

**GOVERNMENT OF INDIA
HOUSING AND URBAN POVERTY ALLEVIATION
LOK SABHA**

UNSTARRED QUESTION NO:269
ANSWERED ON:03.07.2009
CONCESSIONS TO MIDDLE CLASS HOUSING
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Will the Minister of HOUSING AND URBAN POVERTY ALLEVIATION be pleased to state:

- (a) whether the Government proposes to give concessions to the Housing Sector particularly for middle class housing; and
(b) if so, the details thereof?

Answer

MINISTER OF HOUSING & URBAN POVERTY ALLEVIATION(KUMARI SELJA)

(a)&(b): Concessions in the form of income tax rebates for repayments of interest and principal are already available to various income tax payers including Middle Income Group (MIG). Further, the newly launched Scheme of Affordable Housing in Partnership would cover Middle Income Group (MIG) dwelling units also. The scheme aims at operationalising the strategy envisaged in the National Urban Housing & Habitat Policy (NUHHP) 2007, of promoting various types of public-private partnerships-of the Government sector with the private sector, the cooperative sector, the financial services sector, the state parastatals, urban local bodies, etc.-for realizing the goal of affordable housing for all.

Based on the experience that housing colonies do not get occupied for want of civic service connectivities, Central Government assistance under this scheme which would cover Middle Income Group (MIG) dwelling units also, will be provided for the provision of civic services such as water supply including ground level/overhead service reservoirs, storm water drainage, solid waste management, sewerage including common sewerage treatment facilities, rain water harvesting, approach roads, electricity lines including electricity transformers, parks and playgrounds and other amenities. Central Assistance under the scheme will be limited to least of following:-

- a. Rs. 50,000 per Dwelling Unit for all dwelling units taking Economically Weaker Sections (EWS), Low Income Group (LIG) and Middle Income Group (MIG) units together which are proposed in the project; and
b. 25% of the cost of all civic services (external and internal) proposed in the project.

Subject to the above, Central Assistance would be computed in the following manner

Sl. No. Built up area for EWS/LIG as a percentage of total constructed area

- | | | |
|----|--------------------|---------------------------------------|
| 1. | 25% | Rs. 60,000 per EWS/LIG unit |
| 2. | > 25% and upto 30% | Rs. 60,000-Rs.70,000 per EWS/LIG unit |
| 3. | > 30% and upto 35% | Rs. 70,000-Rs.80,000 per EWS/LIG unit |

4. > 35% and upto 40% Rs. 80,000-Rs 90,000 per EWS/LIG
unit

5. > 40% Rs. 90,000 - Rs. 1,00,000 per EWS/LIG
unit

An additionality of 12.5% may be provided for North Eastern States including Sikkim & Special Category States (Jammu & Kashmir, Himachal Pradesh & Uttarakhand)