Flat (30Sqm)	Low Income Group (LIG) Flat 60 Sqm
Selling Price for EWS and LIG dwelling units in Public/Govt Land	Rs 5 Lakhs	Rs 14 Lakhs

* The rates is subject to revision with approval from SLSMC.

4.7. General Provisions for Public-Private-Participation (PPP) Models:

- a. The amount recovered from beneficiary in addition to meet construction cost, will be deposited in housing infrastructure fund for the purpose of providing trunk infrastructure and basic amenities. For provision of basic amenities, the amount remaining after construction or actual cost per square meter, whichever is lower can only be recovered.
- b. Free sale development can be started by the developer only after completion of at least 33% of the affordable housing scheme.
- c. Completion certificate for affordable housing scheme shall be issued only after giving possession of affordable houses to beneficiaries.
- d. The developer can prepare list of beneficiaries as per the parameters laid down in the policy by Agency. However the final list of allottees will have to be approved by the implementing agency.
- e. On allotment of affordable housing, beneficiary will have to pay 10 % of total price (Or 50 % of 20 % of the total price as down payment). The remaining amount (10%) can be paid within 3 months.
- f. Payment will be released to the developer by implementation agency separately proportionate to completed phases of construction. Beneficiaries’ allotment can be cancelled if he/she fails to make payment within stipulated time.

- g. Within 3 months after completion implementation agency will form association of beneficiaries for the purpose of operations and maintenance of Affordable Housing scheme.

4.8. Model-II Private Developer on Public Land:-

- a. According to this model, private developer can construct LIG and MIG type houses on land available with the government/ULB/Urban/area development authority /ULC and Gujarat Housing Board.
- b. Selection process of private builder will be done through open and transparent tender process.
- c. Tender process should be as The selection of Developers would be done in open and transparent manner by open bidding system through online bid system in e tender portal :*www.assamtenders.gov.in*. Online bids can be submitted and secrecy of e-tendering process will be maintained.
- d. Advertisement for E-tender will be published on two(2) newspapers and in website *www.pmayassam.in*.

Implementing agency will authorize payment to the selected developer for construction on getting quality and progress related certification from the appointed PMC/TPI by beneficiaries' bank for different phases as follows:

- Different agencies will submit their demand through the SLNA , PMAY Urban for the funds of the states and central funds, and on the basis of this demand, the funds of the states and central funds will be transferred directly by the PMAY Urban Assam through public finance management system (PFMS).
- After the recommendation of the Technical Committee of SLAC, 40 percent of the central amount will be released in the form of first instalment, in relation to which the equivalent share will also be released by the state government after Completion of Building Structure of EWS/LIG.
- In the form of second instalment, 40% of funds will be released by the Central and State Government after 70 percent of the total amount of the first instalment is utilized and roof of 25 percent of EWS units is constructed. Before the release of the second instalment, random inspection can be done by the Technical Committee of SLAC of the under-construction buildings.
- The scheme being implemented by the developer will be monitored by the Third Party Quality Monitoring Agency as determined by the State Nodal Agency (SLNA) for which no other charges will be taken from the developer. This agency will be paid by the amount provided by the State Level Nodal Agency (SLNA).

Comment [SD1]: Needs revision

- 20% of the last instalment will be released after the utilisation of 70% of the total amount released in the first and second instalments. Prior to the release of this amount Technical Committee of SLAC will get satisfied that the physical progress of construction is more than the amount released.
 - The State government will release the total amount received from Central Government along with the State's contribution within fifteen days from the date of receipt of the amount released by the Government of India.
 - In case the demand made by the developer according to the situation mentioned above is not met by the Central and State Government within fifteen days then the period of delay due to non-release of the amount will be taken as zero days and the project completion period will be recalculated.
 - The implementing agency for this model will be Urban Local Bodies (ULB), Assam State Housing Board and Development Authorities (DAs).
 - Private developer will get land for free sale on transferrable lease of 99 years.
- g. The selling price for dwelling units in case of Model 1 are as fixed below.

Development Area/Plan/City	Economically Weaker Section (EWS) Flat (30Sqm)	Low Income Group (LIG) Flat 60 Sqm
Selling Price for EWS and LIG dwelling units in Public/Govt Land	Rs 5 Lakhs	Rs 14 Lakhs

* the rates of flat are subject to revision by SLSMC

4.9. Model –III – Private developer on private land:-

This model aims at incentivizing private developers to develop affordable housing scheme on their private land.

