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Rig Veda

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YE-707/2017



Abode for Everyone

A roof over one's head is a dream that every human being aspires for. While the rich and famous create palatial abodes for themselves, the poor man tries to build himself and his family a shelter be it only a plastic tent.

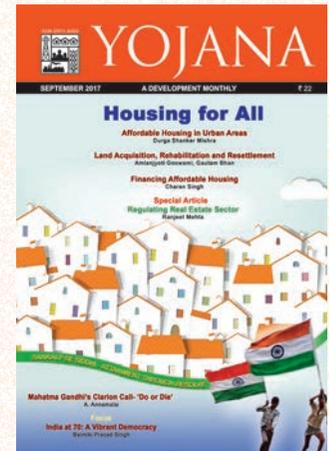
Housing, at one time was never an issue in the Indian context. The joint family system meant that there was one house for the entire family and all the family members lived in the family home. The trend of migration to cities for jobs first raised the issue of a house for a family. The advent of the nuclear family system further exacerbated the situation with parents and children living away from each other. Rising concentration of people in urban areas also resulted in an increase in the number of people living in slums and squatter settlements. According to 2011 census, the urban population of India increased by 91 million over a period of 10 years. The census projected housing shortage at 18.78 million in the beginning of 2012 with majority of it coming from economically weaker sections (EWS) or Low Income Groups (LIG).

Affordable housing has, thus, become one of the biggest challenges of the present times. Planning for a home has become imperative for the younger generation today who are often forced to begin their career with the quest for a permanent home for themselves. Skyrocketing prices of land and real estate in urban areas have made houses unaffordable. Ever rising rents, fleecing builders, unapproved land use, sub standard building material etc have all widened the gap between supply and demand.

It is in such situations that the Government regulations play an important role. While the Land Acquisition, Rehabilitation and Resettlement Bill ensured proper and justified use of the land for various purposes, the Real Estate (Regulation and Development) Act was introduced by the government to protect interests of home buyers. Pradhan Mantri Awas Yojana – Housing for All Urban has been introduced to solve the housing problem of the Indian middle, lower middle class and below poverty level class of its citizens. PMAY-G aims at providing a pucca house, with basic amenities, to all households living in kutcha and dilapidated houses, by 2022. On the financing front, while National Housing Bank regulates housing finance companies, RBI regulates commercial banks and partially cooperative banks. The Credit linked subsidy schemes have facilitated financing of houses even for those who could otherwise not afford them.

Infrastructure is another important dimension of housing. Adequate infrastructure facilities like roads, metro trains, schools, hospitals, shopping areas and children's play areas are a must for making “Housing for all by 2022” a success. Use of durable and environment friendly material in construction is equally important in today's scenario. A design needs to be such that it ensures that the house withstands the ravages of time and nature. Green technology can make the house environment friendly and also obviate the necessity to use artificial coolers in the summer and heaters in the winter. Smart Cities Mission and Atal Mission for Rejuvenation and Urban Transformation (AMRUT) aim to address these issues by promoting cities that provide core infrastructure and give the citizen a clean and sustainable environment and also address issues of improved quality of services.

A stable home is an essential requirement for life and happiness of a family. And, it is the effort of the government to ensure a better abode and thus a better life to the last person.



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YE-708/2017

Affordable Housing in Urban Areas

Durga Shanker Mishra



Capacity building for all players at different levels is an important pre-requisite to achieve national resolve to provide housing for all by 2022. Good practices and performances in implementation of the mission need to be disseminated among various stakeholders

Cities are engines of economic growth and innovation. Urban Indians now form about one-third of the population – and they produce more than three-fifths of the country's GDP¹. Housing is an important sector for the Indian economy as it has inter-linkages with nearly 269 other industries. The development of the housing sector has a direct impact on employment generation, Gross Domestic Product (GDP) growth and consumption pattern in the economy².

It has been increasingly realized across the globe that sustainable housing and urban development have a crucial bearing on the quality of life and social and economic well being of the people. Accordingly, housing has been placed at the center of the New Urban Agenda of Habitat III, 2016³. Sustainable and disaster resilient housing have been recognized as an important lever in meeting the commitments towards the Sendai Framework (2015)⁴ and Paris Agreement on Climate Change (2016)⁵. Goal 11 of Sustainable Development Goals⁶ aims to make cities and human settlements inclusive, safe, resilient and sustainable. India, too has acknowledged the importance of housing in improving the socio-economic conditions of the people and accordingly launched the Mission of Housing for All by 2022.

In view of the above, this paper is divided into five sections. Following the introduction, the second section discusses the housing scenario and challenges. The third section overviews the policy and programmatic interventions of the government. The fourth section focuses on the convergence of housing with other missions. The last section concludes.

Housing Scenario and Challenges:

According to the Technical Group on Urban Housing Shortage, 2012-17 (TG-12) constituted by erstwhile the Ministry of Housing and Urban Poverty Alleviation, there is a shortage of 18.78 million housing units⁷. Of these, the economically weaker section (EWS) alone accounts for 10.55 million units or 56.2 per cent of the total shortage. The low income group (LIG) require 7.41 million housing units or 39.4 per cent whereas middle and above income group have a deficit of 0.82 million or 4.4 per cent. Evidently, the gap is mostly in the affordable sector i.e. EWS and LIG segments. Ten states together contribute to 76 per cent of the urban housing shortage. These states are Uttar Pradesh, Maharashtra, West Bengal, Andhra Pradesh, Tamil Nadu, Bihar, Rajasthan, Madhya Pradesh, Karnataka and Gujarat (TG 12, 2012). This challenge offers an

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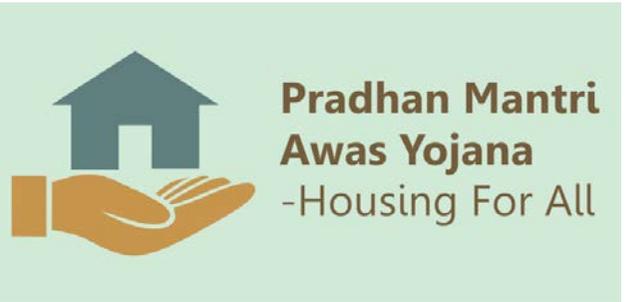
opportunity to boost our economy through initiation of construction and building activities on a massive scale.

While TG 12 report highlights a housing deficit of 18.78 million, 11.07 million houses were vacant in 2011 in urban India as per the Census of India. This brings to the forefront a mismatch in demand and supply in the housing market. Also, the housing surplus is in the higher income groups while 95 per cent of the deficit is in the EWS and LIG categories. Further, projections indicate that India's urban population which registered an annual growth rate of 2.76 in 2011⁸ is estimated to grow to 814 million people by the year 2050⁹. This will pose a major challenge in provision of housing and basic amenities to the growing population especially the poor. This may lead to a growth in the number of homeless population as well as short term migrants. High land prices force the poor to live in slums and squatter settlements or to occupy the lands in the periphery of the city. This results in the haphazard and unplanned development. Scarcity of developed and encumbrance-free land, increased cost of construction, lack of private sector participation, absence of viable rental market, inaccessibility to home loans by poor are some of the challenges which need to be addressed for development of the affordable housing market.

The technological innovations in low cost building material and construction practices lack popular acceptance in the market. There are also certain regulatory constraints such as long and cumbersome approval process, environment clearance, lack of clarity in building by-laws and implementation of the master plan.

Government Initiatives:

Since independence, the Government of India has adopted a number of policies and programmes to house the poor. These include Integrated Subsidised Housing Scheme (1952) for industrial workers and economically weaker section; Low Income Group Housing Scheme (1956); Slum Improvement/Clearance Scheme (initiated in 1956 and discontinued in 1972 at national level); Environmental Improvement of Urban Slums (1972); National Slum Development Programme (1996); Scheme for Housing and Shelter Upgradation (SHASHU as part of Nehru Rozgar Yojana, introduced in 1989 and discontinued in 1997); Night Shelter (1988-89). Two Million Housing Programmes, VAMBAY (Valmiki Ambedkar Awas Yojana



(launched in 2001-02); JnNURM (Jawaharlal Nehru National Urban Renewal Mission)-Rajiv Awas Yojana (RAY); Rajiv Rinn Yojana (RRY) and the latest Pradhan Mantri Awas Yojana-Urban (PMAY-U). In addition, various ministries have had their own programmes targeted towards their area of work¹⁰. The cumulative impact of most earlier initiatives has been limited, as there has been a continuous proliferation of slums.

The government has also taken several policy measures to address the challenges of affordable housing. The first National Housing Policy was announced in 1988. A revised policy came into existence in 1994 with the change in central government. A new Housing and Habitat Policy was announced in 1998 with greater emphasis on the aspect of 'Habitat' as a supplementary focus to housing. This policy envisaged some major landmark initiatives such as repeal of Urban Land Ceiling and Regulation Act (ULCRA) and increased Foreign



ISSR-Transformation of Bharat Nagar Slum in Rajkot, Gujarat (105 Dwelling Units)

Direct Investment (FDI) in real estate. However, all these policies were generic in nature and were applicable for both rural and urban areas. The new policy was announced in 2007 as 'National Urban Housing and Habitat Policy'. This policy sought to promote various types of public-private partnerships for achieving the goal of 'Affordable Housing for all'. The policy emphasized on earmarking of land for the EWS/LIG groups in new housing projects. The policy envisaged specific roles for the central government, state governments, local bodies, banks, housing finance institutions and public agencies. Realising the growing challenges of housing sector, the government now intends to revise this policy.

Recognizing the need for greater private sector participation, the government has also drafted a National Public Private Partnership Policy. The policy sets out the principles for implementing a large number of projects across diverse segments through private sector. Acknowledging the need for rental housing, a National Urban Rental Housing Policy along with Model Tenancy Act has been drafted so as to catalyze the nascent market for formal rental accommodations.

Various reform measures have been undertaken by the government which has positioned the affordable housing sector as an attractive investment destination. Real Estate Regulation Act (RERA), liberalised Foreign Direct Investment (FDI) rules, Real Estate Investment Trusts (REITs) and Goods and Services Tax (GST) are some of the landmark reforms. RERA, which came into force on May 1, 2017 regulates the unorganised real estate sector with fair, transparent transactions that boost the confidence of investors in addition to protecting the interests of consumers. The GST introduced on July 1, 2017 aims to dismantle federal tax barriers in order to create a single, unified market with tax transparency and predictability and improving supply chain efficiency.



BLC - Vellore, Tamil Nadu

Initiatives essential for ease of doing business such as faster approvals and clearances, single window clearance system, automated building plan approval system and, property title certification have been initiated so that projects are not

In the spirit of cooperative federalism, the mission has provided flexibility to states for choosing the best option amongst the four verticals of the mission to meet the demand of housing in their states.

affected by costs and time overruns. In addition to this, the government has accorded 'infrastructure status' to affordable housing, which will make project loans affordable, and in turn reduce prices of homes for buyers. The infrastructure status would go a long way as a critical supply side incentive to bring in private investment in affordable housing sector. The Budget 2016-17 and 2017-18 provided the platform for creating an enabling environment with fiscal concessions such as direct tax benefits under Section 80-IBA of the Income Tax Act, relaxation in FDI and ECB proposals, and standardized usage of carpet area definition.

The Centre has undertaken significant mortgage reforms by way of a new broad-based Credit Linked Subsidy Scheme (CLSS) under PMAY-U to ensure that its benefits reach beyond the EWS and LIG segments. It has also introduced a Marginal Cost of Funds-based Lending Rate (MCLR) for speedy transmission of Reserve Bank of India rate cuts to home buyers.

New Urban Housing Mission:

In June 2015, Hon'ble Prime Minister launched the Pradhan Mantri Awas Yojana - Urban (PMAY-U) to provide housing for all by 2022. The scheme provides central assistance to Urban Local Bodies (ULBs) and other implementing agencies through States/UTs. The programme has 4 verticals: the Credit Linked Subsidy Scheme (CLSS) and the other three centrally sponsored schemes namely, *in-situ* rehabilitation of existing slum dwellers using land as a resource through private participation; affordable housing in partnership; and subsidy for beneficiary-led individual house construction/enhancement.

In the spirit of cooperative federalism, the mission has provided flexibility to states for choosing the best option amongst the four verticals of the mission to meet the demand of

housing in their states. The process of project formulation and approval in accordance with mission guidelines has been left to the states, so that projects can be formulated, approved and implemented faster. Deriving lessons from implementation of the previous programs, the PMAY has introduced built-in-flexibility, demand driven approach and a comprehensive Housing for All Plan of Action for each of the ULBs.

Under *in-situ* slum redevelopment (ISSR), the private developers are given land and incentive to monetize the part of the demarcated land to build housing stock for the low income households especially slum dwellers. Along with redevelopment and rehabilitation of the slum, the private developer is responsible for providing an interim accommodation to beneficiaries during implementation of the scheme and on completion of the scheme ensure the resettlement of beneficiaries into allotted houses, thus, making it an inclusionary approach towards housing¹¹. Slums once redeveloped are to be de-notified by the Urban Local Bodies. The states receive a slum rehabilitation grant of Rs 1 lakh per house on an average, for providing houses to eligible slum dwellers (except slums on private lands).¹²

Under Credit Linked Subsidy Scheme (CLSS), initially the weaker sections were given subsidy on home loans. In 2017, the scope of CLSS was widened for a year to include the MIG segment as well. However, their rate of interest subsidy was limited to 3 and 4 per cent depending on the amount of loan (Table 1). These loans are availed for new construction or addition of rooms. For EWS (up to 30 sq. m)/LIG (up to 60 sq.m) categories, an interest subsidy of 6.5 per cent is provided on housing loans which can be availed up to a tenure of 15 years. This subsidy is available only for loans up to Rs 6 lakhs.¹³ The nodal agencies such as Housing and Urban Development Corporation (HUDCO) and National Housing Bank (NHB) at the central level are responsible for channelizing

the subsidies to the lending institutions and monitoring the progress.

For housing provided under Affordable Housing in Partnership (AHP), financial assistance is provided to EWS houses when they are built-in partnership with public/private stakeholders. Central assistance is provided at the rate of Rs 1.5 lakh per EWS house¹⁴. The state decides the sale prices (upper limit) per sq. meter of the carpet area in order to ensure affordability. The states, as incentive, can extend other concessions such as providing subsidies, land and stamp duty exemption. Such projects can be a mix of houses for different categories, but will be considered for central assistance only when at least 35 per cent of the houses are for EWS category.

For Beneficiary Led Housing Construction (BLCH), central assistance of Rs 1.50 lakhs is provided for the construction of new houses or for upgradation of existing houses to individual eligible families belonging to EWS categories. The beneficiary has to approach the ULB by submitting an

application with requisite documents. On the basis of all such applications; ULB prepares an integrated citywide housing project.¹⁵

The mission has resulted in sanctioning of nearly 24 lakh houses since its launch. Construction has started for around 10 lakh houses. 5,147 projects considered so far have an outlay of Rs.1,27,810 crore involving central assistance to the tune of Rs.37,270 crore. Under CLSS, a subsidy of Rs.962 crore for 48,863 new houses has been released as of 31st July 2017 (Table 2). The highest number of projects considered so far are in the state of Andhra Pradesh followed by Tamil Nadu, Madhya Pradesh and Karnataka (Table 2). The status, growth and implementation of these projects are being regularly reviewed with States/UTs. The progress of sanctioned houses is being expedited with better design and technological solutions. BLC monitoring is being done through geo-tagging and all benefits are Aadhaar-linked.

In order to achieve innovative sustainable modern building

Table 1 : Features of PMAY Verticals

ISSR	<ul style="list-style-type: none"> - Using land as a resource - With private participation - GoI grant @ Rs. 1 lakh per house - Extra FSI/TDR/FAR if required, to be provided by the States/UTs 				
BLC	<ul style="list-style-type: none"> - For EWS category requiring individual house - GoI grant @ 1.5 lakh per house for construction of new or enhancement of existing houses. 				
AHP	<ul style="list-style-type: none"> - With private sector or public sector including parastatal agencies. - Central Assistance of Rs. 1.5 lakh per EWS house in affordable housing projects. 				
CLSS	- Upfront interest subsidy for EWS, LIG and MIG				
		EWS	LIG	MIG-I	MIG-II
	Household Income (Rs. p.a)	Upto 3,00,000	3,00,000-6,00,000	6,00,000-12,00,000	12,00,000-18,00,000
	Interest Subsidy (per cent p.a.)	6.5 per cent	6.5 per cent	4 per cent	3 per cent
	DU carpet area	30 sq. m	60 sq. m	90 sq. m	110 sq. m

Source: Ministry of Housing and Urban Poverty Alleviation, 2017

Table 2: Status of PMAY as on July 31, 2017

Sl. No.		Name of the State/UT	Project Proposal Considered	Investment so far in the Mission (Rs. In Cr.)	Central Assistance (Rs. In Cr.)	Houses for Construction
1	States	Andhra Pradesh	207	24839.86	6324.29	420386
2		Bihar	180	3911.18	1454.39	88371
3		Chhattisgarh	69	2964.39	517.05	35357
4		Goa	-	1.46	0.36	20
5		Gujarat	174	10377.68	2256.15	156493
6		Haryana	5	341.22	227.53	4474
7		Himachal Pradesh	36	221.92	96.58	4897
8		Jammu and Kashmir	44	292.32	104.23	6250
9		Jharkhand	184	3031.89	1264.06	81725
10		Karnataka	842	9251.19	3342.43	203145
11		Kerala	106	1082.55	517.52	32642
12		Madhya Pradesh	368	19452.61	4411.51	286949
13		Maharashtra	49	14144.68	2069.00	133043
14		Odisha	116	2663.78	976.66	59525
15		Punjab	329	1214.90	604.41	42905
16		Rajasthan	65	3190.45	790.19	44763
17		Tamil Nadu	1634	11945.24	5087.18	334801
18		Telangana	146	5003.44	1253.12	83094
19		Uttar Pradesh	256	3262.07	1339.13	78727
20		Uttarakhand	41	516.52	203.52	8072
21		West Bengal	153	5903.72	2184.70	144862
		Sub-total (States)	5004	123613.09	35024.02	2250501
22	North East States	Arunachal Pradesh	5	98.16	78.44	1606
23		Assam	47	1247.78	548.89	36577
24		Manipur	24	679.52	396.72	26451
25		Meghalaya	8	32.23	11.51	764
26		Mizoram	9	222.92	165.29	10552
27		Nagaland	13	335.03	229.27	13560
28		Sikkim	1	1.95	0.65	43
29		Tripura	24	1267.49	722.57	45972
		Sub-total (NE States)	131	3885.09	2153.34	135525
30	Union Territories	A & N Island	3	53.96	9.14	609
31		Chandigarh	-	1.29	0.21	10
32		D&N Haveli	1	39.32	15.12	946
33		Daman & Diu	2	5.06	2.11	136
34		Delhi	-	50.18	8.91	468
35		Lakshdweep	-	-	-	-
36		Puducherry	6	162.81	58.01	3866
		Sub-total (UT)	12	312.63	93.49	6035
		Grand Total	5147	127810.81	37270.84	2392061

Source: Ministry of Housing and Urban Poverty Alleviation, 2017



BLC- Srinagar, Jammu & Kashmir

technologies, a Technology Sub-Mission has been set up to facilitate the process under PMAY-U. It enables quality construction, green technologies, preparation of flexible design layouts as per the various geo-climatic zones and assists rapid construction. It also coordinates with the various agencies, regulatory and administrative bodies to deploy and in some cases even scale up the disaster resistant and sustainable strategies adopted for construction. The scheme encourages adoption of locally appropriate house layouts, disaster resistant technologies as construction techniques. In order to meet the increasing housing demands, the scheme also provides for use of

building materials such as bricks that are locally produced and low cost techniques such as use of cement stabilized earth or fly ash. The scheme adopts guidelines for integrating energy efficiency to create more sustainable and comprehensive affordable housing. Demonstration houses using new technologies are being constructed in 13 States to proliferate the impact.

