HOUSING POLICY TIMELINE

1952 — Ministry of Housing & Urban Affairs (MoHUA)

Subsidised Housing Scheme for Industrial Workers & Economically Weaker Sections

It involved disbursements of loans to industrial employers or cooperative societies of industrial workers. It would cover a sizable proportion (75% or 90%, respectively, with a 25% subsidy component) of the project costs of housing to be provided on a rental basis for a completed or an open development plot. The target beneficiaries were the industrial workers employed in mines and factories in the private sector with monthly incomes of less than INR 500. Workers could obtain non-refundable loans from their provident funds to finance the remaining construction of houses.

1954 — National Buildings Organisation (NBO)

Low income housing Scheme

It provided loans of up to 80 percent of the construction cost of a dwelling unit (subject to a cap of INR 8,000) to individuals whose incomes did not exceed INR 6,000 per annum. Loans under the scheme were also made accessible to non-profit organisations, educational institutions, and hospitals, to create rental or hire-purchase housing stock for their low-income employees.

1956 — Slum Clearance & Improvement Scheme

Designed to clear and rehabilitate slum dwellers into government created housing stock at nominal rents. The recipients were provided either a bare minimal structure or an open development plot around the size of 1000-1200 square feet with a toilet facility. The remaining construction was to be undertaken by prospective beneficiaries, with the use of limited building materials that were provided to them by the government on the basis of specific guidelines.

1959 — Middle Income Housing Scheme (MIG)

Brought in the Life Insurance Corporation of India (LIC) to provide loans to individuals or co-operatives up to Rs. 33,000 for building houses with a cost ceiling of up to Rs. 43,000. Approximately 40,000 homes were built under this scheme by the Fifth Plan (Government of India, 1956).

1961 — Rent Control Act

Introduced to prevent landlords from charging exorbitant rents and ensure that migrants found stable and secure housing when they moved to cities.

1970 — Housing & Urban Development Corporation (HUDCO)

Established as a specialised public housing finance agency. It was established to fund the housing activities of the country and to augment the supply of financial resources to the housing boards and the co-operatives housing societies throughout the country and was also allowed to raise funds from the market.

1972 — Environment Improvement of Urban Slums

Realised and motivated by the realisation that the notion of housing for the poor cannot remain confined to shelter alone and must accommodate concerns about basic amenities, location and tenure. The scheme focused on slum upgrade through the provision of services such as paving of streets, water supply, sewerage, and toilet facilities.

1974 — Minimum Need Program

Program was introduced keeping in view the slogan of "garibi hatao" and was envisaged with provision of free and subsidised service through public agencies and the basic components of this programme was for the provision of house sites and construction assistance to all landless labourers and the other provision was 100% coverage of urban slum population which includes facilities of water supply, sewerage, paving of streets, water drainage and community latrines.

1977 — Housing Development Finance Corporation (HDFC)

First specialised mortgage company in India and was promoted by the Industrial Credit and Investment Corporation of India. It is a major provider of finance for housing in India.

1980 — Sites and Services Schemes

Attempt to bring basic structural elements with the sites and service scheme, was made by creating focus on more public private partnership. Under this scheme, the beneficiaries and agency or contractors would be involved. The beneficiaries would mainly belong to the lower income group of an urban area. The intended agencies that would either be a government department or Housing boards would be the provider to all types of income groups. They would initiate the role by preparing land plots and parcels with the required infrastructure that would be sold or leased to the beneficiaries.

1985 — Indira Awas Yojana

A sub-scheme of the RLEGP, it was a social welfare programme. The flagship housing programme worked towards constructing houses for BPL population in rural India.

1986 — Urban Basic Service Scheme (UBS)

Programme extended the provision of physical infrastructure to that of social services such as learning opportunities for women, vocational training, pre-school programmes for children, and setting up of community organisations. The scheme placed particular emphasis on women and children in urban slums.

1987 — National Housing Bank (NHB)

1990 — Night shelter for pavement dwellers

Implemented by HUDCO in conjunction with municipalities, provided loans and subsidies for the construction of night shelters and sanitation facilities for pavement dwellers.

Urban Basic Services for the Poor (UBSP)

Building Materials and Technology Promotion Council (BMPTC)

1992 — 74th CAA

Devolved responsibility for numerous functions including urban poverty alleviation, slum upgrading, housing, management of urban services and protection of weaker sections to urban local bodies (ULBs).

