

DRAFT



GOVERNMENT OF MAHARASHTRA

Maharashtra State Housing Policy 2024

“Creating vibrant communities,
through affordable, inclusive, and sustainable development while ensuring resilience”.

Housing Department,
Government of Maharashtra
Mantralaya, Mumbai – 400032

Inviting Suggestions on Policy for Maharashtra State Housing Policy 2024

The Housing Department of the Government of Maharashtra is formulating a new Housing Policy for the state in 2024. The last housing policy was published in 2007. Since then, the real estate sector has undergone significant changes, including the introduction of the Development Control and Promotion Regulations (DCPR) for Mumbai, and the Unified Development Control and Promotion Regulations (UDCPR) for the state. These changes have profoundly impacted the real estate sector across Maharashtra. To address the challenge of "Housing for All" and achieve the goal of a "Slum-Free Maharashtra," the new Housing Policy focuses on the EWS, LIG, and MIG segments of the population.

The new Housing Policy aims to incorporate the availability of new technologies in the housing sector to reduce construction costs, thereby making affordable housing feasible. The impact of climate change evident in daily life necessitates the inclusion of relevant factors in the Housing Policy. Thus, the requirement for green and environmentally sustainable development has become crucial. Considering these aspects, it has been deemed necessary to draft a new Housing Policy for the state.

The housing policy focuses on improving access to housing by provision of affordable, inclusive, sustainable and resilient housing. It further aims to leverage the positive impact of growth in housing sector on the allied sectors, and thereby on the economy.

All Stakeholders are requested to submit their suggestions/views on the proposal contained in the document latest by 03/10/2024 via email to housing.gnd-1@mah.gov.in.

Marathi draft of the policy will be uploaded on the website soon.

Please note that suggestions/views submitted post mentioned date will not be considered.

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LIST OF ABBREVIATIONS

| | |
|-----------|--|
| AGRC | Apex Grievance Redressal Committee |
| AH | Affordable Housing |
| AHP | Affordable Housing in Partnership |
| AI | Artificial Intelligence |
| ARHC | Affordable Rental Housing Complexes |
| ASR | Annual Statement of Rates |
| AUDA | Ahmedabad Urban Development Authority |
| BDD | Bombay Development Department |
| BEST | Brihanmumbai Electric Supply and Transport |
| BLC | Beneficiary-Led Construction |
| BLDC Fans | Brushless Direct Current Fans |
| BSUP | Basic Services for Urban Poor |
| CC | Commencement Certificate |
| CCTV | Closed Circuit Television |
| CDS | Cluster Development Scheme |
| CGDCR | Common General Development Control Regulations |
| CIDCO | City and Industrial Development Corporation |
| CLSS | Credit-Linked Subsidy Scheme |
| CRZ | Coastal Regulation Zones |
| CSR | Corporate Social Responsibility |
| DCPR | Development Control and Promotion Regulation |
| DCR | Development Control Regulations |
| DFI | Development Finance Institution |
| DMIC | Delhi Mumbai Industrial Corridor |
| DNA | Dharavi Notified Area |
| DP | Development Plan |
| DRP | Dharavi Redevelopment Project |
| ECB | External Commercial Borrowing |
| EWS | Economically Weaker Sections |
| FDI | Foreign Direct Investment |
| FLFPR | Female Labour Force Participation |
| FSI | Floor Space Index |
| GDP | Gross Domestic Product |
| GHG | Green House Gas |
| GHTC | Global Housing Technology Challenge |
| GoI | Government of India |
| GoM | Government of Maharashtra |
| GR | Government Resolution |