Convergence of Missions:

The integration of urban schemes help the cities to upgrade themselves faster in terms of meeting the housing demand equipped with necessary infrastructure, both social and physical.



AHP houses in Raipur, Chhattisgarh

Smart Cities Mission (SCM) is a flagship mission of the Ministry of Urban Development (MoUD) that aims to promote cities that provide core infrastructure and give a decent quality of life to its citizens through application of smart solutions.

Housing is one of the crucial areas of intervention envisaged under 'Smart Cities' proposals. Area-based development is a key element of Smart Cities, which is expected to transform existing areas (retrofit and redevelop), including slums, into better planned ones, thereby improving livability of the whole city. Many smart city proposals have included housing under area-based development and have proposed convergence with PMAY (Urban).

Atal Mission for Rejuvenation and Urban Transformation (AMRUT) endeavors to provide every household access to supply of water and sewerage connection, improving open spaces and reduce pollution through mobility solutions, thereby providing the basic infrastructure to housing. This mission covers 500 cities across the country. Convergence with this scheme helps in developing necessary infrastructure.

Swachh Bharat Mission (Urban) aims to eliminate open defecation, eradicate manual scavenging and incorporate modern and scientific Municipal Solid Waste Management. Construction of toilets within the housing unit is an integral part of the mission. Convergence of PMAY with SBM ensures provision of basic facilities related to sanitation.

The Scheme of Shelter for Urban Homeless under Deen Dayal Upadhyay Antyodaya Yojana -National Urban Livelihood Mission (DAY-NULM), ensures availability and access of the urban homeless population to permanent shelters including the basic infrastructure. It also aims to cater to the needs of especially vulnerable segments of the urban homeless.

National Urban Health Mission (NUHM) envisages to meet health

care needs of the urban population with focus on urban poor by providing essential primary health care services and reducing their out of pocket expenses for treatment. Convergence of this mission with PMAY helps in holistic development.

Conclusion:

Capacity building for all players at different levels is an important pre-requisite to achieve the national resolve to provide housing for all by 2022. Good practices and performances in implementation of the mission need to be disseminated among various stakeholders. States have an important role to play in this as 'housing and urban development' is a state subject under the Constitution. Through their policies, States must prepare a comprehensive housing action plan clearly articulating the right institutional and legal structures for enabling ecosystem to achieve this ambitious task. Innovations in the housing sector need focused attention. Practices in low cost housing and rapid paced construction technology require large scale application to meet the demand of affordable housing in urban areas. This will ensure that our Hon'ble Prime Minister's vision will be realized with strong commitment from all the stakeholders including the governments (Centre, State and local body) and private sector for providing housing for all by the 75th Anniversary of Indian Independence.

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Land Acquisition, Rehabilitation and Resettlement

*Amlanjyoti Goswami
Gautam Bhan*



LARR is only one part of a much larger strategy of how to ensure that affordable housing for all is implemented across the country. Affordable Housing Zones as part of a larger strategy for new planned development, in peri urban and expanding city development. At the same time, more critical attention needs to be paid on how efforts by existing dwellers to improve their units, especially in inner city areas receive enabling policy attention and encouragement

The linkages between Land Acquisition, Rehabilitation and Resettlement (LARR) and Housing for All (HFA) assume significance primarily in the context of scarcity of land for planned development and the overwhelming shortage of adequate, affordable housing in India.

According to last official estimates, India has a shortage of nearly 19 million housing units in urban areas (Kundu Committee, 2012).¹ About 80 per cent of this shortage (around 15 million units) pertains to inadequate but existing units, and not to homelessness, reminding us that our housing shortage in urban areas is one largely of inadequacy rather than the absence of housing. In response, the Government of India's Pradhan Mantri Awas Yojana (PMAY) aims at building 20 million new units by 2022. At the same time, about 56 per cent of rural India or a staggering number of over 10 crore rural households is landless.² It is important, as is rarely done, to constantly read these two empirics together. The historical failure of ensuring land reform in India is also the context within which the fractured politics of rural-urban and land acquisition have played out.

How should we assess the considerable policy attention now directed at affordable housing in urban areas? Three parameters stand out for scrutiny. The first two – Adequacy and

Affordability – have entered the policy discourse with discussions on how “low-income” households should be defined, what the size and cost of an affordable house is, and what services and materials define adequacy. A third, however, has remained unaddressed or has received scant policy attention. This crucial parameter – ‘Viability’ – relates to the location of affordable housing. Viability can be understood as the ability to meaningfully make a life in housing created or enabled by policy action. ‘Viability’ thus exceeds just the policy attention to costs or benefits. If the Centre or state aims to improve currently deeply insufficient occupancy rates (mostly, only one in three houses built under previous policies are effectively occupied), it is viability that needs to be looked at.

For low-income groups, three aspects of what constitutes Viability are imperative: a) linkages with employment and livelihood (i.e. people live where the jobs are); b) connectivity (largely in terms of access to public transport) and c) access to physical and social infrastructure (i.e. community, schools, hospitals, and so on).³ If these aspects are not considered, especially the connection to jobs and livelihoods, no affordable housing policy will reach its intended results. Ignoring location or geographical contiguity means ignoring the actual nature of what makes a “house” into “housing”

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and not just a “unit.” It is here then that the importance of examining land acquisition to ensure affordable housing becomes pivotal. If LARR is just used as a cynical measure to relocate low income urban populations to peripheral areas transitioning from rural to urban, it would mean that a larger question of how to ensure higher occupancy rates or ensure planned rural, urban and rural development, would remain unaddressed.

The critical question, therefore, is not just how to use the LARR Act to ensure redevelopment for affordable housing in urban areas but rather, how to meet the target of Housing for All, using land acquisition or pooling (as feasible) on the one hand, but also multiple other strategies such as in situ upgradation, credit-linked subsidies, enabling beneficiary led house enhancement and so on. This involves looking at both rural and urban areas, as a continuum.

First, let’s look at what the LARR Act says.

The LARR Act does include in its definition of ‘public purpose’, acquisition for the following purposes:

- a) Project for housing for such income groups as may be specified from time to time by the appropriate government [S. 2(1) (d)]
- b) Project for planned development or improvement of village sites or any site in urban areas or provision of land for residential purposes for the weaker sections in rural and urban areas [S. 2(1) (e)]
- c) Project for residential purposes for the poor or landless or for persons residing in areas affected by natural calamities or for persons displaced or affected by reason of implementation of any Scheme by Government etc [S. 2 (1) (f)].⁴

In other words, under the LARR Act, it is possible to carry out Eminent Domain type land acquisition for the purpose of ensuring affordable, adequate housing for all - in rural as well as urban areas. In all the above cases, the provisions of the LARR Act relating



to land acquisition, compensation and R&R shall apply. Further, where the Government acquires land for such purposes through PPP or private mode, the provisions relating to consent are also additionally applicable (70 per cent in PPP; 80 per cent in private companies), as would provisions on social impact assessment. This means that the process of land acquisition for such public purposes has to, by law, go through detailed processes. While it is laudable to see the definition of public purpose specifically include projects that could be for affordable housing, there is little history of successful land acquisition directed at affordable housing. Very often other public purposes such as infrastructure projects, strategic purpose projects etc predominate the policy implementation discourse.

Further, where land is being acquired under the LARR Act, the R&R provisions lay down minimum infrastructure facilities (including housing unit) that must be provided as part of R&R in case of displacement caused as a result of land acquisition under Eminent Domain. This pertains to those displaced by such acquisition, and is different from providing housing to urban low income groups or the rural landless. Even in the case of providing R&R to those displaced by land acquisition, a displaced landless family must first fulfill the definitional requirements of ‘affected family’ under the LARR Act, which includes not just owners but also those whose primary livelihoods stand affected.

This includes agricultural labourers, tenants, sharecroppers, artisans, forest dwellers and also urban dwellers living in that area for the last three years, whose primary livelihoods are affected. This is also not easy to do.

If the government proceeds with the alternative route of land pooling (i.e. not Eminent Domain type land acquisition), it is necessary to ensure that the redeveloped plot of land has adequate provisioning for EWS/LIG/affordable housing, with infrastructural amenities and employment opportunities. However, this is very difficult to carry out in practice, because of the political economy surrounding land pooling or acquisition efforts, where often the very marginalised get little in return. In addition, in land pooling, only the owners of land ultimately get a portion of the redeveloped land. For the landless to get any benefit of affordable housing from land pooling, there must be a specific policy in addition, which ensures that the common areas after redevelopment in land pooling contain portions for such affordable housing.

Two challenges are thus before us. One, we should be pragmatic about the difficulty in using LARR and instruments of land assembly for affordable rural and urban housing till now and thereby highlight the need to create housing policies that accounts for this gap. Two, it is necessary to challenge this historical reluctance to use LARR’s provisions for affordable housing.

It is against these challenges then that we must understand what kind of measures the PMAY promotes and what it doesn't. The PMAY focusses on the following four areas: a) redevelopment using private developers using land as a resource, where extra TDR/FAR can be provided to the private sector to make such projects financially viable; b) credit linked subsidy for weaker sections as a way of promoting affordable housing; c) affordable housing in PPP mode, with Central Assistance where 35 per cent of constructed houses are for EWS category; d) subsidy for beneficiary led individual house construction.⁵ This means that while the public purpose provisions of the LARR Act can theoretically be used for affordable housing, these must fulfill requirements of consent, R&R, compensation, social impact etc, that pertain to displaced/affected families. Further, the particular public purpose, i.e. affordable housing,



needs to be actually achieved (i.e. land should not be diverted for private purposes or for change in purposes). A reliance on addressing housing shortage through building new units returns us to the original concern of this essay. If LARR and land assembly have not been historically well used to find land for affordable housing, then

the locations of built units will remain peripheral, in the geographical sense. Such locations return us to the viability challenge that we outlined above, and underlie the poor occupancy rates of built housing from previous housing policies.

The alternative is to use the land on which existing but inadequate housing

LARR - Some Highlights

- The Land Acquisition bill has been renamed as the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Bill, 2013. The new act replaces a nearly 120-year-old law enacted during British rule in 1894. It lays emphasis on Rehabilitation & Resettlement
- The new act concerns only such cases where the land will be acquired by Central or State Authorities for any public purpose.
- It calls for taking the consent of 80 per cent of land owners for acquiring land for private projects and of 70 per cent land owners for public-private projects.
- It also tries to lay down a transparent process for land acquisition for industrialization, development of essential infrastructural facilities and urbanization by giving adequate financial compensation to the affected people.
- It gives priority to the interests of the farmers, landless labourers, dalits and tribals.
- Multi-crop irrigated land will not be acquired except as a demonstrably last resort measure. Wherever multi-crop irrigated land is acquired an equivalent area of culturable wasteland shall be developed for agricultural purposes. States are also required to set a limit on the area of agricultural land that can be acquired in any given district.
- It also provides for leasing of land to developers, instead of sale, so that the ownership will remain with the original land holders and they can also have a regular income by way of lease rent; the terms of lease to be laid down by the State Government according to type of land, location, market rates etc.
- The Act clearly enunciates the issues relating to acquisition, award, compensation and rehabilitation and also curtails the discretionary powers of the District Magistrates.
- 13 Central Acts which are outside the purview of the new Act have to conform to the provisions of compensation and Rehabilitation and Resettlement package within one year of the coming into force of the legislation.
- Where land is acquired for urbanisation, 20 per cent of the developed land will be reserved and offered to land owning project affected families, in proportion to their land acquired and at a price equal to cost of acquisition and the cost of development.

The Consent of Gram Sabha is mandatory for acquisitions in Scheduled Areas under the Fifth Schedule referred to in the Constitution.

already exists. Here, the PMAY offers a model but, critically, frames it as in-situ redevelopment instead of in-situ upgradation. Theoretically, the basic difference between the two is that the former involves removing existing structures and building anew with new infrastructure while the latter does not envisage removal of existing structures but enables improvements with basic services and infrastructure. In-situ redevelopment cannot hold the densities of existing low-income housing, implying that without upgradation, the need to find new land will remain. Further, the PMAY excludes families that own a pucca house (or an all-weather dwelling unit) from receiving its benefits.⁶ In other words, incremental upgradation of pucca house – for enhancement or in situ upgradation (not redevelopment) will not be eligible for the benefits under PMAY.

Many states have sought to compensate for these shortcomings by widening their own state housing policies with different and more diverse approaches. Numerous examples from various states provide illustrations of how the goal of ensuring affordable and adequate housing for all could be realised. For example, Karnataka's Affordable Housing Policy of 2016 provides for seven models: a) beneficiary led house enhancement; b) beneficiary led new house construction; c) *in situ* upgradation; d) in situ redevelopment; e) plotted development and sites with house and services; f) group housing and township projects and g) affordable group housing in partnership.⁷ Of these seven, PMAY benefits could pertain only to d), f) and g) of the above.

How then should we proceed? It has become necessary to anticipate India's urban housing crisis, not just in metropolitan areas but crucially in newer small towns and cities which are expanding. This could be done not just through LARR efforts but also by redirecting existing land uses in an equitable and efficient manner. The notion of reserving a certain percentage of housing units for affordable housing in existing/ new projects is an old one, which needs better implementation.

More significant, could be the policy of creating Affordable Housing Zones within new city plans, which would ensure that a reasonable percentage of such land is not diverted for other uses. In these, mixed housing would ensure that affordable housing is not spatially segregated. Rajasthan has, for example, in Kota and Jodhpur, implemented under its Affordable Housing Policy (2015), a model where the private developer constructs affordable housing units in 75 per cent of a land parcel currently vacant/unused, in return for 25 per cent of the land to be developed for free sale units. The Ranchi Master Plan 2037 has notified proportionate portions of land for affordable housing zones. The distinction between Ranchi and Jaipur here is reservation of land at the city level versus reservations in projects. Both can be pursued simultaneously but it is necessary to recognise that without directing the use of land at city-region scale, the impact of project-based reservation will be limited.

The use of the LARR Act for affordable housing purposes needs to be understood from this overall context. While R&R provisions in the LARR Act attempt to ensure adequate rehabilitation for displaced rural families, a more concerted affordable housing policy would attempt to go beyond providing R&R for displaced families to accommodating those from urban areas who are in need of affordable and adequate housing. However, keeping the location viability parameter in mind, if planned development is indeed the intended overall goal of LARR efforts, it is imperative that such development must create new jobs, and substantially improve basic infrastructure facilities, without which acquisition efforts would largely work in isolation.

The dire condition of the rural landless needs urgent attention. The LARR Act can be used as a legal instrument to provide for affordable housing (or a homestead) for the rural landless. However, there is little history of any such Eminent Domain acquisition for such public purposes as it virtually amounts to a historical redistributive measure, perhaps in the same vein as land reform. Madhya

Pradesh is a notable exception in attempting to provide for a Housing Guarantee Law (including homestead for rural areas). This is a welcome new development.

In other words, it is clear from the above, that LARR is only one part of a much larger strategy of how to ensure that affordable housing for all is implemented across the country. Locational issues predominate in goals to improve occupancy rates of new units, especially those pertaining to livelihood opportunities. Affordable Housing Zones as part of a larger strategy for new planned development, is necessary in peri urban and expanding city development. At the same time, more critical attention needs to be paid on how efforts by existing dwellers to improve their units, especially in inner city areas receive enabling policy attention and encouragement. The existing record of using Eminent Domain type land acquisition or pooling type land assembly for the purposes of affordable housing is sobering. Given the stark realities, this is one public purpose which needs to stand out for policy attention and implementation.

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Financing Affordable Housing

Charan Singh



...as housing finance is an important issue for national economy, there is need to strengthen housing related institutions like HUDCO, NHB and NBO, and encourage them to undertake extensive research on housing developments in India. Similarly, the Central and state governments need to prepare plans for housing finance as a booming housing sector can ensure a strong national economy while a bust leads to recession, unemployment and disaster

Housing is an important sector for any economy as it has inter-linkages with nearly 270 other industries. The development of housing sector can have direct impact on employment generation, GDP growth and consumption pattern in the economy. To help develop housing in the country, there is need to have a well-developed housing finance market. In India, housing finance market is still in its nascent stage compared to other countries. The outstanding amount of housing finance accounts for around 8 per cent of GDP in India as compared with 12 per cent in China, 29 per cent in Malaysia, 46 per cent in Spain and 80 per cent in the US.

The housing finance market is expected to increase with urbanization. In India, urbanization is progressing rapidly and is expected to increase from 31 per cent in 2011 to nearly 41 per cent in 2030 or a little more than 600 million persons would be living in urban areas from about 360 million people in 2011. Therefore, a major policy concern for India is widening gap between demand and supply of housing units and consequent need of housing finance solution. Affordable housing is critical for the country for a balanced and sustainable funding model. The existing market oriented model largely caters to high income segments. In contrast, for economically weaker sections (EWS) and low income group

(LIG) as well as slum dwellers, access to institutional sources of finance are almost lacking.

In India, housing finance market is very complex when analyzed in context of demand and supply of housing units, especially in face of scarce land in urban areas. The demand for housing expands with increasing level of economic prosperity. The supply of houses have to come from builders, developers and construction companies scattered widely across country, both in private and public sector. The government, both at Centre and states, is a facilitator and is assisted by two regulators, Reserve Bank of India (RBI) and National Housing Bank (NHB). The housing finance market is dominated by commercial banks, both domestic and foreign. In addition, there are cooperative banks and housing finance companies, self-help groups, micro-finance institutions, and NGOs. The RBI regulates commercial banks and partially cooperative banks (which are mainly governed by State Governments) while NHB regulates housing finance companies.

Affordable Housing in India

The affordable housing policy in India dates back to rehabilitation of refugees immediately after independence. In 1957, village housing programme was introduced to provide loans to individuals and cooperatives.

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Later, in early 1970s, housing-sites-cum-construction assistance was introduced which was transferred to state governments in 1974. Indira Awas Yojana formally introduced in 1985 had its origin in earlier schemes of rural and landless employment launched in 1980 and 1983, respectively. The Central government recently launched *Housing for All by 2022* (HA-22) on June 25, 2015. The target is to provide 2 crore additional houses by 2022 in urban areas. In rural areas, HA-22 was launched on April 1, 2016 with the objective to support nearly 3 crore pucca houses by 2022.

Affordable housing includes Pradhan Mantri Awas Yojana (PMAY) for rural and urban India. It includes - *in-situ* rehabilitation of existing slum dwellers using land as a resource through private participation; credit linking subsidy for EWS and LIG (Box-1); affordable housing in partnership with private or public sector including parastatal agencies; subsidy for beneficiary-led individual house construction/enhancement for individuals of EWS. PMAY is being



implemented by providing central assistance to urban local bodies and other implementing agencies through states and union territories.