1996 — National Slum Development Programs (NSDP)

To financially consolidate an integrated approach to tackle the multiple dimensions of poverty, this programme was launched in 1997 by combining the housing component of NRY and the Prime Minister's Integrated Urban Poverty Eradication Programme. The programme emphasised on the provision of not only essential amenities involved in the upgrade of shelter but also social services such as skills enhancement.

1998 — 2 million Housing Program

Loan based scheme aimed at facilitating the construction of two million homes every year using funding from HUDCO and HFIs.

2001 — Valmiki Ambedkar Awas Yojana

Launched to ameliorate the conditions of the urban slum dwellers living below the poverty line without adequate shelter. The primary objective was facilitating the construction and upgradation of dwelling units for slum dwellers and providing a healthy and enabling urban environment through community toilets under Nirmal Bharat Abhiyan, a component of the scheme. The Central Government provided a subsidy of 50 per cent, the balance 50 per cent being arranged by the State Government.

2004 — Ministry of Housing and Urban Poverty Alleviation (MoHUPA)

2006 — Pooled Finance Development Fund (PFDF)

Established to provide credit enhancement to ULBs to access market borrowings based on their credit worthiness through State-Level-Pooled Finance Mechanism. Facilitate development of bankable urban infrastructure projects through appropriate capacity building measures & financial structuring of projects and facilitate ULBs to access capital & financial markets for investment in critical municipal infrastructure & development of Municipal Bond Market.

2007 — National Urban Housing and Habitat Policy

It seeks to promote various types of public-private partnerships for realising the goal of "Affordable Housing For All' with special emphasis on the urban poor. The policy intends to promote sustainable development of habitat in the country with a view to ensuring equitable supply of land, shelter and services at affordable prices to all sections of society. Given the magnitude of the housing shortage and budgetary constraints of both the Central and State Governments, it focuses the spotlight on multiple stake-holders namely, the Private Sector, the Cooperative Sector, the Industrial Sector for labour housing and the Services/ Institutional Sector for employee housing. Undergoing constant revision, the policy process started in 9186, and seeks to answer the newer issues facing the housing sector, from availability of affordable shelter, the growth of slums, to gaps in provision of basic services to the urban poor.

2011 — Rajiv Awas Yojana (RAY)

The motivation underlying the programme acknowledges the failure of the market and the government to secure the rights of the urban poor to a decent and dignified life. The scheme also emphasises the need to bring informal settlements within the coverage of the formal economy. The RAY strategy is two-pronged: the first component involves slum redevelopment, preferably in-situ redevelopment, of existing slums, while the second seeks to make provisions that curb future creation of slums. The Affordable Housing in Partnership (AHP) belongs to the second component of the RAY scheme. The AHP scheme envisions Public Private Partnerships in making provision for affordable housing stock – both on rental and ownership basis.

2015 — Smart Cities Mission

Flagship scheme under the Ministry of Housing and Urban Affairs. This ambitious programme by the Indian Government aims at building 100 Smart Cities across India with focus on planned urbanisation and sustainable development as a support system for the neighbouring cities. It also involves the development of high-quality infrastructure with provision of basic amenities, education, health services, IT accessibility, digitisation, e-governance, sustainable development, safety and security.

Draft National Urban Rental Housing Policy (NURHP)

The model policy is being planned to promote rental housing in urban areas in view of the large migration of population from rural areas to cities. It focuses on a multipronged approach such as enabling legal and regulatory measures, encouraging involvement of Private, Cooperative, Non-Governmental, Industrial, & the Services/ Institutional Sectors, to promote rental housing. The policy seeks to promote various types of PPPs for promotion of rental housing in the country which will act as a catalytic force to achieve the overall goal of Housing for All by 2022. This policy was modelled to answer the question of unaffordability of ownership of a house due to low disposable income, irregular income, ever increasing real estate prices etc. It aims to create adequate rental housing stock by promoting Social Rental Housing (SRH) with direct/ indirect support from the government with special focus on affordability of vulnerable groups and urban poor. The other component looks at Shelter for the Homeless (SUH), which would provide shelter for the homeless, street children, & other vulnerable groups.