| | |
|-----------|--|
| GST | Goods and Services Tax |
| HFA | Housing For All |
| HFC | Housing Finance Companies |
| HIG | High Income Group |
| IAS | Indian Administrative Services |
| IHSDP | Integrated Housing and Slum Development Programme |
| IPCC | Intergovernmental Panel on Climate Change |
| ISSR | In-Situ Slum Rehabilitation |
| IT | Information Technology |
| ITI | Industrial Training Institutes |
| ITP | Integrated Township Project |
| JNNURM | Jawaharlal Nehru National Urban Renewal Mission |
| JV | Joint venture |
| KPI | Key Performance Indicators |
| LEED | Leadership in Energy and Environmental Design |
| LIG | Low-Income Groups |
| LOI | Letter of Intent |
| MAHAPREIT | Mahatma Phule Renewable Energy & Infrastructure Technology Limited |
| MahaRERA | Maharashtra Real Estate Regulatory Authority |
| MCGM | Municipal Corporation of Greater Mumbai |
| MEU | Monitoring and Evaluation Unit |
| MFI | Micro Finance Institutions |
| MHADA | Maharashtra Housing and Area Development Authority |
| MHDC | Maha Housing Development Corporation |
| MIDC | Maharashtra Industrial Development Corporation |
| MIG | Middle-Income Groups |
| MMR | Mumbai Metropolitan Region |
| MMRDA | Mumbai Metropolitan Region Development Authority |
| MOFA | Maharashtra Ownership Flats Act |
| MOU | Memorandum of Understanding |
| MPBCDC | Mahatma Phule Backward Class Development Corporation |
| MRTDP | Maharashtra Regional and Town Planning Act |
| NA | Non-Agricultural |
| NDT | Non-Destructive Testing |
| NDZ | No Development Zone |
| NGO | Non-governmental organization |
| NICDP | National Industrial Corridor Development Programme |
| NIT | Nagpur Improvement Trust |
| NMRDA | Nagpur Metropolitan Regional Development Authority |

| | |
|-----------|---|
| NOC | No-Objection Certificate |
| NSDC | National Skill Development Corporation |
| NTDA | New Town Development Authority |
| PAAA | Permanent Alternate Accommodation Agreement |
| PAP | Project-Affected Persons |
| PCMC | Pimpri Chinchwad Municipal Corporation |
| PCNTDA | Pimpri Chinchwad New Town Development Authority |
| PMAY (G) | Pradhan Mantri Awas Yojana – Gramin |
| PMAY (U) | Pradhan Mantri Awas Yojana – Urban |
| PMRDA | Pune Metropolitan Regional Development Authority |
| PPP | Public-Private Partnership |
| PSL | Priority Sector Lending |
| REIT | Real Estate Investment Trusts |
| R&R | Rehabilitation & Resettlement |
| RERA | Real Estate Regulatory Authority |
| RHZ | Rental Housing Zones |
| RTPV | Roof Top Photo Voltaic Systems |
| SC | Scheduled Caste |
| SDZ | Special Development Zone |
| SEZ | Special Economic Zones |
| SPPL | Shivshahi Punarvasan Prakaalp Limited |
| SPV | Special Purpose Vehicle |
| SRA | Slum Rehabilitation Authority |
| ST | Scheduled Tribe |
| SWAMIH | Special Window for Affordable and Mid-Income Housing |
| SWH | Solar Water Heating |
| SWMP | Solid Waste Management Project |
| TDR | Transferable Development Rights |
| TIG | Technology Innovation Grant |
| TOD | Transit Oriented Development |
| TP Scheme | Town Planning Scheme |
| UDCPR | Maharashtra Unified Development Control and Promotion Regulations |
| ULB | Urban Local Body |
| VAMBAY | Valmiki Ambedkar Malin Basti Awas Yojana |
| VJNT | Vimukt Jati, Nomadic Tribes |

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SECTION: 1 Overview of the State

Maharashtra, located in the western region of India, covers an area of approximately 307,713 square kilometres, making it the third-largest state in India by area. Maharashtra has a population of over 112 million people, making it the second-most populous state in the country¹ and boasts a rich cultural heritage, diverse geography, and a dynamic economy.

The state is bordered by the Arabian Sea to the west, and it shares its borders with Gujarat, Madhya Pradesh, Chhattisgarh, Telangana, Karnataka, and Goa. The state's geography is diverse, featuring coastal regions, the Western Ghats Mountain range, and the Deccan Plateau. The State is well connected through railways, roadways, airways & waterways and is one of the highly urbanised states in India.

