Challenges to implementing PMAY

What is the issue?

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The government's housing scheme is far from reaching its goal due to many impeding factors.

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What is PradhanMantriAwasYojana?

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- It is central governments flagship scheme to provide housing for rural poor in India.
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- A similar scheme for urban poor recently launched is the "Housing For All by 2022"
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- PMAY plans to provide homes to 18 million households in urban India and nearly 30 million households in rural India.
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- PMAY provides interest subsidy on a home loan and direct subsidy for individual house construction or enhancement.
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What are the roadblocks in implementation?

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- The technical Group’s report highlighted the problem of **housing shortage** (lack in number of houses to accommodate the population of an area).
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- There is widespread **scarcity of land** in building new housing units.
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- **Property records -** People in ancestral homes and slum dwellers are

unlikely to have proper title documents which are required for availing the subsidy.
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- Moreover land records are governed by the State's revenue department, while housing is a separate agency.
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- The existence of **distorted rental market** is another cause of concern.
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- Reports showed that there were over 10 million vacant houses which are un/ under-utilised.
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- Owners of these vacant houses prefer to leave their house vacant, rather than offer it on rent in the fear of losing their property to tenants.
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What should be done?

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- States need to simplify the process of **updating property records** making it easier for citizens to obtain legal documents to their land and property.
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- **Credit**should be provided to people **to upgrade** their congested houses to tackle the problem of land scarcity.
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- Transfer of Development Rights (TDR) should be done to incentivisedevelopers to **in-situ rehabilitate slums**.
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- Providing **security of tenure**— even a "no eviction guarantee" to individual households who don't have legal titles thereby encouraging them to invest money and upgrade their shelter.
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- States need to push through **rental reforms** that balance the interests of tenants with the protection of property owners' rights.
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Source: BusinessLine

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