2017 — Ministry of Housing and Urban Affairs (MoHUA)

2021 — Model Tenancy Act (MTA)

Addressing rental housing, reforms in tenancy laws were first recommended under the JNNURM in 2005 which listed the repeal of rent-control laws as a mandatory reform to access aid under the mission. The MTA was approved for adoption by states and union territories. It seeks to: establish a speedy adjudication mechanism for dispute resolution, regulate renting of premises, and protect interests of landlords and tenants. The issues it would address include: balancing interests and rights of the landlord and tenant, creating adequate & affordable rental housing stock, enabling formalisation of the rental housing market, encouraging private participation in the sector, & unlocking vacant premises for rental purposes. It establishes a three-tier quasi-judicial dispute adjudication mechanism consisting of: Rent Authority; Rent Court; & Rent Tribunal. It also specifies details of what should be included in a rent agreement.

Periods and Five Year Plans

Period 1 — Pre-reform Period: Housing as a Development Activity[1] (1951–1966)

1951 — **1 FYP** — 1956 — **2 FYP** — 1961 — **3 FYP** — 1966

Period 2 — Pre-reform Period: Housing as an Economic Activity[1] (1969–1990)

1969 — **4 FYP** — 1974 — **5 FYP** — 1978 1980 (Rolling Plan) — **6 FYP** — 1985 — **7 FYP** — 1990

Period 3 — Post-reform Period: Housing as a Market Good[1] (1992–2007)

1992 — **8 FYP** — 1997 — **9 FYP** — 2002 — **10 FYP** — 2007

Period 4 — Post-reform Period: Housing as a Commodity[1] (2007–2022)

2007 — **11 FYP** — 2012 — **12 FYP** — 2015 — Planning Commission replaced by Niti Aayog — 2022

Below the timeline

1951 — Plantation Labourer Housing Act

It is obligatory for every plantation to provide houses of prescribed standards for workers and their families residing in the plantations. While the larger plantations are able to fulfil this condition, for the smaller plantations, Government assistance by way of loans is needed. During the second five year plan Rs. 2 crores are to be provided for this purpose. About 11,000 houses are expected to be built under this scheme.

1959 — Village Housing Project Scheme

Cohesive scheme for improving housing as well as infrastructure, wells and productivity in rural areas.

Rental Housing for State Government Employees

Program that provided loans for state governments to provide rental accommodation to their employees.

Land Acquisition and Development Scheme

This scheme provided ten year loans to the state government to acquire and develop land on which housing & community amenities could be built.

1971 — Provision of house sites of houseless rural areas

1975 — Twenty Point Program

Three points which are directly related to the housing such as point no. *v* (enforcement of land reform), point no. *xv* (proper housing development) and point no. *xiv* housing for the people has been divided into five categories -

- Provisions for house site
- Assistance for construction of house
- Indira Awas Yojana
- Housing for economically weaker section
- Lower income group housing

1980 — Integrated Development of Small & Medium Towns (IDSMT)

Attempted to decentralise the urban concentration by developing urban infrastructure in small and medium towns.

1981 — Schemes of urban low-cost sanitation for liberation of scavengers

1986 — National Commission on Urbanisation (NCU)

It was entrusted with the task of making a comprehensive and in-depth study of the various facets of the process of urbanisation, and the issues arising therefrom, concerning urban planning and development, structure, organisation, powers, functions, and the status of the existing urban local government institutions, including the mechanism of their management.

Draft National Housing Policy

Recognised the economic contribution of the housing and construction sector in generating employment. The policy aimed

(i) to prevent luxury housing (for which the residential plot size was reduced from 2000 sq m to 120 sq m)
(ii) to enable self-help housing through fiscal and monetary measures for HIGs and MIGs, (iii) to make the state directly responsible for providing housing for the poor
(iii) to amend ULCRA to bring about better supply of urban residential land
(iv) to strengthen both formal and informal sources of financing and
(v) to encourage rental housing (Sivam & Karuppannan, 2002).

In 1990 the VP Singh government began a program to provide identity cards to slum dwellers with the intention of legalising their tenure and upgrading their access to basic infrastructure. However his government, and consequently this program, was short-lived.

1990 — Nehru Rozgar Scheme for Housing and Shelter Upgradation (SHASHU)

The NRY comprised three employment related schemes: one that involved financial assistance to set up micro-enterprises; the second consisted of providing training for self-employment; and the third provided urban wage employment to the urban unemployed poor. Although the NRY scheme tried to integrate efforts to tackle employment and housing, it was not based on the assessment of the level of income required to support a basic minimum standard of housing. Nor did the scheme take into consideration the need to generate employment opportunities which generated enough income to access a loan or live in a rental space.

1994 — Mega City Scheme

1998 — Housing and Habitat Policy

Specifically advocated that the Government create a facilitating environment for growth of housing activity instead of taking on the task of housing itself. Housing is largely a private sector activity in both the rural and urban sectors.