Role of Institutions

The role of Government has switched from that of a provider of housing units to more of a market facilitator. Historically, Five Years Plans starting from 1951 had assigned

housing sector a prominent place in the economy. Therefore, National Buildings Organization (NBO) was established in 1954 and Housing and Urban Development Corporation Ltd. (HUDCO) in 1970 to comprehensively deal with problems of housing shortages. National Housing Bank was established in 1988 to function as a principal agency to promote housing finance institutions.

The Central and state governments have been offering tax concessions for housing sector. Several state governments have passed legislations to safeguard interest of lessors, encouraging construction of properties for rent. The government has also opened up real estate sector to Foreign Direct Investment (FDI), wherein 100 per cent of FDI in townships, built-up infrastructure, construction development projects and real estate through automatic route has been permitted.

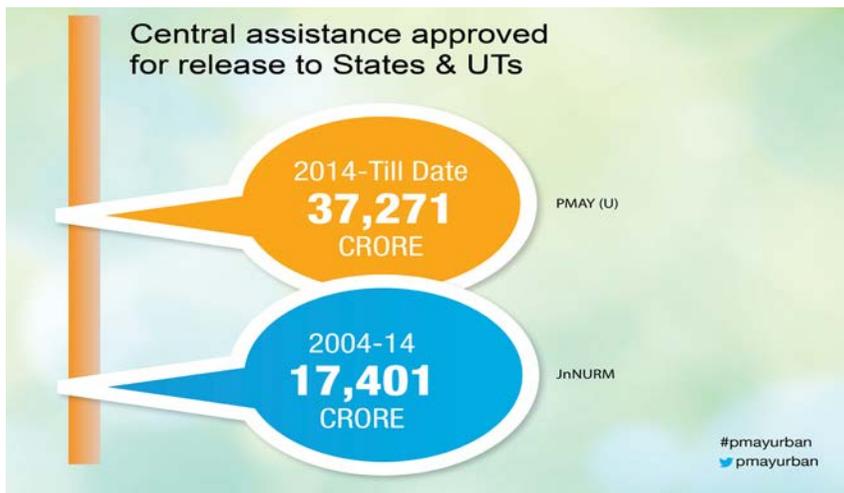
The RBI has initiated several measures in housing sector and requires commercial banks to lend a stipulated amount of incremental deposits to housing under priority sector which includes financing individuals and others, including co-operatives. The RBI also reckons investments made by banks in bonds issued by specific housing companies under priority sector lending. Other measures like investment made by banks in Mortgage

Box - 1: Credit Linked Subsidy Scheme

In line with PMAY's (Urban) HA-22 mission, a Credit Linked Subsidy Scheme (CLSS) has been launched for EWS and LIG, as well as middle income group (MIG). The CLSS aims to augment demand for houses in India. The scheme aims at construction or acquisition of property or incremental addition of rooms, toilets and kitchens to existing residences. It provides an interest subsidy of 6.5 per cent in case of EWS / LIG and 4 per cent in case of MIG with income less than Rs. 12 lakh (MIG 1) and 3 per cent for MIG with income ranging between Rs. 12 – 18 lakh (MIG 2). The maximum amount of loan for subsidy calculation is Rs. 6 lakh for EWS / LIG, Rs. 9 lakh for MIG 1, and Rs. 12 lakh for MIG 2.

While the scheme aims at boosting home ownership and offering affordable housing options to not just low income, but middle income citizens as well, it is also attempting to promote ownership amongst female population and weaker sections of society. For example, CLSS for EWS / LIG is given in name of household with female head or for a joint name between the male head and his wife. In case of MIG scheme, overriding preference is given to widows and single working women. In case of CLSS for EWS / LIG, preference would also be given to manual scavengers, transgender and persons with disability. The scheme operates on the intention of lowering burden of building a house while at same time, offering this benefit to a larger section of the society.

Source: Ministry of Housing and Urban Poverty Alleviation, Government of India



Source : Ministry of Housing and Urban Affairs

Backed Securities (MBS) since 2004 as flow of credit to housing, assigning lower risk weight to housing, and benign interest rate environment has contributed to increasing housing loans.

International agencies are also supporting the cause of *Housing for All*. UNDP is committed to work closely with the government on affordable housing. In case of India, World Bank has channeled resources through National Housing Bank to expand access to sustainable housing finance for LIG.

International Experience

The housing sector has been held responsible, by a number of empirical studies, to be an important cause of recent financial crisis in the US and Europe. Housing finance has direct relationship with financial stability in the country and housing booms and busts are often associated with systemic financial stress. The recent experience of the USA, Spain, Ireland, and UK substantiates that unsustainable housing booms have led to substantial output losses and banking crisis. In fact, the trend is similar in both advanced and emerging markets. Given that housing busts are more severe and result in recession, housing finance markets deserve special evaluation.

In advanced countries housing finance markets have a history of more

than 200 years like Danish mortgage lending system which dates back to 1795 and German system to 1769. In contrast, in emerging markets, housing finance is a recent development. In advanced countries main features of housing finance are covered bonds, and mortgage backed securities, with LTV ratios of 80 per cent and above, and loan term of 20 years and above. In most cases, interest rates on housing loans are flexible with pre-payment penalties. In most advanced countries, except the USA, government has a formal mandate to provide affordable housing for LIG. However, in continental Europe, there is a unique system where contractual savings are subsidized for housing loan purposes.

In case of emerging countries, main lenders in housing markets are banks, and covered bonds don't exist except in Czech Republic, Hungary, Poland, and Russia. Mortgage backed securities are rare except in Chile, Malaysia and Mexico while LTV ratios range between 60-110 per cent, and interest rates are flexible. Government support is available in most cases in terms of subsidies, tax deductions, and early withdrawals of the provident funds.

In case of advanced and emerging countries, government intervention is regular to promote home ownership. In the USA, Japan, South Korea and Germany, government supports housing finance market through subsidies. In Malaysia, government provides special

mortgage liquidity facilities. In Brazil, China, Indonesia, Singapore and Thailand, government institutions are major players in mortgage market.

In different countries different schemes, instruments and policies are used to finance affordable housing projects. In countries like Denmark, Singapore and Sweden, aim is to make housing affordable for entire population. In contrast, in countries like Malaysia, Canada and US, affordable housing is meant for LIG that are excluded from traditional housing market for various reasons. In the US, federal government provides funds for all affordable schemes while in Canada, local authorities have a greater role in financing such projects. In the US, affordable housing is incentivized by government by permitting the developer to dedicate proportion of property for inclusionary housing. The market based incentives like beneficiary bonus, permit and permit waivers, and expedited application processing are offered to those developers who participate in the scheme. In Canada, government provides waivers of developmental charges as well as priority in permit for non-profit developers. In Netherlands, government has set up a special fund which acts as guarantors and provides security to housing associations. Again, in Netherlands, low income housing assistance is provided only in terms of subsidized rent while in Spain ownership of property is also subsidized.

In Singapore, government sponsors a saving scheme to finance affordable housing initiative. In Bangladesh, government supports resettlement camps, in addition to Grameen Bank and other microfinance institutions, providing housing credit in rural areas. In Mexico, mandatory contribution from salary of workers are used for affordable housing.

Conclusion

In India, there is a gap in housing finance market which is being addressed mainly by the Central government. In

recent years, financing to housing sector has been liberalized by the Government and RBI. There are a number of players in housing market but some of them are neither regulated nor supervised. The global experience suggests that house prices and housing credit are related. There is also positive relationship between LTV ratio and magnitude of house price busts confirming the fear that high leverage can adversely affect house price dynamics. However, if housing loans are originating in unregulated sector then risk is greater. Therefore, it is important that best practices, and stiff standards of supervision, regulation and risk management are established for players in housing finance sector.

Housing generally embodies lifetime savings of many individuals and therefore the government, states and Centre, needs to be sensitive to housing finance. In absence of any regulator/ supervisor for housing

sector, many practices in housing sector, including financial, are non-transparent. There is need to bring parity in housing market by having similar rules and regulations governing these players, and standardization of products, including lease agreements that are being finally offered to consumer. Housing, being a state subject, there is a need to make and strengthen new and existing laws, preferably, at state level.

There is also an urgent need to plan for future. India, under PMAY, would need to build/support nearly five crore houses in next five years. The CLSS scheme initiated recently is expected to generate substantial demand for houses in EWS/LIG/MIG category. This requires planning for financial resources and consideration whether substantial amount of lending would continue from banks or replaced by other sources. If other sources, then what would be these sources and who would regulate and supervise them?

In this context, role of micro finance institutions and local bodies would also need to be examined. Further, this would also imply planning for production and supply of other materials like cement, steel, sand, iron, electrical fitting, wood, etc. Further, in states like UP and Maharashtra, where shortage of houses is maximum, availability of land for affordable housing would also need to be assessed.

Finally, as housing finance is an important issue for national economy, there is need to strengthen housing related institutions like HUDCO, NHB and NBO, and encourage them to undertake extensive research on housing developments in India. Similarly, the Central and state governments need to prepare plans for housing finance as a booming housing sector can ensure a strong national economy while a bust leads to recession, unemployment and disaster. □

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Regulating Real Estate Sector

Ranjeet Mehta



RERA is an effort by legislature to regulate the unregulated but important Real Estate Sector of India which not only contributes significantly to Indian's GDP but also provides jobs to millions of people. RERA will help to bring more transparency and accountability on the part of Real Estate companies and ensure safety of purchaser of real estate from any frauds or misrepresentations

A bill seeking to regulate the real estate sector, bring in transparency and help protect consumer interests was passed by Parliament last year. This Act is called the Real Estate (Regulation and Development) Act, 2016. It extends to the whole of India except the State of Jammu and Kashmir. It has been implemented in India with effect from May 1, 2017. The object of the Act is to regulate and promote the Real Estate Sector by forming Regulatory and Adjudicating Authority and thus ensure transparency and purchaser welfare.

Prior to the coming of Real Estate Act, purchasers of real estate were being treated like a consumer within the meaning of Consumer Protection Act 1986 or he had an option to move his application under civil court. Painting all by same brush is always against the law of natural justice. Thus, by treating buyer or prospective buyer of real estate as a consumer within the meaning of Consumer Protection Act only brought hardship for them to get justice or resolve their issue speedily and appropriately.

RERA - an Overview

The real estate sector comprises four sub sectors - Housing, Retail, Hospitality, and Commercial. The growth of this sector is well

complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

The Government has a vision of Housing for All by 2022. Improvement in economic conditions has the potential to drive demand for real estate, as housing continues to be a favoured investment asset among Indian households. Overall urban housing demand in India is expected to grow by nearly 15 million units by the end of 2019. As per Cushman Wakefield report the top eight cities will contribute 3.4 million units to this overall demand. Within the top eight cities, Delhi NCR will chip in with a quarter of the share of the top eight cities — 872,000 units in absolute terms. This will spread across NCT, Gurgaon, Noida, Ghaziabad and Faridabad. Within the top eight cities, the Middle Income Group (MIG) will be the primary demand driver accounting for a 41 per cent or 1.4 million units in absolute terms by the end of 2019. Close on the heels of the MIG category will be the LIG category which will contribute 1.3 million units in the top eight cities during the same period.

Real estate is a critical sector for India's economy due to its large potential for employment generation,

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capital attraction and revenue generation for the Government. It is one of the fastest growing sectors contributing about 9.5 percent of India's GDP. Real estate sector is set to become the prime employment generator in India, registering the maximum rise in human resource requirement from 2013-2022, according to National Skill Development Corporation (NSDC).

The Indian real estate sector, with backward and forward linkages to approximately 265 ancillary industries, has been making rapid strides in recent times and has emerged as one of the most important contributors to the Indian economy. The sector continues its metamorphosis from being largely fragmented and unorganized to become as structured and organized as its peers in developed economies across the globe. The growing prominence of India in the global scenario has had a positive impact leading to increased expectations and responsibilities on this sector.

The Central government has identified 305 cities and towns under the Housing for All Mission, also called the Pradhan Mantri Awas Yojana, which has targeted to build 2 crore homes for urban poor by the year 2022. The criteria for low cost / affordable housing has been changed from built-up area of 30 / 60 sq mtrs to carpet area of 30/60 sq mtrs, thus making the low cost – affordable housing segment more lucrative for the builders and also making the segment more attractive for the buyers. With the change in criteria from built-up area to carpet area, the purchasers get more spacious homes and the builder is able to market the property to a larger segment of buyers. The 30 sqm limit will apply only in case of municipal limits of 4 metropolitan cities while for the rest of the country including the peripheral areas of metros, limit of 60 sqm will apply.

Of the cities and towns identified, 74 are in Madhya Pradesh, 42 in Odisha, 40 in Rajasthan, 36 in Chhattisgarh, 30 in Gujarat, 34 in Telangana, 19 in Jammu and Kashmir



and 15 each in Kerala and Jharkhand. The other states that have signed the MoA include Andhra Pradesh, Bihar, Manipur, Mizoram, Nagaland, Uttarakhand. This Mission is expected to need 38 million workforce by 2030 from 29 million at present, predicted to be the key job creator.

On this back drop, The Real Estate (Regulation & Development) Act, 2016, the landmark realty law was brought out by Government of India from May 1, 2017 to protect home buyers from unscrupulous developers. RERA was needed in order to revive confidence in our country's extremely important real estate sector. Real Estate sector is one of the leading revenue generators in our country and it needed some regulatory authority or some transparent government authority to keep a check on developers. RERA will provide a common ground for both buyers and developers and will reduce the risks which were faced by the people earlier. It is expected that RERA will bring new hope for home buyers, make the sector transparent and boost the confidence of investors to invest in Indian Real Estate Market.

Key features of the RERA are as follows:-

- It regulates both commercial and residential real estate projects.
- Bill seeks to set up Real Estate Regulatory Authority in states and union territories to oversee real estate transactions.
- Bill makes registration of real estate projects and real estate

agents with the authority mandatory.

- It makes mandatory disclosure of details of all registered projects, including those about the promoter, project, layout plan, land status, approvals, agreements along with details of real estate agents, contractors, architect, structural engineer etc.
- No pre-launch will be allowed without getting all approvals from the local authorities and without obtaining registration from the regulator. All incomplete projects are to come under the regulation.
- The bill covers any project that is more than 500 sq meters or has more than eight apartments (states can lower this requirement further).
- The authority can even order "compensation" to consumers in case of misleading advertisements.
- Developers will have to provide brief details of projects launched in the past five years, both completed or under-construction, and the current status of the projects. These may be made available on the regulator's website so buyers can take an informed decision.
- Disclosure of carpet area is a must as per the Bill.
- The Real Estate Bill has also made it compulsory for builders to deposit 70 per cent of the amount raised from buyers into an escrow

account in a scheduled bank within a period of 15 days to cover the construction cost of the project for timely completion of the project.

- It seeks to establish fast track dispute resolution mechanisms for settlement of disputes through adjudicating officers and Appellate Tribunal.
- The bill bars civil courts from taking up matters defined in it. However, consumer courts are allowed to hear real estate matters. There are 644 consumer courts in the country. The more avenues for grievance redressal would mean lower litigation costs for the buyers.
- Promoters are barred from changing plans and design without consent of 2/3 buyers of the project.
- If the promoter does not register his property, he will have to pay up to 10 per cent of the project cost as penalty. If he dodges order issued by the RERA (Real Estate Regulatory Authority), he faces imprisonment for up to three years, and/or an additional fine of 10 per cent of the estimated cost of the project. In case the builder violates any other provision of the act, he will have to pay up to 5 per cent of the estimate cost of the project. The fine for the agents is Rs 10,000 per day during the period of violation of provisions. It also includes one year jail term for real estate agents and buyers if they violate the orders of the appellate tribunals.
- The permission to approach consumer courts is a major relief for the buyers as there are 644 consumer courts in the country. It will offer more avenues for grievance redressal on lower costs for the buyers.
- Another key feature of the bill is the proposal to charge equal rate of interest for promoters and buyers in case of default or delays. The provision was earlier tilted in favour of the builders.



- The Bill has made it mandatory to set up an allottees association within three months of the allotment of major units/properties so that the residents can manage common facilities like a library and a common hall. Also, if the buyer finds any structural deficiency in the property then he/she can contact the developer for after-sales service within one year of possession.

With the implementation of the Bill the property buyers will be able to check details about a project online. They can also monitor progress of construction and lodge a complaint if it is not completed on schedule. The Bill facilitates setting up real estate regulators at the state level. Only projects registered with the regulator can be sold, both residential and commercial. However, the fraternity of developers say that projects can be completed on time only if the entire system, including civic departments that give approvals and build basic infrastructure around a project, are made equally accountable.

To conclude, most experts believe that the bill will bring in much-needed transparency in the sector. This will help increase fund flow into the projects. The 23 states that have so far notified the rules include Uttar Pradesh; Gujarat; Odisha; Andhra Pradesh; Maharashtra; Madhya Pradesh; Bihar; Chhattisgarh; Rajasthan; Uttarakhand; Assam; Jharkhand; Punjab; Tamil Nadu; Karnataka; NCT of Delhi (by Mo/UD); Andaman and Nicobar

Islands; Chandigarh; Dadra and Nagar Haveli; Daman and Diu; Lakshadweep, Puducherry and Haryana.

RERA is an effort by legislature to regulate the unregulated but important Real Estate Sector of India which not only contributes significantly to India's GDP but also provides jobs to millions of people. RERA will help to bring more transparency and accountability on the part of Real Estate companies and ensure safety of purchaser of real estate from any frauds or misrepresentations.

Moreover, huge funds are needed from the private sector to invest in Government Mission –Housing for All by 2022. The Real Estate Sector is struggling to get funds for projects as companies are straddled with huge debts. This is a step in the right direction. It will go in favour of consumers as well as developers who do clean business. Even taking a clue from markets around the world such as UK and Australia, they attract huge FDI in housing as there is transparency in the sector. The real estate industry has also welcomed the Bill. However, they feel that the government authorities sanctioning the projects are not made part of this law and hence it may delay the approval process. Finally, the real estate sector will witness the beginnings of a fresh uptrend, driven by improving consumer sentiment in anticipation of higher transparency and efficiency, renewed confidence in the economy, and lower home loan rates. □

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Green Technologies in Affordable Housing

Yashkumar Shukla



...a plethora of cost-effective approaches to incorporate energy-efficient and green technologies are available. These good quality affordable housing with green technologies can play a significant role in securing the well-being and economic growth of the country

Increasing population along with the rapid urbanization has led to a significant shortfall of housing in the country. The housing shortage for 2012-2017 is estimated to be 18.78 million units in the urban areas and 43.90 million units in the rural areas (Goyal, 2014; NBO, 2012). The residents in Lower Income Group (LIG), and Economically Weaker Sections (EWS) are facing more than 95 per cent of the urban housing shortage. Similarly, below poverty line (BPL) residents are facing more than 90 per cent of the rural housing shortage. Hence, affordable housing has been of the paramount importance to the policy makers of the country (NHB, 2015).

