

F. No. N-14014/1/09/H-IHSDP/Vo.II/FTS-81
Government of India
Ministry of Housing & Urban Poverty Alleviation
(HUDCO & RAY)

Nirman Bhavan, New Delhi.
Dated the 13th December, 2011.

OFFICE MEMORANDUM

Subject : Scheme of Affordable Housing in Partnership (AHP) of Ministry of Housing & Urban Poverty Alleviation.

The undersigned is directed to convey the approval of the Competent Authority for the amendment of the "Guidelines for the Scheme of Affordable Housing in Partnership", of the Ministry of Housing and Urban Poverty Alleviation issued in May, 2009.

2. The amendments have been carried out in Para 1.1, 1.2, 1.3, 2, 3.1, 3.2, 3.3, 4.1, 6.2 c, 6.2 f, 7.2, 7.3 & 7.4 of the Guidelines. The amended guidelines of the Scheme are enclosed.
3. The modified Guidelines shall come into effect from 3rd June, 2011.
4. This issues with the concurrence of the Finance Division vide their Dy. No. 568/D.I./FD/11 dated 14.11.2011



(Rahul Mahna)
Under Secretary (HUDCO & RAY)
Tel./ Fax No. 23061285.

Encl. As above.

To

As per list attached

**Amendments to the
Guideline
For the Scheme of
Affordable Housing in Partnership Scheme**

1. Para 1.1 of the Guideline is amended and shall read as follows:

It intends to provide a major stimulus to economic activities through affordable housing for the creation of employment, especially for the construction workers and other urban poor, incentivise land assembly and increase affordable housing stock and create a stock of affordable housing to reduce the alarming affordable housing deficit.

2. Para 1.2 of the Guideline is amended and shall read as follows:

This Scheme is dovetailed with Rajiv Awas Yojana (RAY) and takes into account the experience of implementing Basic Services to the Urban Poor (BSUP) and Integrated Housing & Slum Development Programme (IHSDP) under JNNURM

3. Para 1.3 of the Guideline is amended and shall read as follows:

The scheme is applicable to all the cities under RAY.

4. Para 2 of the Guideline is amended and shall read as follows:

The basic aim of the Scheme is to incentivise land assembly and increase stock of affordable housing and provide the option of rental housing and dormitories for new migrants to reduce the alarming affordable housing deficit. It also targets the creation of demand for a large variety of industrial goods through the multiplier effect of housing on other economic activities

5. Para 3.1 of the Guideline is amended and shall read as follows:

The scheme will apply mainly to the cities covered under Rajiv Awas Yojana, where shortages of land for housing are driving unplanned growth and rising home prices and rentals to unsustainable levels.

6. Para 3.2 is amended and shall read as follows:

The projects which should be eligible under the scheme for assistance would need to meet the following criteria:

- a) Dwelling units should be a mix of EWS/LIG/MIG categories with the maximum size of a dwelling unit being at 1200 square feet super area, with at least 25% of them for EWS of about 300 square feet. In terms of carpet area, the minimum carpet area for EWS category shall be 25 square meters and maximum carpet area for MIG category shall be 80 square meters.
- b) The sale price of dwelling units should have an upper ceiling in terms of Rupees per square meter of carpet area. The price ceiling would be settled in consultation with the States/UTs for different classes of cities.
- c) Projects of rental housing & dormitories for new migrants
- d) The upper ceiling of the rental (monthly/weekly/any other) in the first project (rental housing & dormitories) and the principles for fixing the same in the future projects would be proposed by the States/UTs as a part of the project proposal submitted to the CSMC for approval.

7. Para 3.3 is deleted

8. Para 4.1 is amended and shall read as follows:

Keeping in mind that the housing shortages affect mostly the EWS and LIG, and the younger group of urban-urban migrants changing cities in search of better prospects, affordable houses, for the purpose of this scheme, may be taken as houses ranging from about 300 square feet (super built up area) for EWS, 500 square feet for LIG and 600 square feet to 1200 square feet for MIG, at costs that permit repayment of home loans in monthly installments not exceeding 30% to 40% of the monthly income of the buyer. In terms of carpet area, an EWS category house would be taken as having a minimum 25 square meters of carpet area and the carpet area of an LIG category house would be limited to a maximum of 48 square meters. The carpet area of an MIG house would be limited to a maximum of 80 square metres. The size of the Rental housing units and dormitories are to be decided by the States based on the needs and requirements of the target segment.

9. Para 6.2c of the Guideline is amended and shall read as follows:

Projects with a minimum of 200 affordable houses would be entertained. This condition shall not apply for project/projects related to rental housing and dormitories for new migrants.

10. Para 6.2f of the Guideline is amended and shall read as follows:

The sale price of dwelling units would have an upper ceiling in terms of Rupees per square meter of carpet area. This ceiling would be proposed by the States/UTs for different classes of cities for approval by the Central Sanctioning & Monitoring Committee. For projects of rental housing and dormitories, the upper ceiling of the rental (monthly/weekly/any other) in the first project and the principles for fixing the same in the future projects would be proposed by the States/UTs as a part of the project proposal submitted to the CSMC for approval.

11. Para 7.2 of the Guideline is amended and shall read as follows:

Central Assistance under the scheme will be limited to least of following :

- ₹ 50,000 per rental unit or Dwelling Unit for all dwelling units taking EWS, LIG and MIG units together which are proposed in the project and
- 25% of the cost of all civic services (external and internal) proposed in the project.

12. Para 7.3 is deleted.

13. Para 7.4 of the Guideline is amended and shall read as follows:

Central funds would be released in three instalments as additional Central Assistance. The first instalment of one-third will be released to State/UT Government or its designated State level Agencies following the sanction of the DPRs by the CSMC. Subsequent instalments would be released after Utilisation Certificate for at least 70% of the earlier Central release is received. The last instalment would be released after ascertaining the completion of construction and selection of beneficiaries.