Maharashtra is the wealthiest state in India, contributing significantly to the country's GDP. The top 5 states, Maharashtra, Uttar Pradesh, Gujarat, Tamil Nadu, and Karnataka account for ~50% of country's nominal GDP, of these, Maharashtra is the largest, with a GDP of \$444 Bn in FY22, which is ~13% of India's GDP². The state's economy is diverse, with key sectors including manufacturing, services, agriculture, and information technology. Mumbai, the financial capital of India, houses the headquarters of major banks, financial institutions, and corporate headquarters.

Maharashtra is administratively divided into 36 districts, which are grouped into six Revenue Divisions: Konkan, Pune, Nashik, Chatrapati Sambhajnagar, Amravati, and Nagpur. Major urban centres include Mumbai, Pune, Nagpur, Nashik, and Chatrapati Sambhajnagar. The state has a total of 29 Municipal Corporations, which govern large cities such as Mumbai, Pune, Nagpur, and Nashik. Additionally, there are 244 Municipal Councils that cater to smaller cities and towns, ensuring effective local governance and infrastructure development. Moreover, Maharashtra has 146 Nagar Panchayats³ that oversee the administration of rapidly urbanizing areas, bridging the gap between rural and urban governance.

The classification of cities in Maharashtra, according to the Census of India, is primarily based on population size, dividing urban areas into distinct categories. 'Metropolitan' cities, with populations exceeding 1 million, serve as major economic and administrative hubs. 'Class I' cities, with populations ranging from 100,000 to 1 million, are significant urban centres with developed infrastructure. 'Class II' cities, with populations between 50,000 and 99,999, have

¹ *Economic Survey of Maharashtra, 2023-24*

² *Maharashtra Economic Advisory Council, 2023 – Roadmap to becoming a \$1 Trillion Economy*

³ Retrieved from [State Election Commission, Maharashtra](#) on 28th May 2024

moderate population sizes and developing infrastructure. 'Class III' cities, with populations from 20,000 to 49,999, are smaller urban areas with basic infrastructure. Finally, 'Class IV' cities and below, with populations less than 20,000, encompass smaller towns and urban areas with limited infrastructure. This classification system provides a structured understanding of the urban hierarchy in Maharashtra. The table below outlines the classification of cities in Maharashtra based on population as per the Census of India.

Table 1: Classification of cities in Maharashtra

| Classification of Cities | Name of Cities |
|--|--|
| Metropolitan Cities (Million Plus Cities) | Mumbai, Pune, Nagpur |
| Class I Cities | Thane, Nashik, Chatrapati Sambhajinagar, Solapur, Kolhapur, Navi Mumbai, Amravati, Malegaon, Jalgaon, Akola, Latur, Dhule, Ahmednagar, Chandrapur, Parbhani, Ichalkaranji, Sangli-Miraj & Kupwad |
| Class II Cities | Nanded-Waghala, Bhusawal, Raigad, Beed, Yavatmal, Achalpur, Osmanabad, Nandurbar, Wardha |
| Class III Cities | Baramati, Udgir, Gondia, Satara, Malkapur, Washim |

Maharashtra's population distribution reflects a distinctive urban-rural dichotomy. The state stands at the third-most urbanized state in India with 45% urbanization rate, following Tamil Nadu (48%) and Kerala (47%)⁴. This shift is driven by rapid economic growth, industrialization, and the expansion of service sectors, particularly in major cities like Mumbai, Pune, and Nagpur. Mumbai, as the financial capital of India, attracts a large influx of people seeking employment and better living standards, contributing to its continuous urban expansion. Similarly, Pune's emergence as an Information Technology (IT) and education hub has led to a surge in urban development and population growth. In contrast, the remaining 55% of the population resides in rural areas, where agriculture and allied activities dominate the livelihood landscape. This urban-rural population comparison highlights the demographic shifts and economic transitions occurring within the state. While urban areas continue to grow and develop as hubs of commerce, industry, and services, rural regions remain essential for their agricultural contributions and cultural heritage.