Over the past decades, India has adopted multiple policies at the central, state, and Urban Local Bodies (ULB) levels to deliver affordable housing to LIG, EWS, and BPL residents (Sarkar, Dhavalikar, Agrawal, & Morris, 2016). More recently, Government of India (GOI) proposed several ambitious schemes to address the housing shortage in the country. They include Housing for All (Urban) by 2022 Mission, Atal Mission for Rejuvenation and Urban Transformation (AMRUT), and Smart Cities (Ministry of Housing and Urban Poverty Alleviation Government of India, 2015; NHB, 2015). The

additional houses built under the schemes will also add tremendous pressure on the current infrastructure and resources of the country. In 2014-15, India's residential sector electricity consumption constituted 23 per cent of the total current electrical consumption (Central Statistics Office, 2016). Further, the projection scenarios indicate that the electricity consumption of the residential sector is expected to rise by more than eight times by 2050 (Shukla, Rawal, & Shnapp, 2014). Hence, it is of vital importance to build houses that minimize the use of energy, water, and material resources during their life-cycle.

In 2001, India introduced the Energy Conservation Act which led to the development of a first generation Energy Conservation Building Code (ECBC) for the building sector. Recently, ECBC code has been further revised to incorporate additional stringency in the requirements (Bureau of Energy Efficiency, 2017). Recognizing the importance and need of the day, Bureau of Indian Standards (BIS) has also added Part 11 Approach to Sustainability in National Building Code (NBC) (Bureau of Indian Standards, 2016).

Ministry of New and Renewable Energy (MNRE) offered capital subsidy incentives for purchase and

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installation of solar water heating and solar lighting equipment in houses. While the existing green rating programs encourage voluntary certifications of the housing complexes, concerted policy efforts are required to promote the use of energy-efficient and green technologies for affordable housing.

Design Philosophy

Better housing enhances the quality of life of the residents and leads to higher productivity as well as income generating capabilities. Hence, the affordable housing design should aim to provide a healthy and comfortable environment to the residents. The design philosophy of affordable housing should incorporate key performance metrics such as indoor air quality, thermal comfort, and energy performance index (energy use per unit area of the house). Affordability should be determined based on the entire life-cycle costs (construction, operation, and disposal) as opposed to the traditional approach of accounting for only the initial construction costs. The life-cycle approach allows for a holistic approach in designing and selecting the appropriate technologies for long-term benefits of the residents in the

affordable houses. The housing design should also incorporate climate-responsive design and encourage the use of the local building materials for construction.

Design Approach

Energy-efficient buildings are typically designed using one of the two approaches –prescriptive-driven or performance-driven. Prescriptive approach specifies requirements for each building components. The builders, developers, or designers can choose the most suitable option from the possible combinations to design and construct the building. In the performance approach, a detailed energy simulation of the building using

simulation models is performed to assess whether the building meets or exceeds overall performance criteria for the building. The prescriptive approach is the more suitable approach for affordable housing design and construction.

Definition of Thermal Comfort for India

Predominantly, the buildings in India are designed for tight or fixed operating conditions to achieve thermal comfort. A comprehensive research study, India Model for Adaptive Comfort (IMAC), indicates that Indians can be comfortable at higher temperatures and wider temperature bands than those prescribed by the

Image 1: Innovative Ceiling Tiles with Phase Change Materials



international standards (Manu, Shukla, Rawal, Thomas, & Dear, 2016). Recently, NBC and ECBC 2016 have also incorporated IMAC as a design method of the new buildings. IMAC provides an opportunity to design houses with broader temperature bands and design suitable active and passive technologies to achieve the same.

Efficient Envelope

The envelope of the affordable housing should be designed to minimize the heat gain inside the building. High reflectance roof (also known as the cool roof) is one of the cost-effective technologies to reject solar radiation falling on the building. Further, wall, window, and roof materials with the higher thermal resistance (lower thermal conductance), commonly known as R-value, will significantly reduce heat gain inside the building. The Higher thermal capacity of the roof and wall materials, commonly

known as the thermal mass, further dampens and delays heat gain inside the building.

The most important property for the fenestration (such as windows) is solar heat gain coefficient, commonly known as SHGC. SHGC quantifies the fraction of incident solar radiation admitted through the fenestration. Fenestration with lower SHGC leads to lower heat gain inside the building. Further, the air gaps (such as leaks near the windows and doors) should be sealed to minimize unwarranted heat ingress inside the building. Reduction in the heat gain improves thermal comfort of the residents inside the building and reduces the need to operate active cooling systems. Phase Change Materials (PCM) is also an effective approach to increase comfortable hours inside naturally ventilated buildings (Shukla et al., 2016). While the research on PCM

is at the initial stage, this innovative technology may become an integral envelope component of affordable housing.

Another important property of fenestration is visible light transmission (VLT). VLT quantifies the amount of visible light passing through the fenestration system. Fenestration with higher VLT leads to more daylight in the space and reduces the energy consumption of artificial lighting (bulbs). The fenestration VLT should be selected to provide good day lighting inside the building without creating excessive glare. Use of Skylights is also an effective approach to achieve suitable daylight inside the building.

The thermophysical characterization of local materials can promote the use of these materials while also providing necessary technical information to the designers for a suitable design. Thermophysical characterization database of typical Indian construction materials is available online for the designers (Center for Advanced Research in Building Science and Energy, 2017).

External Shading Devices

External shading devices, fixed or movable, can be a very cost-effective approach for affordable housing to reduce direct solar radiation and heat gain from the windows. Traditional buildings often incorporate fixed external shadings (awnings and overhangs) in their design. However, the use of movable external shading devices (external louvers) is relatively new in the Indian context. Movable external shading devices allow occupants to adjust the shading position as per their current needs. Research demonstrates that the external shading devices have a potential to reduce solar heat gain from the window by 15-30 per cent (Kohler et al., 2017). Shading design tool to design the most suitable shading type and dimensions for the Indian cities is also available online

Image 2: Annual Graph of Solar Heat Gain Coefficient for a South Facing Orientation with an Awning in New Delhi, India

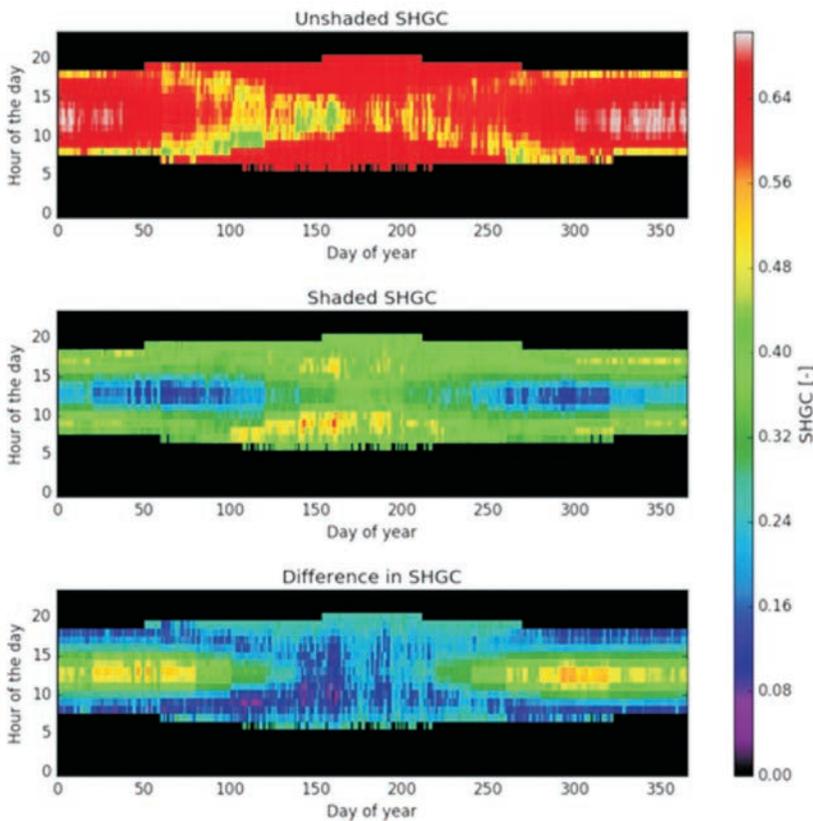


Image Source: (Kohler, Shukla, & Rawal, 2017)

(Center for Advanced Research in Building Science and Energy, 2017).

Ventilative Cooling

The primary purpose of the ventilation is to maintain indoor air quality in the buildings. However, the well-designed ventilation can also use outdoor air to provide space cooling whenever the environmental conditions are favorable. Ventilative cooling can be especially effective for the affordable housing where the predominant occupancy period is during the night hours. Several strategies such as cross-ventilation using well-designed openings have been found to provide 15-20 per cent comfort and energy benefits in the Indian houses (Vyas & Apte, 2017).

Low Energy Technologies

In extreme climatic conditions, low energy cooling technologies are required in the affordable housing design to keep the residents thermally comfortable and healthy. Evaporative cooling is one of the cost-effective technologies that can maintain space thermal comfort with low energy consumption. Integration of solar lighting and water heating in the affordable houses can significantly reduce the energy consumption of the affordable houses. Energy management systems (EMS) is a very effective measure of energy use of affordable housing. EMS can lead to energy savings to the occupant and also provide necessary energy benchmarks information for the future design of affordable housing.

As mentioned above, a plethora of cost-effective approaches to incorporate energy-efficient and

green technologies are available. A set of pre-configured housing layouts incorporating key design parameters, construction components, and green technologies options could lead to the suitable development of affordable housing. The pre-designed approach further provides an opportunity to scale while minimizing the cost of housing design. As an alternate, the prefabricated housing can also lead to cost-effective design and construction of high-efficiency affordable housing. These good quality affordable housing with green technologies can play a significant role in securing the well-being and economic growth of the country.

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YOJANA

Forthcoming Issue

New India

Reduced tax liability on homes under GST

The CBEC and States have received many complaints that in view of the works contract service tax rate under GST at 12% in respect of under construction flats, complex etc, the people who have booked flats and made part payment before 1st July, 2017, are being asked to bear higher tax incidence for payments made after 1st July, 2017. This is against the GST law, as explained below.

- Construction of flats, complex, buildings have a lower incidence of GST as compared to a plethora of Central and State Indirect Taxes suffered by them under the earlier regime.
- Central Excise duty was earlier payable on most construction material @12.5%. It was higher in case of cement. In addition, VAT was also payable on construction material @12.5% to 14.5% in most of the States. In addition, construction material also earlier suffered Entry Tax levied by the States. Input Tax Credit of the above taxes was not allowed for payment of Service Tax. Credit of these taxes was also not available for payment of VAT on construction of flats etc. under composition scheme. Thus, there was cascading of input taxes on constructed flats etc.
- As a result, incidence of Central Excise duty, VAT, Entry Tax, etc. on construction material was earlier being borne by the builders, which they passed on to the customers as part of the price charged from them. This was not visible to the customer as it formed a part of the cost of the flat.
- The earlier headline rate of service tax on construction of flats, residences, offices etc. was 4.5%. Over and above this, VAT @1% under composition scheme was also charged. The buyer only looked at the headline rate of 5.5%. In other Cities/States, where VAT was being levied under the composition scheme @2% or above, the headline rate visible to the customer was above 6.5%. What the customer did not see is the embedded taxes on account of cascading and sticking of input taxes in the cost of the flat etc.
- The situation has changed under GST. Under GST, full input credit is available for offsetting the headline rate of 12%. As a result, the input taxes embedded in the flat will not (& should not) form a part of the cost of the flat. The input credits should take care of the headline rate of 12% and it is for this reason that refund of overflow of input tax credits to the builder has been disallowed.
- The builders are expected to pass on the benefits of lower tax burden under the GST regime to the buyers of property by way of reduced prices/ installments. It is, therefore, advised to all builders /construction companies that in the flats under construction, they should not ask customers to pay higher amount of installments inclusive of all taxes to be received after imposition of GST.
- Despite this clarity on law position, if any builder resorts to such practice, the same can be deemed to be profiteering under section 171 of GST law.

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Housing the Poor in Smart Cities

Usha P Raghupathi



Smart cities should use innovative ideas for housing the poor. Securing the livelihoods of the poor and improving their health can be achieved only if housing for the poor does not remain a target meeting exercise. Unless we can give a better quality of life to the last person, smart cities will remain an elitist concept, meant to serve only the better off

India's quest to leapfrog to become a developed country got a fillip with the launch of the Smart Cities Mission, a fast track mission mode urban sector scheme. The launch of two more schemes—Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and PMAY Housing for All Mission, addresses some of the other pressing needs of Indian cities i.e. improved quality of services, improved governance and provision for housing.

According to the Census of India, there were 377 million urban dwellers in India in 2011 and according to an estimate, this is likely to go up to 600 million in the next two decades. The 2011 Census indicates that about 1.37 crore (17.4 per cent) urban households live in slums. The urban housing shortage, according to a Technical Group (2012) was 18.78 million units of which 96 per cent was in the EWS (56 per cent) and LIG (40 per cent) category. This is the category that is the main target group of the 'Housing for All' scheme. Class I cities (with 100,000 plus population) continue to be attractive places for migrants. Most migrants to cities cannot afford proper housing and, therefore, live in slums/shanties and in dwelling units that are cramped and lack basic amenities. The concern is – are we doing enough to address these issues when we are planning Smart Cities?

The Smart Cities Mission guidelines states that its “objective is to promote cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment” with the application of smart solutions. The Smart Cities focus on “sustainable and inclusive development” and on creating replicable models that will inspire other cities to transform.

The Smart Cities Plans (SCP) consist of an area based development plan (ABD) and a pan city plan. The ABD aims at transforming a specific area within the city by improving its design, infrastructure, mobility, environment etc; and the pan city plans focus on improving city governance/management mainly through the use of smart technology solutions. However, housing has not been a major focus area in the Smart Cities Mission or in AMRUT, though the former does have “affordable housing, especially for the poor” as one of the core elements. Both, the Smart Cities Mission and AMRUT are expected to have convergence with the mission on Housing for All.

The Pradhan Mantri Awas Yojana (PMAY) or Housing for All was launched in 2015 and is expected to be completed by 2022. It provides central assistance to Urban Local Bodies (ULBs) and to other implementing agencies through States/UTs.

The author had been a Professor with the National Institute of Urban Affairs and an urban planner with 36 years professional experience in the urban sector. She has also been associated with some of the urban sector programmes of the Government of India, Ministry of Urban Development. She has written many research reports and published papers on subjects related to urban affairs.

The PMAY (Urban) scheme will cover all the 4041 statutory towns in a phased manner, with the initial focus on 500 Class I cities. It is estimated that housing for all required in urban areas would be 20 million dwelling units to achieve the goal of housing for all. The Ministry of Housing and Urban Affairs has asked all states/UTs to assess housing demand to arrive at a correct picture. The Government wants to facilitate the adoption of modern and green technologies, and building materials for this purpose.

Housing for the Poor

In SCPs it is entirely up to the city if it wishes to select an area in ABD that has slums which need rehabilitation or redevelopment. In the housing sector, the Smart Cities plans have proposed projects for *in-situ* slum rehabilitation, slum redevelopment, affordable housing for EWS and LIG, rental housing etc. Not all SCPs have a component of housing or slum redevelopment as a part of their ABD. In 46 of the 60 SCPs proposals for affordable housing have been approved. For instance, Ahmedabad, Bhubaneswar and Dharamshala have a component of housing in their ABD, while Kanpur, Gwalior and Ludhiana have not prioritised housing in their ABD.

A few examples of how the housing component has been addressed in ABD are given as follows:



Karimadom colony, Thiruvananthapuram



Source : Ministry of Housing and Urban Affairs

1. In Ahmedabad affordable housing of more than 40,000 units are expected to be delivered by 2017-18 under various schemes such as Mukhymantri Gruh Awas Yojana, BSUP, RAY, Gujarat Slum Rehabilitation Policy and Housing Facility under Safai Kamdar Yojana.
2. In Bhubaneswar, 6000 housing units would be constructed under 'Mission Aabaas'. Bhubaneswar's ABD includes slum redevelopment, affordable housing, rental housing for construction workers, working women's hostels, and shelter for homeless. Slum redevelopment projects under Mission Aabaas expects to transform 24 slums into four integrated housing societies.

3. In Dharamsala, out of a total of 3500 dwelling units proposed in SCP, 1250 will be for slum dwellers and urban homeless. This will be implemented through convergence with the PMAY.

These examples indicate that the housing component in the smart cities is expected to be provided through convergence with PMAY and also other local slum redevelopment/rehabilitation schemes.

The Smart Cities Mission provides a huge opportunity to transform cities to meet the present day challenges and also future requirements. Integrated area planning with housing will help in providing sustainable solutions along with improved water supply, sanitation, drainage, mobility, amongst others. It is hoped that the benefits of smart cities would also reach the poor.

Challenges

However, there are challenges in achieving such goals. While *in-situ* redevelopment is the best option for improving the quality of life of slum dwellers, it is not considered as an option or is not possible in some areas. Most often slum dwellers are evicted and rehabilitated elsewhere, usually far away from their current residence. While such rehabilitation is the least desirable strategy, cities have often resorted to this to release high value land for redevelopment to earn maximum revenue from land. Inclusive planning is all about accommodating all income groups while redeveloping an area, but such inclusive planning has not always been the most viable strategy.

Another challenge is the sustainability of the dwelling units and their maintenance. Using appropriate technology and materials is an option that can be used in smart cities. Housing for the poor must not be a target meeting exercise but it must improve the quality of life of the poor.



Demonstration building made of GFRG Panels in IIT Madras.

Construction of durable and easily maintainable dwelling units should be at the core of such development. Low cost solutions that will sustain the life of the building and building designs that are suitable to the low income groups must be a part of the provision of housing in smart cities.

People's participation is yet another challenge that smart cities must overcome. Housing for slum dwellers must be designed and implemented with the participation of the slum community. Private sector must also promote participatory planning i.e. discussing the design of buildings, dwelling units and building materials with the potential residents.

It has been argued that the implementation of Smart Cities Mission through the formation of Special Purpose Vehicles (SPVs) is anti-poor as the private sector would not be very keen on undertaking housing for the poor. The model they would follow is also likely to be eviction and then rehabilitation. While convergence with Housing for All is built into many SCPs, only time will tell how well this component has been implemented.

Rental housing is a very important aspect of housing. The emphasis on ownership housing will not solve the problem of slums. The poor as well as other income groups need rental

accommodation too as many are not permanent settlers in the cities in which they work. 'Affordable rental housing' is equally a pressing need. Smart cities will need to address this issue in order to prevent development of new slums.

Financing is always a major challenge when providing housing for lower income groups. While the Government is providing interest subsidy, the main concern remains whether the poor can access credit to be able to take full advantage of this provision.

There are often delays in implementing housing projects. Land acquisition and getting approvals of different agencies is a time consuming process. This also impacts cost and viability of the project. In case of *in-situ* slum redevelopment, providing transit accommodation in the same area is a requirement so as to least disturb their livelihood activities. Smart cities must find smart solutions for such transit accommodation.

Opportunities

The Smart Cities Mission along with Housing for All provides great opportunity for cities to provide innovative housing for the poor. The new houses can be designed for energy efficiency – providing houses with good light and ventilation to

reduce energy needs. They can also incorporate one of the many cool roof options to reduce the heat stress in summer. Climate change will result in rise in temperature, and the poor will be the worst sufferers. Housing for the poor can also become good examples of green and sustainable approaches.

In the design of vertical housing, while the structural frame has to be Reinforced Cement Concrete (RCC) or PSC (pre-stressed concrete), the material of walls, windows, doors etc. can be from innovative materials such as recycled metals, plastics or particle boards. Use of locally available materials should also be encouraged to bring down costs.

An example of use of innovative materials for rapid affordable mass housing is Glass Fibre Reinforced Gypsum (GFRG) Panels. A demonstration building made of GFRG panels has come up in IIT Madras.