2005 — JNNURM

aims at a reform-driven, planned developmental transformation of India's urban areas. The Mission acknowledges the responsibility entrusted upon cities to act as the primary agent, engine and catalyst in the process of sustainable growth and development. Accordingly, it aspires to create *"economically productive, efficient, equitable and responsive cities."*

Basic Services for the Urban Poor (BSUP)

Specifically advocated that the Government create a facilitating environment for growth of housing activity instead of taking on the task of housing itself. Housing is largely a private sector activity in both the rural and urban sectors.

Integrated Housing & Slum Development Programme (IHSDP)

Seeks to tackle poor housing for urban slum dwellers in cities and towns as per the 2001 Census, excluding those which were being targeted under BSUP.

2015 — Pradhan Mantri Awas Yojana (PMAY)

Aspires to eliminate urban housing shortage in India by the year 2022. This Yojana is being executed through four verticals. The beneficiaries include EWS, LIGs, and MIGs. Implemented as Centrally Sponsored Scheme with two components - PMAY (Urban) and PMAY (Rural), the mission involves providing central assistance to implementing agencies through States and UTs.

Affordable Housing in Partnership (AHP)

The States/UTs, which initiate affordable housing projects in their own capacity or in partnership with the private sector, are eligible for Central assistance provided such projects satisfy certain stipulated criteria. More specifically, a housing project, in which 35 percent of the housing stock is earmarked for the EWS category and the aggregate size of the project is at least 250 houses, becomes eligible for a central grant of INR 1.5 lakh per EWS house for all EWS houses in the project.

Beneficiary-led individual house construction or enhancement (BLC)

EWS households wanting to construct new houses or improve existing ones can avail central assistance of INR 1.5 lakh. Households which are not covered under any of the above-mentioned verticals, are also eligible upon furnishing the requisite documentation.

In-situ slum redevelopment (ISSR)

Strategy leverages land occupied by slums to incentivise private players for developing formal settlements for the slum inhabitants. The proposed plan is composed of two constituents: the first refers to the rehabilitation of existing slum dwellings and augmenting them with basic civic infrastructure. The second refers to what becomes available to private developers for sale in the market for cross-subsidising the slum redevelopment project, making it financially viable. The Centre supports this initiative by issuing a grant of INR 1 lakh per house.

Credit Linked Interest Subsidy (CLSS)

Interest paid on housing loans of up to INR 6 lakh availed by the Economically Weaker Sections (EWS) and the Low-Income Group (LIG) is subsidised at the rate of 6.5 percent for a tenure of 15 years or during the tenure of the loan, whichever is lower. The Net Present Value (NPV) of the interest subsidy will be computed at the discounted rate of nine percent. This subsidy subtracts from the loan and Equated Monthly Instalments (EMI), making credit more affordable for the urban poor.

2015 — Pradhan Mantri Gramin Awas Yojana (PMAY-G)

Earlier the Indira Awas Yojana (IAY), it was restructured in 2015. The main aim of the scheme is to provide pucca houses with some basic amenities. This scheme is meant for people who do not own a house and people who live in kutcha houses or houses which are severely damaged. At present, the minimum size of the houses to be built under the PMAY-G scheme has been increased to 25 sq. mt. from 20 sq. mt. The broad purpose of the scheme is to provide financial assistance to some of the weakest sections of society for them to upgrade or construct a house of respectable quality for their personal living. The vision of the government is to replace all temporary (kutcha) houses from Indian villages by 2017.

2016 — Real Estate (Regulation and Development) Act (RERA)

2021 — Affordable Rental Housing Complexes (ARHC)

Initiated during the COVID-19 pandemic, it is a sub-scheme under PMAY-U, to provide ease of living to urban migrants/ poor in the industrial sector as well as in the non-formal urban economy to get access to dignified affordable rental housing close to their workplace. The scheme will be implemented through two models: first, utilising existing government funded vacant houses to convert into ARHCs through PPPs or by public agencies; secondly through Construction, Operation, & Maintenance of ARHCs by public/ private entities on their own vacant land. ARHCs will be a mix of single/double bedroom dwelling units & dormitories of 4/6 beds including common facilities which will be exclusively used for rental housing, for a minimum period of 25 years. This will unlock existing vacant housing stock and make them available in urban space. It will propel new investment opportunities & promote entrepreneurship in the rental housing sector.

Legend

Schemes/ Policies

Institutions

References

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