- Private developers willing to participate and develop housing scheme under this policy can construct EWS, LIG ,MIG –I and MIG II category houses as per the following criteria.
- The number of units in each category should be finalized by implementation agency.
- The Implementing agency for this model will be Urban local bodies (ULB), Assam State Housing Board (ASHB) and Development authorities (DAs).
- Selling price for EWS and LIG houses in Private Land and Private Developer

Development Area/Plan/City	Economically Weaker Section (EWS) Flat (30Sqm)	Low Income Group (LIG) Flat 60 Sqm

Selling Price for EWS and LIG dwelling units in Public/Govt Land	Rs 6 Lakhs	Rs 16 Lakhs
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* the rates of flats are subject to revision by CSMC

5. Framework for execution:-

- a. Site selected should preferably be in the vicinity of existing infrastructure, so as to minimize delay and cost in extending various, services to the scheme area. (The site plan, soil testing, lay out, land status documents may be submitted to State Level Nodal Agency of PMAY Urban for preparation of DPR or DPR completed in all respect can also be submitted)
- b. Specifications for EWS and LIG Housing shall be as per norms decided by Technical Committee to SLAC from time to time. The broad quality parameters are as per Annexure
- c. *State Level Appraisal Committee(SLAC)* through Technical Committee shall be responsible for screening of DPRs.
- d. The proposals/DPRs received from the private developers or from any other Implementing agency shall also be placed before Technical Committee of State Level Appraisal Committee and then placed before the State Level Appraisal Committee for approval.
- e. The State Level Sanctioning and Monitoring Committee under the Chairmanship of Chief Secretary Assam on recommendation of the State Level Appraisal Committee (SLAC) would issue an in- principle approval for commencement of the project.
- f. Then the Technical Committee of SLAC would forward such projects which have received in principle approval of SLSMC to local authorities and as such when an in – principle approval of the State Government have been accorded to a project, all the sanctions of land use change and approval of layout plan/maps may be issued by the concerned local authority within a period of 30 days by adopting summary proceedings.
- g. It shall be compulsory for the private developer to establish quality control laboratory at the site of the project so that the quality of the work may be maintained. The general specifications and amenities to be provided by the developer shall be as per Orders issued by SLNA from time to time Third party Quality inspection to be ensured by SLNA/ULBs.
- h. If the developer leaves the work incomplete, Assam State Housing Board. may get the work completed at the risk and cost of the developer. It shall be compulsory for the developer to submit at the time of submission of the scheme an affidavit to this effect on a stamp paper of Rs. 10/-
- i. Developer may raise loan from banks for construction of EWS/LIG flats or may

finance the same out of his own resources.

- j. Keeping in view the interest of the economically weaker sections, the concerned ULB shall ensure that external development works for the scheme are carried out within 12 to 18 months.
- k. The developer shall construct the houses according to the approved type design and building specifications and in accordance with the norms fixed under the applicable building regulations provided by Technical Committee SLAC.
- l. After completion of the scheme, the developer shall submit to the SLNA two sets of 'As built Drawing' of the whole scheme and shall simultaneously make declaration regarding completion of the scheme and inform the SLNA about the same.

Time allowed for completion of the project.

Time allowed for completion of the project would be as follows:-

EWS/LIG houses/flats 200 nos. - 2 year

EWS/LIG houses/flats 400 nos. - 03 years,

EWS/LIG houses/flats 600 nos. & above - 03 years.

- J. The developer shall maintain the complete housing complex developed under the provisions of this policy for 3 years after the completion of the project. Thereafter it may be transferred to RWA or ULB. One time maintenance amount as decided by the Government in consultation with developer, will have to be deposited by developer as a corpus amount in a separate maintenance fund after completion of the project, so that maintenance work is taken care of. Contribution by allottees of the houses.
- k. It shall be compulsory for the agency undertaking construction work to establish quality control laboratory at the site of the project so that the quality of the work may be maintained. Third party Quality inspection to be ensured by SLNA/ULBs.
- l. No Private Developers would be allowed to display or claim "Affordable Housing in Partnership" or "PMAY" anything to indicate that the project is a PMAY project unless approved by SLNA, PMAY Urban Assam.
- m. The specifications of the dwelling units are as in Annexure I. Technical Committee to SLAC can make further amendments with approval of SLAC.

6. Guidelines for disclosure of housing schemes:

Relevant information as prescribed about all types of public and private affordable housing schemes will be made available to public on the site of such schemes and also available online at portal of SLNA, PMAY Urban. Moreover, complete information will also be available with the prescribed authority at city

and state level.