In the design of housing there are two parts - the structural frame and the walls, windows/door etc. While in vertical housing the structural frame has to be RCC or PSC pre-stressed concrete, materials for walls, windows doors etc. can be from innovative technologies such as recycled metals, plastics or particle boards for doors and windows.

Housing for the poor can also be designed innovatively to not only provide adequate light and ventilation, but also allow them to carry on with their livelihood in vertical buildings. An example of this is the Karimadom colony designed by Costford (Laurie Baker Centre for Habitat Studies), Thiruvananthapuram, where open space is provided on each floor for carrying out economic activities.

Smart cities should use innovative ideas for housing the poor. Securing the livelihoods of the poor and improving their health can be achieved only if housing for the poor does not remain a target meeting exercise. □

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YE-709/2017

Infrastructure Requirements for Housing for All

Krishna Dev



The future generation who will live in these affordable houses, has to get 24x7 electricity and water which is a basic right. There is also an urgent need to plan for social and other economic infrastructure like educational and health institutions, parking facilities, open space, pedestrians and gardens....

The public housing programme in the country started with the rehabilitation of refugees immediately after the independence and since then it has been a major focus area of the government as an instrument of poverty alleviation.

Housing is a basic necessity as well as a part of the construction industry and important sector of the economy. Construction sector contributes towards 8 percent of the Indian GDP (at constant prices) and is the second largest employer and contributor to economic activity, after the agriculture sector. The construction sector accounts for second highest inflow of FDI after the services sector and employs more than 35 million people, considering the direct, indirect, and induced effects in all sectors of the economy.

Cities are centres of wealth. The per capita income of some of the largest cities is much higher than the average per capita income of the country as a whole and, in some cases more than double the national average but they are also intertwined with the national and rural economy through consumption patterns, remittances, and other links.

The housing industry is one of the fastest growing sectors in India. With a large population base, rising income

level and rapid urbanisation leads to growth in this sector. In 2001, about 286 million were living in urban areas across India. It had the second largest urban population in the world.

As per the census 2011, the urban population had increased to 377 million thereby registering a growth of around 32 percent. The housing shortage in rural India is estimated at 47.4 million units, in 2012. As per the estimates, nearly 590 million people will live in Indian cities by 2030. With this population, India has an estimated urban housing shortage of 18.8 million dwelling units.

This will be a significant population for which mobility services need to be thought through. The demand for urban transport in newly-growing areas and now smaller cities also will need significant attention so that urban transport in these locations don't reach crisis proportions before they are addressed. The approach to small and medium towns and large rural areas cannot be the same as for metropolitan cities and while their demands and problems are also significant, urban planners should not look at them with the peculiar lens out of their understanding of mega cities alone.

In 2001, there were 5,161 towns in India which increased to 7,935 towns by 2011. The total urban population living

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in cities and towns in any particular class has increased consistently due to urbanisation throughout the last century. This urban growth pattern has led to increasingly larger proportions of population living in Class I towns. Over two-thirds of the total urban population now lives in cities that have populations over 100,000 (Class I towns). The continuing increase in the number of large cities, million-plus cities, half-million-plus cities, and 100,000-plus cities does have implications for strategies for urban transport management.

The Government has formulated many policies to resolve these issues for housing and urban service delivery. The first attempt at setting urban service norms and standards was made in 1963 by the Zakaria Committee. Subsequently, other government committees/agencies/institutions like the Town and Country Planning Organisation (1974), Planning Commission (1983, 1999), Operations Research Group (1989), Ministry of Urban Development, Government of India (1991), Central Public Health and Environmental Engineering Organisation (1999), Ishar Judge Ahluwalia Committee on Indian Urban Infrastructure and Services (2011), National Urban Transport Policy (2006) and state governments have come up with norms for different services.

Additionally, many bodies like the National Housing Bank (NHB) and Housing & Urban Development Corporation (HUDCO) had also been created to facilitate the implementation of such policies. The first policy specific to urban housing was the National Urban Housing and Habitat policy in 2007 (Ministry of Housing and Urban Poverty Alleviation, 2007). It focused on affordable housing as a key objective for sustainable urban development. Following this, many programmes specific to affordable housing have since been incorporated as:

- Jawaharlal Nehru National Urban Renewal Mission (JNNURM): It aimed to construct 1.5 Million

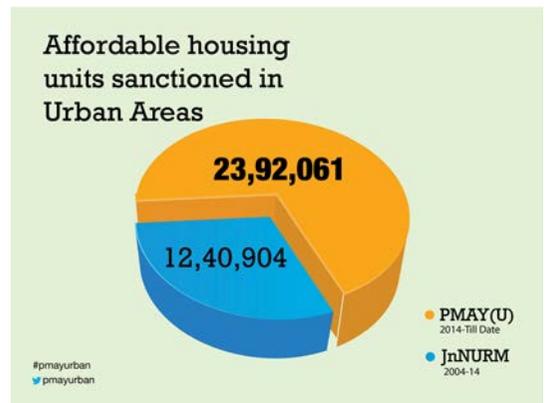
houses for the urban poor in the mission period (2005-2012) in the 65 mission cities. Two policies under JNNURM targeted housing. Integrated Housing and Slum Redevelopment Programme is a direct housing policy measure. Basic Services for the Urban Poor (BSUP) aims at providing

entitlements such as security of tenure, affordable housing, and services such as water, sanitation, health and education and social security to low-income segments.

- Affordable Housing in Partnership (AHP): A market solution based approach by involving private players.
- Rajiv Awas Yojana: This programme aimed at providing affordable housing to the urban poor.
- On May 2015, Rajiv Awas Yojana (RAY) was rolled over into the Housing for All (HFA) by 2022 policy. This report analyses the RAY and HFA 2022 policies after developing a framework for sustainable policies for addressing the problem of affordable housing.

The Prime Minister envisioned Housing for All by 2022 when the Nation completes 75 years of its Independence. In order to achieve this objective, Central Government has launched a comprehensive mission "Housing for All by 2022". The scheme comes with an aim of constructing more than two crore houses across the length and breadth of the nation within a span of next seven years (2015-2022). The scheme known as Pradhan Mantri Awas Yojana (PMAY) will be implemented as Centrally Sponsored Scheme (CSS).

The target beneficiaries of the scheme would be poor and people living under EWS and LIG categories



in urban establishments of the country in 4041 statutory towns as per Census 2011 with focus on 500 Class I cities which would be covered and carried out in three substantial phases as follows:

PMAY Phase I: The Phase-I (April 2015 to March 2017), a total of 100 cities would see the developmental work started and completed during this phase.

PMAY Phase II: The Phase-II (April 2017 to March 2019), a total of 200 more cities would be covered and developed.

PMAY III: The Phase-III (April 2019 to March 2022), during this phase the left over cities would be covered and developed.

The Budget 2017 has proposed infrastructure status for affordable housing, a long-standing demand of developers, and also increased the allocation for the PMAY from Rs 15,000 crore to Rs 23,000 crore, bringing the country closer to realising the Housing for All mission by 2022. Granting infrastructure status to affordable housing is significant as it will provide cheaper sources of finance to developers and also open up additional avenues for developers to raise funds.

In the Budget 2015, the government has also committed to provide 60 million houses. It has also committed to invest about 61 billion USD by 2019 to make affordable houses available. However, the total estimated investment requirement would be



GPS-based Physical Progress Monitoring System in Karnataka and so on.

If progress with the Housing for All by 2022, is to be completed in the time bound manner, we really need to keep in mind these target and to emphasise on the various important infrastructural issues viz water, sanitation and health, transport, education, power and environment to live in a good and sustainable condition to make sure that in the future these housing societies may not turn into a mess and not give any opportunity in the future to rise of slums and environmental and health hazards in their surroundings.

about 1 trillion USD, 70-80 per cent of which would be in the affordable segment over the next five to seven years. To meet these funding needs, the government is also proactively working on attracting private sector investment in the development of the housing sector. One crore houses are also to be built by 2019 in rural India for the homeless and those living in 'kaccha' houses.

With the huge target of the scheme, it is revealing that in the coming years the boom would be take place in the construction and real estate sector. A huge investment would also be made in this sector. This investment would also give an incredible growth to the economy. This growth will create multiple opportunities in the cities.

As Ed Glacser puts it, "cities don't make poor people; cities attract poor people". This attraction is nothing but migration. Migrants face difficulties in accessing housing and other basic amenities such as water and sanitation and transportation. In many cases, work is usually in sectors like construction, where work availability is intermittent and workers remain under-employed. As such, workers tend to live in miserable conditions and are exposed to harassment. They, especially shorter term migrants, are often forced to live in urban slums, facing constant threats of displacement and eviction. Many live in footpaths and city parks without provision of basic services and subject to harassment, especially for women.

Not only do such cities attract more migrants to work in the growing enterprises, the lack of an adequate housing response means that most of these migrants are in informal settlements, such as unauthorised colonies, if not slums. The very diversity of the population, the interwoven webs of social networks and matrix communities creates more possibilities for livelihood per square kilometre for any single individual than they might have otherwise.

The major challenges market faces on supply and demand side of housing and urban infrastructure are:

- Complex and lengthy processes for pre-implementation stage: This shall include land conversions, building plan scrutiny and approvals, obtaining construction permits and other long list of NOCs from various agencies/ departments. This can take about two years and vary significantly from state-to-state, impacting project cost and time, thereby making it unviable to provide housing at costs affordable to the urban poor.
- Lack of adequate external infrastructure and connectivity: Some of the state governments have taken note of these issues and have proactively taken steps to simplify and streamline policies and processes—for instance, the land pooling scheme and re-densification scheme in Madhya Pradesh,

Water, Sanitation and Health: Inadequate coverage, intermittent supplies, low pressure, and poor quality are some of the most prominent features of water supply in the cities of India. With rapid increase in urban population and continuing expansion of city limits, the challenge of delivering water in Indian cities is growing rapidly.

Pollution of water, air, and land has contributed greatly to the proliferation of disease, e.g. dengue, malaria, chikungunya, swine flu, diarrhoea, asthma, and acute respiratory infections.

Water supply is inadequate, poor maintenance and inadequate replacement leads to technical losses in the distribution network. Errors in metering, un-billed water consumption, and plain theft contribute to commercial losses. All this leads to high levels of non-revenue water. With no monitoring system in place and no incentive to reduce inefficiencies, the urban water scenario in India is one of poor service delivery, poor maintenance of physical systems, poor recovery of costs, and poor generation of revenues.

In addition, the most common natural threats to the cities are related to flooding, erosion and water pollution and the provision and management of water will become more and more pivotal. It is very important to ensure potable drinking water to the existing and future houses. It is evident that large scale

centralised engineering projects have historically done more harm than good. Alternative decentralised urban water management has to be tested.

Sewage service should keep their network free of obstruction and leakages and treat the entire volume of waste collection in a manner that preserves waterways, water sources and the environment as a whole. The situation in India is unfortunately far from ideal. The extent of water supply and sanitation facilities is grossly inadequate and even in those areas which have water supply it is intermittent and often of poor quality, resulting in negative health impacts.

It is to be mentioned that: 4861 out of the 5161 cities/towns in India do not have even a partial sewerage network. Almost 50 per cent of households in cities like Bangalore and Hyderabad do not have sewerage connections. About 18 per cent of urban households do not have access to any form of latrine facility and defecate in the open. Less than 20 per cent of the road network is covered by storm water drains.

The futuristic demand of fresh water or drinking water or water for the industrial uses will go up with the growing cities. The production of waste water which is deposited, largely untreated into already limited fresh water resources by further exacerbates scarcity conditions. In this scenario it is important to increase the water treatment plants for the drinking water as well as for the industrial use. It is estimated that the lack of waste water treatment leads to over \$15 billion spent in treating water-borne diseases in India (CII and CEEW 2010). Also, there should be focus on the drainage system, availability of latrine facilities etc.

Solid Waste Management: The management and disposal of solid waste generated in Indian cities leaves a great deal to be desired, although the generation of solid waste is at much lower rates than in most countries. Neither households nor municipalities in India practise

segregation of biodegradable waste from the rest, and public awareness on the benefits of segregation is low. The collection of the garbage from dumpsites is infrequent, processing is not done in most cases, and disposal rules are followed more in the breach. The Municipal Solid Waste Rules were put in place in 2000 but their enforcement has been poor.

The fact that a large part (over 60 per cent) of India's waste is biodegradable, provides an opportunity for composting. While lifestyle changes, especially in the larger cities, are leading to increased use of packaging material, and per capita waste generation is increasing at about 1.3 per cent per annum, the biodegradable component is still expected to be much higher than in industrialised countries. The government of India has launched the Swachh Bharat Mission (SBM) on October 2, 2014 with a target to make the country clean by October 2, 2019.

Transportation:

'Urban transport' (UT) is a broad name for a sector that covers a variety of modes of intra-city transport for people and goods, including walking, bicycling, non-motorised transport such as rickshaws etc, private personal transport, i.e., cars and motorbikes; public transport which could be rail or bus-based; private-public transport such as taxis and para-transit modes among others.

Public transport accounts for only 22 per cent of urban transport in India, compared with 49 per cent in lower middle income countries (e.g. the Philippines, Venezuela, Egypt) and 40 per cent in upper middle income countries (e.g. South Africa, South Korea, Brazil)

Share of the public transport fleet in India has decreased sharply from 11 per cent in 1951 to 1.1 per cent in 2001. Only 20 out of India's 85 cities with a population of 0.5 million or more in 2009 had a city bus service. Road density (km per sq. km) is 9.2 in Singapore, 9.7

in Curitiba, 21.8 in Seoul, 10 in Johannesburg, 3.8 in Chennai, and 19.2 in New Delhi.

The highly inadequate and poor quality of the public transport system in Indian cities not only poses a major challenge to realising the growth potential of the economy but also has adverse impact on the health and well-being of the people. Long hours spent on road journeys, lives lost in road accidents, and air pollution are only some of the effects of the acute problem of transportation facilities in and around cities.

UT is important as it could be a facilitator or could pose a burden on the urban contribution to city productivity and the national economy. The defining trait of urban transportation is the ability to support higher densities in urban areas and efficiently, affordably move people and goods through and in the city. Agglomeration economies rely on provision of basic urban infrastructure services in general and UT infrastructure in particular. It connects people and residential areas to education and employment locations, expanding opportunities and choices for people to access alternate education and employment.

The efficiency and effectiveness of the UT system also has an important impact on the health and safety of the commuters in specific and urban residents in general. Safety from traffic-related accidents as well as safety from crime, is also related to the way the city and the transport system is planned and managed. In terms of the health-related impacts of transport in urban areas, vehicular pollution has emerged as the top contributor to air pollution.

In order for cities to perform their role as engines of economic growth and innovation, while providing an improved quality of life to its residents it is very important to integrate the competing demands of transport, housing, and commercial real estate in their development. In the absence of adequate provision of UT infrastructure including public transport, congestion diseconomies, environmental

degradation, deterioration in civic services, fatalities and injuries due to road traffic crashes, and air and water pollution can outweigh the benefits of agglomeration. Well-planned and implemented UT can augment the agglomeration advantages of cities and minimise their congestion diseconomies.

To some extent, the poor showing of public transport in India can be attributed to the fact that the tax policy regime militates against public transport. The total tax burden for public transport vehicles per vehicle km is 2.6 times higher than for private vehicles. The Parliamentary Standing Committee on Urban Development (Urban Transport) 2010 recommended a 'congestion tax' on personal vehicles in the form of a toll tax in congested areas. But the Ministry of Urban Development has indicated that 'in the Indian context, levying of congestion tax may be pre-mature at this stage keeping in view the quantity and quality of the available public transport

and the absence of Intelligent Transport System (ITS)' (Lok Sabha 2010). Now, the time has come to impose the congestion tax to maintain such a chaotic situation and to reduce the carbon emission for the living of future generation.

The future generation who will live in these affordable houses, has to get 24x7 electricity and water which is a basic right. There is also an urgent need to plan for social and other economic infrastructure like educational and health institutions, parking facilities, open space, pedestrians and gardens to make living in a healthy and dignified manner towards achieving the aim of making future generation an asset for the country.

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I admitted my son Anmol Sher at SRIRAM's, Delhi for General Studies in 2015 for the Prelims cum Mains Programme. Since our expectations were high, we searched for the best institute. As an educationist myself, I was clear what mattered: quality of coaching; best faculty in all subjects; periodical evaluation; competitive tests as a part of the Programme. Anmol would keep me informed about the coaching and how various aspects were dealt. I was constantly in touch with Anmol throughout his journey. The remarks related to the quality of coaching and the daily test showed that the guidance was of high quality. In-house evaluators did their job very well. The classroom exams used to keep my son on his toes. The All India Rank in Preliminary Test series at SRIRAM's provided him with the simulation of real competition. I thank SRIRAM's from the bottom of my heart for his unparalleled success with the grace of Almighty. God Bless.



Dr Sarbjit Singh Bedi
F/O Anmol Sher Singh Bedi
(AIR-2, CSE-2016)

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Contact No.(In Use)	Parents Contact No.:		
E-mail:			
Father's name: Sarbjit Singh	Father's occupation: Teaching		
Mother's name: Jagpal Kaur	Mother's occupation: Housewife		
Particulars of Examinations Passed			
Examinations	Year	Subject	Name of the School/College/Institution
Class 12 th	2012		Spring Dale Convent School, Panchsala
Graduation	2016		ETC, Panchsala, Meerut, Uttar Pradesh
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Building Durable and Quality Houses in Rural Areas

*Sameera Saurabh
Rahul Singh*



The development of rural housing creates jobs for those living in the rural community to meet the new demand in the construction-related professions. Purchase of building material, use of services of skilled and unskilled labour, transport services and the consequent flow of financial resources create a positive cycle of economic activities and increases demand in villages.The positive spin offs include social integration including enhanced social capital and sustainable communities. The intangible benefits from improvement in housing condition are gains in labour productivity and positive health benefits

Homelessness is a growing problem across the world. The growth of homelessness is greatest in Africa, Latin America and Asia. These are also areas where the global population rate is growing the fastest. A place for living is one of the most basic needs of man after food and clothing. A homeless person is the one who cannot afford housing is unable to maintain a regular and safe shelter. India is home to about more than a million homeless people despite the country growing in global economic stature. According to the 2011 Census, there were 1.77 million homeless people in India, or 0.15 per cent of the country's total population. The 2011 census counts 17,73,040 homeless people in India - 52.9 per cent in urban areas and 47.1 per cent in rural areas – based on a definition that identifies a person or family as homeless if they do not live in a 'census house,' which refers to a 'structure' with roof. There is a shortage of 18.78 million houses in the country though the total number of houses has increased from 52.06 million to 78.48 million (as per 2011 census).

Providing adequate shelter remains one of the most serious challenges India is facing today. Housing for the poor is a critical factor for poverty alleviation. In India, nearly three-fourth

of population lives in rural areas. The problems of homelessness and slums in urban areas are also due to spill over problems of inadequate rural habitat or rural employment opportunities. The problem of inadequate housing is more acute in the rural areas where bulk of the BPL population lives.

Public housing programme in the country started with the rehabilitation of refugees immediately after independence. Till the year 1960, nearly 5 lakh families were provided houses in different parts of India.

