

‘Will create 250 low-cost housing projects across India in 5 years’

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MUMBAI: The Confederation of Real Estate Developers of India (CREDAI) has announced an ambitious scheme to create 250 affordable housing projects across India.

These houses will be of 646 square feet and will cost about Rs60 lakh each and they are expected to be ready in five years.

This is in line with the Government of India's scheme to provide various incentives to affordable housing schemes.

According to Jaxay Shah, the president elect of CREDAI, the aim is to extend support to the government's mission of housing for all. "Our members will construct affordable houses for the buyers so that we take maximum

ONLY BUILDINGS THAT HAVE PROPER APPROVALS WILL BE A PART OF THE SCHEME, SAID CREDAI

benefit of the incentives provided for this scheme," said Shah.

The government had announced a new credit linked subsidy scheme for the middle income group with a budget of Rs1,000 crore, before the Union budget. It also doled out various incentives in the form of lower interest rates on home loans, making affordable housing attractive for buyers.

Currently, builders seem to prefer the affordable housing market to the luxury realty market. With the global economic

slowdown, coupled with builders hiking their real estate prices, the sales have fallen massively. Demonetisation made matters worse, claimed a source from CREDAI.

According to Ajay Chaturvedi, a well-known property expert, the government needs to proactively support such affordable housing schemes. "Similar schemes have failed in the past due to lack of cooperation by government agencies and red tapeism," said Chaturvedi.

In 2010, the state government led by Ashok Chavan inked a Memorandum of Understanding (MOU) with Maharashtra Chambers of Housing Industry (MCHI) to create five lakh affordable houses. It, however, failed as MCHI blamed the state for not easing the approval process.