The state has experienced significant migration trends over the years, greatly impacting its housing landscape. Employment opportunities, better education, and healthcare facilities are the primary drivers of this in-migration to urban areas in the state. According to the 2011

⁴ Retrieved from [Ministry of Housing and Urban Affairs, Govt. of India](#) on 28th May 2024

Census, around 55% of migrants to Maharashtra moved for work or employment reasons. Conversely, some regions within Maharashtra, particularly rural areas reliant on agriculture, experience out-migration. People from these areas move to urban centres within the state or to other states in search of better livelihood opportunities. This trend significantly contributes to the urbanization of Maharashtra, with urban areas growing rapidly and housing demand surging. For example, according to the Census of India, the urban population of Maharashtra increased by 23.7% between 2001 and 2011, reflecting the high rate of migration to cities and the consequent need for housing solutions.

The housing typology in the state includes a mix of kutcha and pucca houses, reflecting the state's economic and urban-rural divide. According to the Census 2011 data, about 37% of rural households in Maharashtra lived in kutcha houses. Whereas, in urban areas, despite the dominance of pucca houses, a notable portion of the population still resides in kutcha housing, primarily within informal settlements and slums. These temporary structures are often a result of rapid urbanization and the influx of migrants seeking employment in major urban centres in the state. The prevalence of kutcha houses in urban areas underscores the ongoing challenges of housing affordability and access to durable housing for economically weaker sections in Maharashtra.

In Maharashtra, land use is distributed across various categories. Around 54% of the land is used for agriculture, with the western region being particularly conducive to farming. Urban areas cover about 6% of the land, with cities like Mumbai, Pune, and Nagpur experiencing rapid growth. Industries utilize approximately 18% of the land, especially around Mumbai and Pune, encompassing sectors like textiles, automobiles, pharmaceuticals, and information technology. Forests cover about 20% of Maharashtra, primarily in the eastern and northern regions, providing vital ecological services and resources. Water bodies constitute around 1% of the land, crucial for irrigation, drinking water supply, and power generation. Infrastructure development utilizes a small but significant portion of land, supporting connectivity and economic activities.

SECTION: 2 Policy Background

Housing is a fundamental human need and a cornerstone of sustainable development. It plays a crucial role in providing shelter, security, and dignity to individuals and families. A well-thought and inclusive housing policy is essential for ensuring that all residents have access to safe, affordable, and adequate housing. This policy document outlines state's commitment to addressing its housing challenges and sets out a comprehensive framework to achieve its housing objectives. The aim is to create vibrant and resilient communities by promoting affordable housing, sustainable urban development, and inclusive growth, where every individual can thrive.

2.1 Introduction

The Housing Department of the Government of Maharashtra is formulating a new Housing Policy for the state in 2024. The last housing policy was published in 2007. Since then, the real estate sector has undergone significant changes, including the introduction of the Development Control and Promotion Regulations (DCPR) for Mumbai, and the Unified Development Control and Promotion Regulations (UDCPR) for the state. These changes have profoundly impacted the real estate sector across Maharashtra. To address the challenge of "Housing for All" and achieve the goal of a "Slum-Free Maharashtra," the new Housing Policy must focus on the EWS, LIG, and MIG segments of the population. It is essential to incorporate these developments into the new policy.

During the COVID-19 pandemic, several complex socio-economic issues such as the migration of labourers and the need to transport them between their residences and workplaces emerged. Consequently, it has become essential to provide housing for labourers near their workplaces. The new Housing Policy aims to incorporate the availability of new technologies in the housing sector to reduce construction costs, thereby making affordable housing feasible. The impact of climate change evident in daily life necessitates the inclusion of relevant factors in the Housing Policy. Thus, the requirement for green and environmentally sustainable development has become crucial. Considering these aspects, it has been deemed necessary to draft a new Housing Policy for the state.

To determine the needs and demands of various stakeholders in the housing sector, the Additional Chief Secretary, Housing Department, Government of Maharashtra, held extensive consultations with various government agencies such as the Slum Rehabilitation Authority (SRA), Maharashtra Housing and Area Development Authority (MHADA), Real Estate Regulatory Authority (RERA), Shivshahi Punarvasan Prakalp Limited (SPPL), etc.