Indira Awaas Yojana (IAY) was made an independent programme with effect from January 1, 1996 aimed at addressing housing needs of the Below Poverty Line (BPL) households. After more than 30 years of its implementation, although IAY addressed the rural housing shortage considerably, the limited scope of coverage under the programme resulted in considerable gaps in rural housing. Therefore, realising the need and importance of adequate housing, Government of India has made a significant commitment to provide 'Housing for All' by 2022. To fulfil the Government's commitment and address rural housing gaps, IAY has been re-structured into Pradhan Mantri Awaas Yojana – Gramin (PMAY-G) w.e.f. April 1, 2016. The Pradhan

Sameera Saurabh is Director (MGNREGA) in Ministry of Rural Development, Govt of India with special interest in International Multilateral and Economic Relations, International Cooperation and International Labour Affairs and Development Economics and has represented the country in various international fora like BRICS, G20, IORA and ILO.

Rahul Singh is a Business Consultant and Analyst. He specializes in public policy, marketing and data analysis of social and business sectors of the Indian and International economy.

Mantri Awas Yojana (PMAY) has recently expanded its scope to cater to the housing needs of the mid-income group, besides the economically weaker sections (EWS) and low-income group (LIG). The Government's ambitious 'Housing for All by 2022' scheme aims to construct two crore affordable houses in urban areas and three crores in rural sector. The housing scheme may also be linked with MNREGA and sanitation programme so that "houses will have better quality like drainage service". Under the 'Housing for All by 2022' scheme, about 40 lakh houses in rural areas will be built every year.

The government has given approval for the construction of one crore houses with the financial implication of Rs. 81,975 crore for the period 2016-17 to 2018-19. This move is in alignment with the Prime Minister's 'Housing for All' vision by the year 2022. There are around four crore rural households facing house deprivation according to the provisional figures of Socio-Economic Caste Census (SECC) 2011.

Under the Pradhan Mantri Awas Yojana-Grameen (PMAY-G), one crore houses have been targeted for construction in its first phase from 2016-17 to 2018-19. The target for the next phase till 2022 will be decided once the verification and finalization



of permanent wait lists based on SECC 2011 data by all states and union territories is done. A National Technical Support Agency (NTSA) for Rural Housing will be set up at a national level to provide technical support in achieving the target. Sufficient financial resources have been made available in the form of budgetary support and borrowing from National Bank for Agriculture and Rural Development (NABARD). Assistance in the form of electronic transfer under Direct Benefit Transfer (DBT) to resolve problems of delayed payments and expedite completion is another feature.

Comprehensive online monitoring will also be conducted through the

MIS-AwaasSoft scheme. A mobile app, AwaasApp, will help with the inspection and geo-tagging of houses to reduce any delay. A programme involving training, assessment, and certification will also help increase the number of trained rural masons.

Under PMAY-G the beneficiary is provided a unit assistance of Rs.1.20 lakh in plain areas and 1.30 lakh in hilly states, difficult areas and IAP districts for construction of a pucca house. The assistance varies due to factors covering areas where, due to reasons of poor availability of materials, poor connectivity, adverse geo-morphological and climatic conditions the cost of construction is higher. The classification of an area as difficult within a State, is to be done by the State Governments. To ensure timely completion of quality houses within the available resources, in addition to providing financial assistance to the beneficiaries for house construction, it is essential that crucial support services like briefing on the stage wise requirement of materials and resources, different options of locally relevant house type designs, awareness on cost saving construction technologies, facilitation for procurement of construction materials, availability of sufficient number of trained masons etc., are provided to the beneficiaries.

The provision of support services will need action on the following area:

- a) Sensitization of the beneficiaries.

Home Sweet Home

- ▶ Govt has allocated **₹15,000 crore** to the programme for the current fiscal
- ▶ Payout per household has been increased to more than **₹1.2 lakh** from **₹75,000** earlier
- ▶ Area per home has also been increased to 25 square metres from 22 sq metres
- ▶ Exclusion criteria for households included ownership of motorised vehicle or boat, landline phone, more than 2.5 acres of irrigable land, KCC with over **₹50,000** credit limit and I-T payee status in case of govt

Launched in July 2015, the SECC was carried door to door across rural and urban India in **24.39 crore** households in **640** districts to study deprivation across 14 parameters

The higher the deprivation score, the higher the ranking of the household for getting govt assistance

As per SECC data, 13% or **2.37 crore** of rural houses have only one room, kuccha walls and kuccha roof

Govt has set a target of building three crore houses for rural poor in the next seven years

- b) Development and provision of house design typologies.
- c) Training of Masons and Skill Certification.
- d) Sourcing of construction material.
- e) Support to old and disabled beneficiaries.
- f) Facilitating loan from Banks for up to Rs. 70,000.

Innovative Strategies

The States are expected to provide the beneficiaries a bouquet of options for house designs according to local conditions, using appropriate technology suitable to the region of their residence. The core house design should also include a dedicated space for hygienic cooking, a toilet and bathing area. The roof and the wall should be strong enough to be able to withstand the climatic conditions of the place in which the beneficiary resides and incorporate disaster resilient features (where needed) to be able to withstand earthquakes, cyclones, floods etc. It is also desirable that the house design incorporates the following features, which could be later added to by the beneficiary depending upon the resource availability:-

- a) adequate space for pursuing livelihood activities;
- b) rain water harvesting system;
- c) a verandah;

The total cost of the programme of PMAY-G is Rs.1,30,075 crore for construction of 1.00 crore houses by 2018-19. The cost would be shared between the Government of India and the State Governments in the ratio of 60 : 40. In the case of North-Eastern States and the three Himalayan States viz., Jammu and Kashmir, Himachal Pradesh and Uttarakhand, the sharing pattern is in the ratio is 90:10. Government of India would provide the full cost in respect of Union Territories (UTs).

The Central share of the total cost of the programme works out to Rs. 81,975 crores out of which Rs. 60,000 crores would be met

from the budgetary support and Rs. 21,975 crores would be met through borrowings from NABARD which would be amortised through budgetary grants after 2022.

States may follow a saturation approach using the Gram Panchayat, Block or District as a unit. Priority will also be given to Saansad Adarsh Gram Yojana (SAGY) Gram Panchayats, Rurban clusters, Open Defecation Free Gram Panchayats and Gram Panchayat with strong social capital through Deen Dayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY- NRLM) Self Help Groups of women. Saturation approach improves supervision, availability of masons and materials, and comprehensive habitat planning.

The Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995, provides for social security for persons with disabilities. Accordingly, in the scheme of PMAY-G while deciding the *inter-se* priority among the beneficiaries who are to be provided assistance, households with any disabled member and no able-bodied adult member have been accorded additional deprivation score so that such households are given priority while allotting the houses. Keeping in view the provisions of the Persons with Disabilities Act, 1995, the States to the extent possible, may ensure that 3 per cent of beneficiaries at the State Level are from among persons with disabilities.

The Government has also allowed beneficiaries under PMAY-G to engage Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) job card holders for construction of houses beyond the stipulated 100 days in a year. This would enable speedier completion of houses and provide extra income to card holders who want more work in times of rural distress.

Further, as far as possible, 15 per cent of the total fund would be earmarked for Minorities at the National Level for households

to be covered as per SECC 2011 as validated by Gram Sabha. The allocation of targets for Minorities among the States/UTs will be based on the proportionate rural population of Minorities in the respective State/UT as per Census 2011 data. However, upon finalization of Permanent Waitlist based on verification of SECC data by the Gram Sabha, the target of Minority in each State / UT would be re-calculated based on that. Minorities notified under Section 2(c) of the National Commission for Minorities Act, 1992 are to be considered eligible for receiving benefits against Minority earmarks.

Implementation Support Mechanism

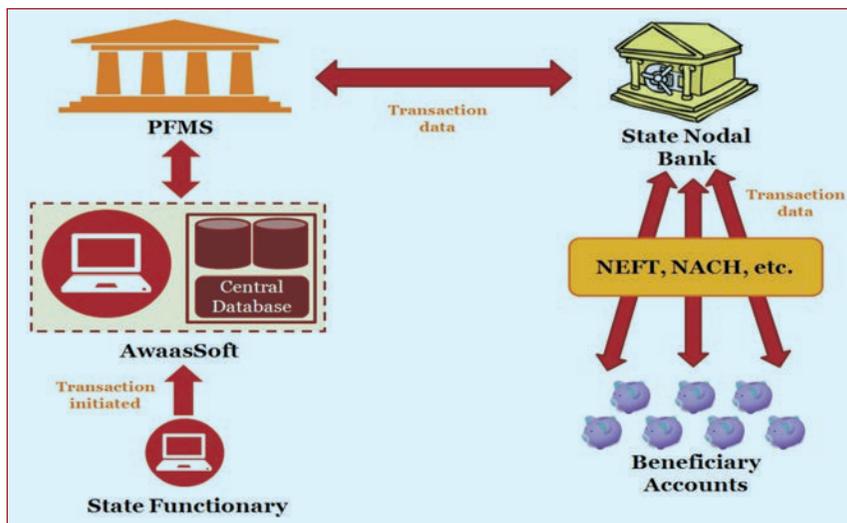
National Technical Support Agency for Rural Housing

To provide technical support in achieving the target of Housing for All, a National Technical Support Agency (NTSA) for Rural Housing is being set up at the national level. The activities of the Agency, *inter-alia*, would include ensuring quality construction, monitoring of implementation, management of extra budgetary finances, Information Education and Communication (IEC) activities, development and management of e-Governance solutions, data analytics, organize trainings and workshops, and coordinate / monitor / facilitate the functioning of Technical Facilitation Centres identified by the State/UT Governments.

Convergence

To provide basic amenities, in addition to assistance for house construction, convergence of existing schemes of both Centre and State/UT Governments need to be ensured.

Construction of a toilet has been made an integral part of the PMAY-G house. The toilet shall be provided to beneficiaries through funding from Swachh Bharat Mission-Gramin (SBM-G), MGNREGA or any other dedicated financing source. The house shall be treated as complete only after the toilet has been constructed.



It is mandatory to provide support of 90 persondays (95 persondays in hilly states, difficult areas and IAP districts) unskilled wage employment at the current rates to a PMAY-G beneficiary for construction of his / her house in convergence with MGNREGA. Server to server integration between two MIS – AwaasSoft of PMAY-G and NREGASoft of MGNREGS has been developed so that work for construction of house is generated on NREGASoft automatically once the sanction of house is issued on AwaasSoft.

Drinking water is one of the basic necessities of life. The beneficiary of PMAY-G should be provided access to safe drinking water in convergence with National Rural Drinking Water Programme (NRDWP) of Ministry of Drinking Water and Sanitation or any other similar schemes.

Convergence with Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY), Ministry of Power, shall be effected for providing electricity connection to a PMAY-G beneficiary. States/UTs to ensure that the beneficiaries of the PMAY-G get benefits of the schemes implemented by Ministry of New and Renewable Energy Sources (MNRES) including for Solar Lanterns, Solar Home Lighting Systems, Solar Street-lighting Systems, the benefits from National Bio-Mass Cookstoves Programme (NBCP) for cleaner cooking energy solutions for the beneficiary family and bio gas unit

under National Biogas and Manure Management Programme.

To provide clean and more efficient cooking fuel to the beneficiaries of PMAY-G, the States / UTs should strive to get LPG connections for them under Pradhan Mantri Ujjawala Yojana (PMUY) of Ministry of Petroleum and Natural Gas.

To ensure a cleaner and healthy environment for the households, the solid and liquid waste generated by the households needs to be treated. Accordingly, the State / UT Government may, through convergence with Swachh Bharat Mission (G) or any other scheme of the State / UT Government, ensure management of Solid and Liquid Waste.

To meet the requirement of building materials, the State / UT may take up production of building materials viz., bricks, stabilized mud blocks, fly ash bricks etc., through convergence with MGNREGA. The material produced may be supplied to the beneficiaries of PMAY-G.

States / UTs may, through convergence with MGNREGA, develop group / individual amenities like development of house sites, bio-fencing, paved pathways, approach roads or steps to the house, soil conservation and protection works etc., for the beneficiaries of PMAY-G.

Since the SECC 2011 data base, as validated by the Gram Sabha, is

the basis for selection of beneficiaries in PMAY(Gramin) and the same data base is being used by many other programmes, convergence of benefits will become much easier if regularly followed up.

Reporting and Monitoring

In PMAY-G, programme implementation and monitoring shall be executed through an end to end e-Governance model. There will be two systems for e-Governance based service delivery in the scheme i.e; the PMAY-G MIS–AwaasSoft, and the PMAY-G mobile application- AwaasApp.

A robust monitoring mechanism has been adopted to monitor performance as well as the processes under PMAY-G. Performance monitoring is done through real time capture of progress using workflow enabled transactional data in AwaasSoft. The data generated from the transactions in AwaasSoft are collated as system generated reports for monitoring different pre-determined parameters of performance. For process monitoring mechanisms like inspection by central teams (Area Officers and NLM), monitoring by District Development Coordination and Monitoring (DISHA) Committee headed by Member of Parliament, Social Audit and through State Level PMU are adopted.

AwaasSoft generates many reports on different parameters based on the real time transactional data. All reporting under PMAY-G is through reports generated in AwaasSoft. The progress of the States/UTs under the scheme shall be monitored only through the reports generated from AwaasSoft.

AwaasSoft

AwaasSoft is a web based electronic service delivery platform to facilitate e-Governance in PMAY-G.

Supporting Mechanisms

Availability of land, its timely development with requisite infrastructure facilities and service is of prime importance for facilitating

a sustained growth of housing activity. Formulation and implementation of a sound land policy is of utmost importance. Both the urban and rural arms of the PMAY continue to focus on only one solution — of providing ownership housing. Finding adequate land for this becomes a huge problem, particularly in rural areas, where public land stock for housing presents many challenges. Efforts to reduce cost of construction by supplying new building materials, introducing cost effective techniques and appropriate technology in construction and production processes and reusing building materials are of significance. Thus, there is a need to use locally available raw materials. The lack of available housing options, combined with limited income and minimal access to home finance for low income borrowers, can result in millions of Indian households lacking access to basic amenities such as sanitation, clean water, sewage and electricity.

Conclusion

PMAY-G is a major step forward in bringing together Skill India, Digital India, Make in India, Information Technology/Direct Benefit Transfer Aadhaar platform and Pradhan Mantri Jan Dhan Yojana. The programme provides for skilling 5 lakh rural masons by 2019 and allows over 200 different housing designs across the country based on a detailed study of housing typologies, environmental hazards and the households' requirements. Large-scale use of local materials is envisaged along with a complete home with cooking space, electricity provision, LPG, toilet and bathing area, drinking water, etc through convergence. The programme targets poor households and uses information communication technology (ICT) and space technology to further confirm correct selection of beneficiaries and progress of work.

Construction sector generates the second largest employment opportunities in India. The sector has strong backward and forward linkages to over 250 ancillary industries. The development of rural housing creates jobs for those living in the rural community to meet the new demand in the construction-related professions. Purchase of building material, use of services of skilled and unskilled labour, transport services and the consequent flow of financial resources create a positive cycle of economic activities and increases demand in villages. The impacts occur in two phases: during construction and during occupancy. The positive spin offs include social integration including enhanced social capital and sustainable communities. The intangible benefits from improvement in housing condition are gains in labour productivity and positive health benefits. It positively influences human development parameters of nutrition, sanitation, maternal and child health. Overall improvement in quality of life occurs along with improvements in the physical environment. A house is an economic asset and contributes to upward social mobility with salutary impact on health and educational achievement. The tangible and intangible benefits flowing from a permanent house are numerous and invaluable to both the family and the local economy. □

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DO YOU KNOW?

COOPERATIVE HOUSING MOVEMENT IN INDIA

The National Cooperative Housing Federation of India (NCHF) is the apex organization of entire cooperative housing movement in the country. It is engaged in promoting, developing and coordinating the activities of housing cooperatives since its inception in the year 1969. After its establishment, the NCHF has taken a number of measures for the organization and development of housing cooperatives across the country. In association with the State Governments/ Union Territory Administrations, the NCHF had promoted 20 Apex Cooperative Housing Federations, raising their number from earlier 6 to 26. In the year 1969-70 when NCHF came into being, there were only 16308 primary housing cooperatives in the country with a membership of 11.1 lakh. At the grass root level there are now about 100,000 primary housing cooperatives with a membership of over 70 lakhs. These primary housing cooperatives are supported by 26 apex cooperative housing federations at state level, which are affiliated to NCHF. A recent study of NCHF has established the fact that 11 out of every 100 houses which have been constructed in the country by all types of institutions in the public, private and cooperative sector have been facilitated by housing cooperatives.

Housing cooperative has been defined as a legally incorporated group of persons, generally of limited means, pursuing the same cause of meeting the common need of housing or its improvement based on mutual assistance. In such a cooperative, the membership is voluntary and control is democratic, and members make an approximately equal contribution to the capital required. It has a strong emphasis on self-help and cooperative action are the basic characteristics of housing cooperatives. The activities of housing cooperatives in various States are regulated through respective Cooperative Societies Act and Cooperative Societies Rules administered by the Registrar of Cooperative Societies appointed by the Government. The national level cooperative organisations and the multi-state cooperative societies are governed by the provisions of Multi-State Cooperative Societies Act and Rules.

A society is essentially an association of seven or more people registered under the Societies Registration Act, 1860 – which is an all India Act (however, many States, have variants on the Act) and which has as a stated purpose some charitable or benevolent purpose either in regards to the public at-large or in regards to the common interest of the members and which operates as nearly as possible at cost. A registered society is a legal entity with certain limitations. However, members of a cooperative society get together to promote the economic interest of their members.

The Advantages attached to cooperative housing are as follows -

- (i) A housing cooperative is neither a public nor a profit seeking organisation. Its principal objective is to eliminate economic exploitation as it is controlled by members only.
- (ii) Contrary to public housing, cooperative housing provides opportunities to its members to control the house designs at the planning stages. Moreover, the maintenance of the estate is also in the hands of members, which leads to maintenance at lesser expenses and in a better way.
- (iii) Cooperative housing satisfies quantitative as well as qualitative aspects of housing. As it incorporates a high degree of participatory involvement of members, the housing stock created is more responsive to user's needs than those supplied through any other sub-system.
- (iv) Housing cooperatives, besides, generating a sense of responsibility amongst users for post-occupancy maintenance, also provide the necessary mechanism for affecting it.
- (v) Project cost efficiency is demonstrated on account of the concerted efforts of members to keep overheads to a minimum and to effect economy in construction by other means as well.
- (vi) Loans are arranged by the cooperatives for their members and the members have a collective responsibility for its repayment. So, a proper check on the repayment of loans and other charges is maintained.
- (vii) The members have got the right to vote and participate in the affairs of the cooperative, and as such they develop a sense of self-reliance and self-respect.
- (viii) A cooperative is a small community by itself and hence can undertake several social activities such as organising special programmes, arranging health services, improving the ecology of its area, improvement in social behaviour and mental health, etc.
- (ix) Other economic activities such as consumer cooperatives, banks, clubs and other common services which are needed by the community can be established by a housing cooperative in an economical manner.

An individual can become a member of a housing cooperative provided he/she fulfils the conditions as stipulated in the Act, the Rules framed by the concerned State and the Bye-laws of the cooperative.

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DEVELOPMENT ROADMAP

Guidelines for Revised Integrated Housing Scheme for Workers

Ministry of Labour & Employment has released guidelines for the Revised Integrated Housing Scheme (RIHS), 2016 for workers. The scheme provides housing subsidy of Rs. 1,50,000/- per worker for construction of house to be paid in three installments directly into the bank account of the beneficiaries.

The workers engaged in Beedi/Iron Ore Mines, Manganese Ore & Chrome Ore Mines (IOMC)/Limestone Ore Mines, Dolomite Ore Mines (LSDM) /Mica Mines and Cine Industries, registered with the Labour Welfare Organisation (LWO). Ministry provides housing subsidy to the workers for construction of houses. The fund allocated for this purpose in the Financial Year 2017-18 is Rs. 60,95,54,000/- and during current year 8000 houses are proposed to be sanctioned.



Housing for Particularly Vulnerable Tribal Groups

The Ministry of Tribal Affairs is implementing the “Scheme of Development of Particularly Vulnerable Tribal Groups (PVTGs)” which aims at planning their socio-economic development in a comprehensive manner while retaining the culture and heritage of the community by adopting habitat development approach and intervening in all spheres of their social and economic life, so that a visible impact is made in improvement of the quality of life of PVTGs. Funds are allocated to State Governments based on proposals submitted by them in their Annual Conservation-Cum-Development (CCD) Plan, which are considered and approved by a Project Appraisal Committee in the Ministry , Headed by Secretary, Tribal Affairs. Activities under the

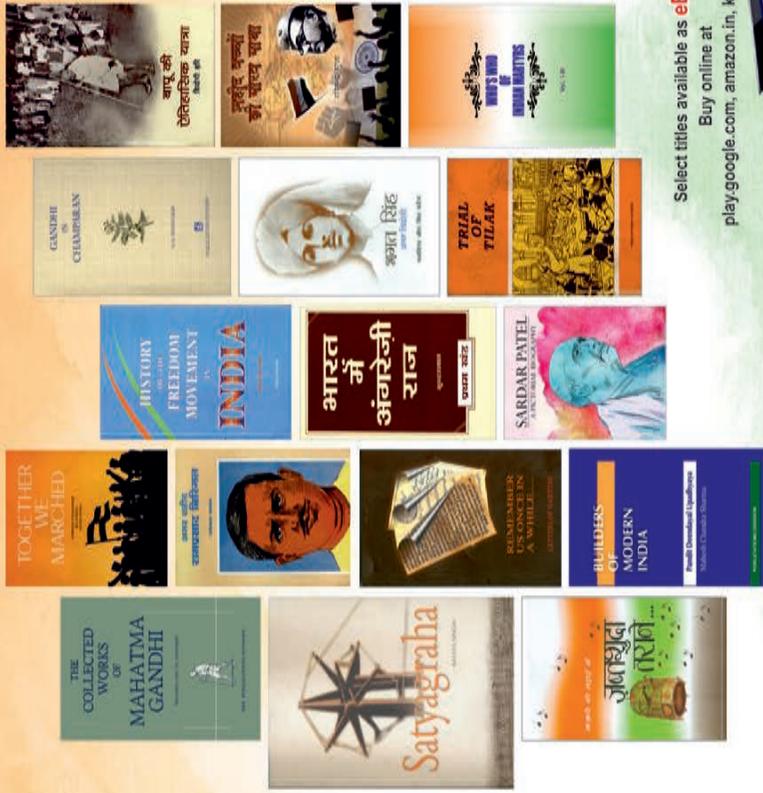


Scheme includes (a) Livelihood, (b) Employment opportunities and economic development of PVTGs through Agriculture, Horticulture, Animal Husbandry, Dairy, and Skilling/ Vocational Training (c) Education, (Literacy, Drop-out, Residential schools in addition to SSA/RMSA). (d) Health, (Gap filling for effective health service delivery beyond NHM etc). (e) Provision of safe drinking water (gap filling where line Ministries do not provide complete/universal coverage), (f) Land distribution, land development, (g) Social security, (h) Housing and Habitat, (i) Connectivity (Road and Telecommunication), (j) Supply of Electricity (gap filling where line Ministries do not provide complete/universal coverage), Solar power, with provision of maintenance, (k) Irrigation (gap filling where line Ministries do not provide complete/universal coverage), (l) Urban Development, (m) Culture, (n) Sports including traditional and tribal games and sports, (o) Any other innovative activity for the comprehensive socio-economic development of PVTGs.

Housing and Habitat covers funds for housing for PVTGs, primarily through special assistance under IAY and additionally through this scheme, for gap filling and for enhancing scope of coverage. While releasing funds under the scheme for construction of houses State Government are advised to maintain the traditional architectural style of the PVTGs. During the last year- 2016-17, amounts of Rs 927.50 lakhs and Rs 57.00 lakhs were released to the state of Tamil Nadu and Union Territory of Andaman and Nicobar Island, respectively, under the Scheme for construction of houses for PVTGs

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 & Completion of
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SANKALP SE SIDDHI - ATTAINMENT THROUGH RESOLVE

Excerpts from the Prime Minister's Mann Ki Baat – July 30, 2017

GST

It has been one month since GST was implemented and its benefits can be seen already. I feel very happy and satisfied when a poor person writes to say how because of GST prices of various items essential for him have come down, and commodities have become cheaper. When a person from the North-East, someone living in the remote areas, in the hills or forests, writes a letter to communicate that in the beginning, he used to be apprehensive about GST wondering what it was all about, but now that he has begun to understand it, he feels that things have become much easier than before.



QUIT INDIA

The month of August is the month of 'Revolution'. We have been hearing this as a natural fact right from our childhood and the reason is, the Non-Cooperation Movement was launched on the 1st of August 1920; the Quit India Movement, which is also known as 'Agast Kranti' began on the 9th of August 1942; and on 15th of August 1947 India became independent. In a way, there are many events in the month of August that are closely associated with the history of our freedom movement.

This year, we are going to observe the 75th Anniversary of the Quit India Movement. From 1857 to 1942, the people of India, with their ardent desire for freedom, came together, fought together, and suffered hardships; these pages of history are an inspiration to us for building a glorious India. This was the time when the people of India, in every part of the country – be it a village or city, the educated or illiterate, the rich or poor, everyone came together shoulder to shoulder and became a part of the 'Quit India Movement.' 1857 to 1942 – the yearning for freedom had reached the grassroots, had reached everybody. And 1942 to 1947 – these decisive five years became integral for the masses to successfully attain through resolve, freedom for the country. These five years were indeed decisive.



NEW INDIA

I would now like to connect you with its mathematical manifestation. We became free in 1947. This is 2017. It has been almost 70 years. The way, the years from 1942 to 1947 were the decisive years for attainment through resolve. I can see that 2017 to 2022 presents itself as a new time segment of five years for attainment through resolve. We should celebrate 15th of August 2017 as the *Sankalp Parva* or the Day of Resolve, and in 2022 marking 75 years of Freedom, we will certainly transform that resolve into '*Siddhi*' or attainment.

Just as the five years from 1942 to 1947 were decisive for the country's Independence, these five years from 2017 to 2022 can and must play a decisive role for the future of India. We must make 2017 our 'Year of Resolve'. In this month of August, we have to come together and resolve: Filth – Quit India; Poverty – Quit India; Corruption – Quit India; Terrorism – Quit India; Casteism – Quit India; Communalism – Quit India! The need for today is not 'Do or Die', instead it is to resolve, to come together, persevere, and work relentlessly with our utmost strength towards the making of a new India. Let us live by and strive for this resolve. Come let's launch a mega campaign **Sankalp se Siddhi** – Attainment through Resolve, from the 9th of this August. Every Indian, social organisations, local self-government institutions, schools, colleges, various organizations - all should take one resolve or the other for a New India..

PRADHAN SEWAK

My dear countrymen, on August 15, as the nation's 'Pradhan Sewak', I get an opportunity to communicate with the country from the ramparts of the Red Fort. I am merely an instrument. It is not one single person who makes that address, but it is the collective voice of 1.25 billion of my countrymen that resounds from the Red Fort. I try to give words to their dreams.

FESTIVALS AS SOCIAL REFORM

I would like to say one more thing to you. India's economy has in itself an element of social economics. And we should never underestimate its value. Our festivals, our celebrations are not merely occasions of joy and merriment. Our festivals are in themselves campaigns of social reform too.. Festivals lend a sweetness to our relationships, bring a warmth of togetherness in the family and foster brotherhood in society. They connect the individual with society. It is a natural journey from the self to the collective. And the 'I' gets an opportunity to transform into a 'We'. When we light a 'diya', an earthen lamp on Deepawali, it is not merely a festival of lights, a festival that illuminates the entire house; it is directly connected with those poor families who make small 'dijas' or earthen lamps. there is a special significance to the observance of community Ganesh festival as a public celebration. Lokmanya Tilak ji started this great tradition, and this year marks the 125th anniversary of community Ganesh festival. 125 years and 1.25 billion countrymen! Lokmanya Tilak ji started the Sarvjanik Ganeshotsav with the basic aim to inculcate the spirit of unity, enhance awareness in society, and promote the culture of togetherness. we must think anew ways to steer Community Ganesh Festivals in consonance with the sentiments of Tilak ji. How we must lend strength to that spirit and at the same time resolve to use eco-friendly clay Ganesha idols, to protect the environment.



BETI BACHAO, BETI PADHAO

We are continually seeing that our daughters are bringing laurels to the country in all the fields – be it education, economic activities, social spheres or in sports - they are scaling new heights. We as a nation take great pride in our daughters. Recently our daughters performed brilliantly in the Women's Cricket World Cup. it happened for the first time that when our daughters did not succeed in winning the World Cup, the hundred and twenty-five million people took this defeat on their own shoulders, never letting the burden weigh down these daughters of ours. Not only this, they lauded them and showered them with high praise for their brilliant performance. I view this as a healthy and pleasant change and I told these daughters that only they were blessed with such good fortune, and hence they should banish any thought of not having been successful. You may not have won the final match but you have won the hearts of 1.25 billion Indians. Truly our young generation, especially the daughters of our country are doing so much to bring glory to the nation. I once again extend my heartiest congratulations and best wishes to the young generation of our country, especially our daughters.



AGAST KRANTI

My dear countrymen, I remind you once again of 'Agast Kranti', of August 9, I remind you once again of August 15. And I am reminding you once again of 2022, 75 years of India's Independence. Every countryman should make a resolve, every countryman should prepare a 5-year roadmap to realise that resolve. All of us have to take our nation to newer heights. We must strive tirelessly to do so. Come, let's march together as we do our bit. The destiny, the future of the country shall be brighter, let us move ahead with this belief.

Mahatma Gandhi's Clarion Call

"Do or Die"

A Annamalai



Our fight was purely a non-violent fight for India's independence and self-governance. In a violent war, a successful general has been often known to effect a military coup and to set up a dictatorship. But under the Congress scheme of things, Mahatma Gandhi himself explains that "A non-violent revolution is not a programme of seizure of power. It is a programme of transformation of relationships."

Hon'ble Prime Minister in his recent 'Maan-ki-baat' on July 30, 2017 referred to the importance of the month of August as the "Month of Revolution". He said "We have been hearing this as a natural fact right from our childhood and the reason is, the Non-Cooperation Movement was launched on the 1st of August 1920; the Quit India Movement, which is also known as 'AgastKrantii' began on the 9th of August 1942; and on August 15, 1947 India became independent. In a way, there are many events in the month of August that are closely associated with the history of our freedom movement. This year, we are to observing the 75th Anniversary of the Quit India Movement. But very few people know the fact that the slogan, 'Quit India' was coined by Dr. Yusuf Meher Ali. Our young generation must know what had happened on the 9th of August 1942."

Hon'ble Prime Minister also mentioned that "the people of India, with their ardent desire for freedom, came together, fought together, and suffered hardships; these pages of history are an inspiration to us for building a glorious India. The heroes of our freedom struggle with their single-minded devotion did a 'Tapasya', endured hardships, made great sacrifices and even laid down their lives; what greater

inspiration could there be! The 'Quit India Movement' was an important milestone in the Indian Freedom Movement."

Gandhiji challenged the British Rulers in India in 1942 with the powerful and historic slogans 'Quit India' to the British Raj and 'Do or Die' to the people of India. This historic call came from Mahatma Gandhi on the 8th of August 1942 in Bombay.

In the Midst of Violence:

The World War II was started in 1939. Linlithgow, the then Viceroy, without consulting the elected provincial Governments in India, declared India at war with Germany on September 3, 1939. The Congress objected to it very strongly. The Working Committee of the Congress met, discussed and suggested that it would cooperate if there were a central Indian National Government formed, and a commitment made on India's independence after the war.

The government turned a blind eye. The Viceroy Linlithgow could only offer to form a 'Consultative Committee' for advisory functions. The dissatisfied Congress tendered its resignation on October 22, 1939. Gandhiji was busy in constructive activities especially on the campaign against untouchability from 1933 onwards. These circumstances, brought back Gandhiji again into active politics.

British, War and the Congress:

Gandhiji and Congress were not satisfied with the Government's offer which envisaged that after the war, a representative body of Indians would be set up to frame the new constitution and, therefore, Gandhiji launched Individual Satyagraha. Individual Satyagraha was limited, symbolic and non-violent in nature and by which select individuals were to declare publicly that 'It is wrong to help the British war effort with men or money. The only worthy effort is to resist all war with non-violent resistance.' It was left to Mahatma Gandhi to choose the Satyagrahis. Acharya Vinoba Bhave was the first to offer Satyagraha on September 17, 1940 at Wardha and he was sentenced to three months imprisonment. Jawaharlal Nehru was the second Satyagrahi and imprisoned for four months. The individual Satyagraha continued for nearly 15 months.

The British Government led by Winston Churchill was in a fix and forced to act to curtail the irresistible invasion by the Japanese in the South East Asia. He sent his War Cabinet Labour Party colleague Sir Stafford Cripps to India. The selection of the emissary of the British Government was clever and diplomatic. They chose a vegetarian, socialist and an Indian sympathizer for this mission, popularly called 'Cripps Mission'.

Cripps landed in Delhi on March 22, 1942 and met the leaders of the Congress including Gandhiji. Mahatma Gandhi was disillusioned with the draft and called it a 'post-dated cheque'. He advised Cripps to take the next plane home. On April 12, Cripps returned empty handed.

The Practical Alternative:

American writer Louis Fisher was in India and stayed in Sevagram, Wardha to understand the mind of Gandhiji. He also met all other leaders including Jinnah. Mahatma Gandhi had written a letter to Franklin D. Roosevelt, the President of America and asked Louis Fisher to deliver it safely to him. Gandhiji said in this letter, "In order to make my proposal fool-

proof, I have suggested that if the allies think it necessary, they may keep their troops at their own expense in India, not for keeping internal order but for preventing Japanese aggression and defending China. So far as India is concerned, she must become free even as America and Great Britain are. The Allied troops will remain in India during the war under treaty with the Free India Government that may be formed by the people of India without any outside interference, direct or indirect."

The propaganda machinery of the British was in full pitch during this period and sent all negative images of Gandhiji, Nehru, Azad to the Americans. But, at the same time, there was also a group of people in America who supported Gandhiji's action by negotiating with President's lobby.

Quit India:

Mahatma Gandhi in his speech delivered on August 7, 1942, a day before Quit India Movement started, showed the way to the British 'Quit India'. Quit India Movement was the final call to end the British Raj in India. Through this speech he waged a non-violent war against the British. But he was very cautious in his approach. While introducing the resolution, Gandhiji said, "Before you discuss the resolution, let me place before you one or two things. I want you to understand two things very clearly and consider them from the same point of view from which I am placing them before you. There are people who ask me whether I am the same man that I was in 1920 or whether there has been any change in me. You are right in asking that question. I may tell you that I am the same man today that I was in 1920. The only difference is that I am much stronger in certain things now than I was in 1920.

"There are people who have hatred in their hearts for the British. I have



heard people saying that they were disgusted with them. Common people's mind does not differentiate between British Government and British people. To them both are the same. They are the people who do not mind the advent of the Japanese. To them perhaps it would mean change of masters. But it is a dangerous thing. You must remove it from your mind.

Mahatma Gandhi invited the people to join the movement. He said, "My democracy means every man is his own master. I have read sufficient history and I did not see such an experiment on so large a scale for the establishment of democracy by non-violence. Once you understand these things you will forget the differences between the Hindus and the Muslims."

Our fight was purely a non-violent fight for India's independence and self-governance. In a violent war, a successful general has been often known to effect a military coup and to set up a dictatorship. But under the Congress scheme of things, Mahatma Gandhi himself explains that "A non-violent revolution is not a programme of seizure of power. It is a programme of transformation of relationships."

Hon'ble Prime Minister mentioned that "Millions of Indians responded to Mahatma Gandhi's clarion call and the mantra of 'Do or Die'; they flung themselves into the struggle. Millions of the youth of the country renounced their studies, gave up their books. They set out on the march to the sound of the bugle for freedom. Mahatma Gandhi gave a call for the 'Quit India Movement' on 9th of August, but each and every prominent leader

had been imprisoned by the British Government.”

Unfortunate Violence:

Mahatma Gandhi's non-violence was in test. The government wanted to crush the movement under its authority and decided the course of action even before the launching of the movement. When it received the message that the AICC had approved the Quit India Resolution, they sent signals to all the Provincial Governors, Chief Commissioners and Political Presidents in Princely States to act according to the plan all over India in a systematic way. It was ordered to arrest Gandhiji and all members of the Working Committee, All India Congress Committee and Provincial Committee. It was declared by the Government that the Working Committee, All India Congress Committee and Provincial Committee were unlawful organisations and seized their office and funds. Armed forces were effectively used to put down any demonstration, agitation, mass meetings and marches. Without giving any reason the local officers could arrest anybody and put them in jail under the martial law.

Almost the entire Congress leadership, and not merely at the national level, even at the grass root level was put into confinement less than twenty-four hours after Gandhiji's speech, and the Congress leaders and volunteers were to spend the rest of the war in jail. In some places the movement turned into violence, mobs, destroyed the public offices, cut the communications, etc.

Government blamed Gandhi ji that it was a deliberate attempt to dislodge the British Rule in India and justified the action of the Government against the unruly behavior of the mob. It pained him. All along he had experimented with non-violence as a powerful political tool to settle the conflict. But at the final call, his own people disappointed him. He went on fast for 21 days from February 10, 1943 to March 3, 1943 in the Aga Khan Palace, Pune, where he along with his companions were jailed as prisoners.

Violence Creates Higher Violence:

Somehow Gandhiji's fasting message reached the people. One of the underground activists who later became the Chairman of the Gandhi Smarak Nidhi, R.R. Diwaka narrated his dilemma during this period. He said, "I felt all along that these were subversive activities, and even going underground, was not strictly Gandhian.... Though I was neither inclined nor capable of being an underground worker, I had to do it in order to give some guidance and help to workers... But I emphasized that though violence to government property was aimed at and was inevitable our workers were warned to see that strictest possible precaution was taken to avoid even a semblance or threat of violence to persons."

But Gandhiji observed that the violence to property was sure to lead to violence to persons, sooner than later, by the workers or by the government. Being underground and without necessary communication with workers, no one would be able to control the situation.

Gandhiji declared on July 28, 1944 that all underground activities were tantamount to violence. He preferred underground workers to offer themselves by some open defiant action and get arrested by the government.

Second World War:

The Second World War ended with the unprecedented death of lakhs and lakhs of people when America dropped its atom bomb on August 6 and 9, 1945 at Hiroshima and Nagasaki.

Allied Forces emerged as victorious. Great Britain saved her territories. Now they were forced to decide on the Indian question. The way the British treated Indians during Salt Satyagraha and Quit India Movement created a negative impact on the British Rule both within and outside India. Public opinion was mostly in favour



of Gandhiji and the Indian Freedom Struggle.

There was also a fragile argument to disrespect and discredit the mass awakening by Gandhiji that the huge expenditure incurred by the British during the Second World War led to the decision to give Independence to India. In fact, British would have kept India like a colony with a big market for recuperating their economy. Gandhiji also rejected yet another argument that it was sabotage and underground activity which had strengthened the national cause or brought freedom to India.

Statesman Par Excellence:

Finally, the British decided to negotiate Independence to India by sending the Cabinet Mission to Delhi. As Gandhiji visualized and predicted, the freedom to India paved way to the freedom to most of the colonies of Asia and Africa. As Queen Elizabeth in her speech at Philadelphia on the occasion of the United States Bicentennial said, "The British lost the American colonies in the eighteenth century because we lacked the statesmanship to know the right time, and manner of yielding what is impossible to keep." Gandhiji taught this statesmanship to the British with his gentle non-violent approach and thus created a conducive atmosphere to the British to quit India at the right time with dignity and honour.

He asked the Indian people 'Do or Die'. As a true leader, the Mahatma did and died. □

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India at 70: A Vibrant Democracy

Balmiki Prasad Singh



The rise of India in the comity of nations is a tribute to its democracy and its celebration of diversity. Its achievements are based on political and economic liberty. However, India has a long distance to travel

Seventy years ago a new era of freedom was ushered in as a result of a long freedom movement, a momentous chapter in India's ageless history appropriately called 'tryst with destiny' that heralded democracy and sought to secure justice: social, economic and political. How should one try to understand and explain 70 years of democratic India – a country of antiquity and enormously rich civilisation spanning over five millennia? The uniqueness of India and dynamics of its society and polity make it difficult to capture nuances of various facets of development and its consequences.

The Constitution of India in the making of which B.R. Ambedkar bestowed visionary leadership as Chairman of its Drafting Committee was adopted on January 26 1950. The Constitution has given us a magnificent structure to build the idea of India through democracy and its institutions. We have moved on this path relentlessly and several achievements are to our credit. There are many unfinished tasks to be accomplished and several shortcomings and lacunae in our system and finding new ways of working it need to be attended to.

Achievements

Our achievements are many. Four of these are required to be specifically highlighted.

First, India went on to establish popular sovereignty, which meant rule by the people through their freely elected representatives. It was for the first time in recorded history that India established a democratic system of government and polity management (notwithstanding some experimentation in democracy in Vaishali in Bihar and in Buddhist Sanghas in the past). Today, India is not only the largest democracy in the world but also the most vibrant one.

A bold and magnificent decision was taken to introduce the system of *one person, one vote and one vote, one value* in the country. The universal suffrage paid rich dividends and the subsequent devolution of power to grassroots levels has helped consolidate the gains. Democracy is at the heart of governance in India.

The establishment of democracy in India challenged the traditional view of many thinkers, especially in the West, that democracy must have some *a priori* conditions like economic development, high levels of literacy and a common language. In fact, Indian democracy has blossomed in the midst of poverty, illiteracy, and diversity. It must be said to the credit of the Indian people and their freedom leaders that they not only established democracy in a plural and poor society, but also made it successful and stable, vibrant and result-oriented.

The author is former Governor of Sikkim, is a distinguished author, thinker and public servant. He was previously Executive Director and Ambassador at the World Bank, Home Secretary and also Culture Secretary of Government of India. He has also authored a number of books.

A striking feature of Indian democracy is that elections are held at regular intervals in a free and fair manner based on universal suffrage as also the transfer of power from one political party or coalition to another takes place in a routine fashion. The electoral processes in India are fairly simple and well understood by the people. It is no surprise that democracy has become the institutionalized expression of the strength of the Indian electorate.

Another favourable feature in India is the increased participation of the common people in politics. Discussions of politics in urban as well as in rural areas are on the rise. People value their political rights and opportunities and exercise their votes in the elections to Panchayats, State Assemblies, and the Lok Sabha regularly.

The most remarkable achievement of Indian democracy has been to unify the country and in this Sardar Patel played a historic role by securing merger of 565 princely states in the Indian Union in a short time. Since then we have been able to keep the country united and its institutions of democracy functioning. This is particularly impressive in the context of partition of India which resulted in killing of more than a million people and displacement of millions of others. The architecture of constitutional democracy has prevented extremist organizations from wrecking the ship of the Indian State.

Second, the Indian democratic system introduced economic content in polity management. One of the significant triumphs of this approach is that India is self-sufficient in food production notwithstanding huge growth in population since 1947. Adoption of imaginative policies has also ensured that food is available to every citizen of our country thanks to programs like food at lower price for persons below poverty line, employment under schemes like MGNREGA, a common market and supported by an all India banking system. Recently, the adoption of Goods and Services Tax

(GST) regime is an important landmark in this connection.

India's political leadership, policy makers, and business brains are motivated by a strong desire to make the country a major economic power in the 21st century. The high rate of economic growth coupled with comfortable foreign exchange reserves and rising Sensex figures have imparted in them a growing confidence. India is aiming to have a high growth rate with a focus on equity. Although these two objectives are not always contradictory, conflict arises when scarce resources are diverted to meet the demands of the growing middle class or business houses by ignoring the requirements of the poor and the underprivileged.

Third, our Constitution is committed to two different sets of principles that have a decisive bearing on equality. First, is the principle of equal opportunity for all and the second, the principle of redressal of educational and social deprivation. Our preferential policies in government employment were initially confined to persons belonging to Scheduled Castes (SCs) and Scheduled Tribes (STs). After the acceptance of the Mandal Commission Report by the Government of India in 1990, reservations were extended to candidates from other notified backward classes as well.

One of the advantages of affirmative action has been an improvement in the distribution of opportunities among the SCs, STs and backward classes. Ordinarily, children of poor and lower status parents get lower level jobs, and consequently, lower salaries and income. The reservation of jobs at all levels has ensured that the children of SCs, STs and backward class parents are selected for all-India Services like the IAS and the IPS. The advantage, however, has not as yet percolated to the entire community of poorer and lower status parents.

In the scheme of affirmative action that the Constitution offers, the State has been authorized to make special provision not only for



the advancement of socially and educationally backward classes of citizens, for the Scheduled Castes and the Scheduled Tribes, but also for women and children. Significant measures have been taken in this regard during the last seventy years. One such step relates to reservation of seats for women in local bodies. More needs to be done.

We are living in a period of time in which, encouraged by affirmative action incorporated into the Constitution about Scheduled Castes, Scheduled Tribes and Other Backward Classes, several communities are demanding similar entitlements. One has not only witnessed protests, but at times violent conflicts in the streets on the part of some communities demanding reservation. All these constitutional steps of empowerment are within a framework, which itself now demands re-examination and corrective measures so that the fruits of affirmative action reach those who must have them. The moot question is not only about the extent to which reservation in government employment has really changed things for the better, but also how it could benefit, in particular, the marginalised sections of the backward classes as benefits of reservation are getting monopolised by families which are well to-do families belonging to this class.

Fourth, several public institutions of Indian democracy like the

judiciary, the Election Commission, the audit system, the media, and some public bodies built over the decades are strengthening the processes of democratic functions in an admirable fashion. The Right to Information given to the people is another step that has empowered them.

Is the stability and success of Indian democracy a *sui-generis* phenomenon reflecting the plural character and age-old values of Indian culture and heritage? Could it be ascribed to the calibre of India's freedom leaders? Is this solely due to the Constitution that India has? Was this success on account of the leaders of the Indian government as well as of states? In my view, all these factors have contributed to both the stability and success of Indian democracy. In fact, the civilizational strength of India, that has over the millennia accorded tolerance and given consideration to different points of view, provided fertile ground for democratic institutions to take root.

The rise of India in the comity of nations is a tribute to its democracy and its celebration of diversity. Its achievements are based on political and economic liberty. However, India has a long distance to travel.

Challenges

The Indian political economy is facing manifold challenges. These primarily relate to security and justice; removal of poverty; generation of employment; effecting improvement in education and health care; and corruption and criminalisation of politics.

Security and Justice

The primary responsibility of the state is to provide security of life and property to every citizen.

The Indian State is facing a serious challenge to its authority from lawless elements. The Jihadi terrorism in Jammu and Kashmir and its adhoc but frequent spread to other parts of India; the insurgency in the North-East; and the rapidly expanding base of the Naxalite movement in mainland

India constitute grave challenges to democratic governance. Fortunately, one sees national consensus against Jihadi terrorism and it is for the Indian state to deal firmly with this menace. Insurgency in India's North-East is largely confined now to Nagaland, Manipur, and Assam and these are being tackled by democratically-elected state governments with full support from the Centre. The Naxalite movement which is widespread in India's heartland is popular among the rural poor and indigenous tribes. The Naxalites have embraced the Maoist ideology which is opposed to democratic governance and the constitution of India. They believe in violence and forcible capture of political power. Naxalite menace has been controlled affectively at some places when the state system acted with imagination and resoluteness. It is essential to deal with the problem effectively in a co-ordinated fashion duly supported and guided by the leadership of the state and at the centre.

Access to justice entails that a citizen knows his rights as well as the forum where he can seek redress. In reality there are many citizens who do not know their rights, or cannot afford to fight and do not even know where to get help. Another challenge for such citizens is the complexity of legal proceedings themselves, apart from their length and cost. For example, at the end of 2016, over 28 million cases were pending in high courts and subordinate courts in the country. Systemic solutions are, therefore, called for strengthening access to justice. At the same time, ad-hoc measures are required to give immediate assistance to the needy citizens.

Removal of Poverty

During the last 70 years, millions of people have been lifted from poverty level and have joined the middle class. And yet nearly 200 million out of 1.3 billion people remain below the poverty line in the country. There is a high concentration of persons below the poverty line in the large and poorer states of the north and the east. It is

imperative to correctly identify persons below the poverty line and computerise the list. It would be possible then to give them economic advantages directly. This economic criterion will naturally cut across religion and caste lines, rich and poor states, and also across rural and urban areas.

If India succeeds in giving its youth quality education and skills, democratic governance will be greatly strengthened. Today, the youth has a choice between world-class engineering colleges and joining Naxalite camps and criminal groups. The Naxalite option needs to be effectively closed and criminals brought to justice.

Can India's democracy rise up to tackle these critical issues? These include: effecting improvement of service delivery systems; accommodating the dispossessed and marginal communities within policy making systems; and imparting skills to the marginalized so that they may become beneficiaries of the market mechanism.

Employment

The most challenging task facing India's political economy is the generation of gainful employment for the youth. India has more than 800 million people in the working age group of 18-35 years, the largest in the world. Every month, a million young boys and girls become eligible to join the work force. The availability of jobs despite rapid economic growth has not kept pace with the rising number of job aspirants — a phenomenon which some commentators call 'jobless growth'. The situation is going to be complicated by induction of new technologies in manufacturing and services sector. The large size of 'technologically unemployable youth' particularly in states in the north and the east will add to the enormity of the problem.

A mechanistic view of growth assumes that demography is destiny. But this by itself does not add to prosperity, unless young people are educated and skilled and new jobs are created. If we fail to equip the youth

with good quality education and skills, India's demographic dividend could become a serious challenge to stability of the polity.

Education and Health

Besides employment to the youth, India has to rapidly work for providing quality education to children and healthcare facilities to all. In addition, the state has to pay particular attention in provisioning of health care facilities to working people, the elderly, the children, the sick and the poor. The public spending on health and education, however, is typically enjoyed more by the well-to-do. The schools and health centres in areas where the poor live are often dysfunctional and extremely low in quality.

Many studies have shown that the children in India have the necessary intelligence and potential but they should have access to quality primary and secondary schools. Unfortunately, most of our government schools are not functioning properly. Teacher vacancies and teacher absenteeism continue to plague these schools. As a result, half of ten year old students of government schools cannot read a paragraph meant for seven year olds. Many teachers are simply not up to the mark. Curriculums are overambitious. To make the system more meritocratic and accountable, teachers should be recruited for their talents and not their political connections. The situation is slightly better in private schools but they are very expensive and are invariably not located in rural areas.

It may be recalled that for centuries India had excellent centres of learning both at school and higher education levels. This contributed immensely in the making of Indian civilization as one of the most glorious in the world. Today, the country badly needs to strengthen its higher learning centres to facilitate innovations in important areas of human knowledge.

The health care facilities in the country too are in disarray. The situation is worse in several states and particularly in rural areas where seventy per cent of the population lives. It is true that cities have numerous

private hospitals and clinics and have better doctors and the services. There is requirement to improve primary health care centres in rural areas. This could be done by building clinics in rural areas and developing streamlined health IT systems. The need for skilled medical graduates and nurses is rapidly growing in the country and it must be urgently addressed.

Fortunately, the present government at Centre, has taken steps to formulate a new Education policy and Health policy. These need to be adopted and implemented in view of their importance. In fact, this constitutes a major challenge to the Indian state and is required to be attended to with promptitude. An imaginatively crafted monitoring mechanism would be of enormous assistance to ensure quality delivery of services to people.

Corruption and Criminalisation of Politics

The criminalisation of the political process and the unholy nexus between politicians, civil servants, and business houses is exerting a baneful influence on public policy formulation and governance.

The more insidious threat to India's democratic governance is from criminals and musclemen who are entering into State Legislative Assemblies and the national Parliament in sizeable numbers. A political culture seems to be taking root in which membership of state legislatures and Parliament is viewed as a means for seeking private gain and for making money. The Gandhian values of simple living and selfless service to public causes are rapidly vanishing. The rule of law at times is sought to be replaced by the rule of men. The Election Commission and Parliament are concerned with this problem. It is imperative that a more stringent legal regime is adopted and put into operation urgently.

The high level of corruption in India has been widely perceived as a major obstacle in improving the quality of governance and as an impediment to inclusive growth. While human greed

is obviously a driver of corruption, it is the structural incentives and poor enforcement system for punishing the guilty that have contributed to the rising incidence of graft in India. The complex and non-transparent system of command and control, monopoly of the government as a service provider; underdeveloped legal framework, lack of information, and weak notion of citizens' rights have all proved as incentives for corruption in India. We have to adopt a more effective system that punishes the guilty with speed and protects the reputation and honour of honest citizens including civil servants, business entrepreneurs and politicians.

Possibilities and Future Perspectives

There are enormous possibilities of India strengthening itself in economic, military and cultural terms in coming decades. The rise of India is getting noticed in every sphere of human activity ranging from sports to space, computer software to pharmaceuticals, yoga to dance forms. The path of progress and development, however, is not easy in view of India's neighbourhood and social challenges within. We cannot afford to indulge in foreign policy adventures nor ignore the demands of disadvantaged groups for more amenities in politics, education and healthcare. Simultaneously, we have to strengthen our military and strategic capabilities.

History is moving fast in terms of demography, culture, urbanisation, and expansion of human consciousness. All these changes accompanied by a phenomenal rise in expectations would pose unforeseen challenges. The Indian leadership is required to make policy choices in several economic, social, cultural, and external arenas in order that we can successfully synergise our strengths and abilities for technological innovation, problem solving skills, and political vision. India's elite in politics, the media, the academia, and think tanks have the capacity to re-define the issues and recast the public debate.

Mahatma Gandhi wanted all of us to *'work for an India in which the*

poorest shall feel that it is their country in whose making they have an effective voice; an India in which there shall be no high class and low class of people; an India in which all communities shall live in perfect harmony'.

Democracy is increasingly defining new features of development and governance. Democracy during the last seven decades has gone beyond periodic elections towards good governance and participation of stakeholders in development programmes.

The building of an inclusive society requires patience and perseverance. The crucial task is to empower the marginalised sections of society to be more productive. Towards this, India requires innovations in education, healthcare, urban planning, public transport, waste management and rural housing. While we do not have to re-invent the wheel but new technologies should be developed to suit Indian conditions. In this context I am not talking of 'Juggad' technologies alone but more substantive ones.

There are scores of examples of recent innovations by India in areas of space, computer software, automobile components, new drugs and health care facilities. For example, the performance of Indian Space Research Organisation (ISRO) is of global standards. The growing internet penetration in Indian cities and villages is another milestone of progress.

As a nation and as a civilisation, we have celebrated history of innovation commencing from Indus Valley Civilisation days. Our civilizational legacy of innovation in medicine and practices of yoga and naturopathy,

logic and *sasthratha* (dialogue), philosophical quest and *sutras* are well known. Fortunately, these attributes are of relevance in attaining excellence in the computer age.

Innovations are taking place in the government, in the market and in civil society. The social and political process is getting increasingly interlinked, changing the character of the elites in the countryside.

Development and secularism must go hand in hand. Respect for another person's point of view as well as faith are an integral part of India's inheritance. It is this civilizational attribute, a *Bahudha* approach, that allows India to stand tall in the comity of nations and it is this which has facilitated India being home to all the major religions of the world.

The world looks to India with respect for the manner in which we have permitted and practised a plural society. Our experience, in turn, should make us more concerned about our minorities and the weaker sections of our society. We must realize that only a democratic, secular India will command the trust of our own people, and also of the world.

The health and robustness of a civilisation may be judged by its capacity to challenge and jettison the rituals and practices, opinions and beliefs which stifle progress and create divisions. The Indian civilisation has shown its resilience from time to time. It is my belief that as long as Indian society and polity encourage creative minds in the literatures and arts, science and technology, and give primacy to democratic institutions, to inclusivity and justice, India's age-old

cultural strength would continue to be renewed.

In the wider context of values, "**India that is Bharat**" gives to her children: a simple living, strong family ties, and tolerance for other points of view, spiritual quest and respect for ecology. The Constitution of India sanctifies these values and provides a solid framework of 'rule of law' against 'rule by men'.

Hope

Prime Minister in his address to the people of India from the ramparts of the Red Fort on 15th of August 2017 has ignited hope that it should be possible for us to build a 'new India' in the next five years between 2017-2022. This would require eradication of poverty and removal of corruption and inefficiency in the implementation of the government plans. Towards this it is imperative to have unity of purpose particularly among the youth of India - of a kind that characterised the Quit India Movement. Let concrete plan and programme of action to realise the vision of 'new India' be urgently formulated. The NitiAayog may be entrusted to prepare state-wise action plan, convene meeting of Chief Ministers, and strictly monitor the approved plans.

The slogan "**Sabka Sath Sabka Vikas**" is most appropriate. It is and has to be inclusive and in conformity with our cherished values and principles of democracy and rule of law that the Constitution of India enjoins upon the citizens and the government to adhere to. Tomorrow's India will be a country free of the scourges of poverty, hunger and illiteracy. □

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Indian National Anthem Video in Sign Language

The Indian National Anthem video in sign language was launched recently at Films Division Auditorium, New Delhi. The video features Mr Amitabh Bachchan along with children with disability singing the National Anthem in sign language at the backdrop of the Majestic Red Fort. The film is conceptualised by Satish Kapoor, Founder Director, We Care Film Festival. We Care Film Festival produced the Film under the aegis of Brotherhood, an NGO. It is directed by Govind Nihalani and the music is scored by late Aadesh Shrivastava.



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