Additionally, as various real estate developers and their associations are key pillars in housing construction, detailed discussions regarding the Housing Policy were held with these developers' associations. Expectations regarding the policy from these stakeholders were also deeply discussed. To develop an effective and sustainable Housing Policy, it is important to involve all relevant stakeholders in determining the direction of the policy. Hence, the Housing Department organized extensive stakeholder consultations.

2.2 Overview of Current Housing Situation in Maharashtra

The state of Maharashtra being the most urbanized state in the country has a complex housing landscape characterized by a mix of challenges and opportunities. With a population of over 120 million, Maharashtra is one of India's most populous states, and its urban areas are experiencing rapid growth and urbanization. Cities like Mumbai, Pune, and Nagpur are key economic centres, attracting migrants from across the country in search of employment and better opportunities.

The housing situation in the state, particularly in urban areas, is marked by a deficit of affordable dwelling units, swift urban expansion, and a significant presence of informal settlement and substandard housing. The high cost of land and housing in metropolis like Mumbai has led to a scarcity of economical housing options, forcing many to live in overcrowded and inadequate conditions. The state faces several acute housing challenges, which can be summarized broadly as follows.

- i. **Housing Shortage:** As per the Report of the Technical Group on Urban Housing Shortage by Ministry of Housing and Urban Poverty Alleviation, Gol, the urban housing shortage for the State during 2012-17 was estimated as 19.40 lakh⁵. Despite numerous construction projects, there is still a shortage of housing units, particularly for EWS and LIG. This shortage exacerbates issues of homelessness and informal settlements.
- ii. **Slum Population:** Maharashtra has one of the largest slum populations in India i.e., 18.1% of the total slum population of the country⁶, with around 52 Lakh people living in slum⁷ in Mumbai alone. This represents a significant portion of the city's total population, highlighting the scale of the housing challenge.
- iii. **Affordability:** The cost of housing in Maharashtra, especially in cities such as Mumbai and Pune, is indeed among the highest in India. This is supported by data indicating

⁵ Report of the Technical Group on Urban Housing Shortage by Ministry of Housing and Urban Poverty Alleviation, GOI, 2012

⁶ Slums in India: Results from Census of India, 2011

⁷ Census of India, 2011

that the cost of living in Maharashtra is 1.37 times more expensive than the average in India⁸. Specifically, Maharashtra is ranked as the 2nd most expensive state in the country. The high cost of living is reflected in the housing prices, with Mumbai and Pune being highlighted as some of the most expensive cities for housing within the state. The high cost of land, coupled with high construction costs, has made it difficult for many people to afford decent housing.

- iv. **Rapid Urbanization:** Maharashtra is one of the most urbanized states in India with the urban population of 45.23%⁹. This level of urbanization is higher than the national average and is indicative of the high demand for housing in cities. Rapid urbanization has resulted in the development of slums and informal settlements due to the inability of the formal housing sector to keep up with the pace of urban growth.¹⁰
- v. **Real Estate Market Dynamics:** The real estate market in Maharashtra, particularly in cities like Mumbai and Pune, is volatile and speculative. Factors such as fluctuating demand, changing government policies, and macroeconomic conditions influence market dynamics, impacting housing affordability and availability.
- vi. **Government Initiatives:** The Maharashtra government has launched various initiatives to address housing challenges, including slum redevelopment schemes, affordable housing projects, and incentives for developers. However, the effectiveness of these initiatives varies across the state.

Overall, the housing situation in Maharashtra is complex, requiring a multi-faceted approach that addresses affordability, availability of land, and infrastructure development. Continued efforts by the government, private sector, and civil society are essential for meeting the housing needs of the state's growing population.

Housing demand assessment at regular intervals is most important to understand current housing situation on ground and for the effective implementation of the policy and hence government encourages following tasks to be taken up at all levels of governments including local bodies:

- **Identify the Demand:** Conduct assessments to understand the housing demand of all communities, especially vulnerable groups and migrant population following the components of this policy.

⁸ [Cost of Living & Prices in Maharashtra: 21 cities compared \(livingcost.org\)](https://livingcost.org/cost-of-living-in-maharashtra)

⁹ [Census of India, 2011; Population Demographics \(maharashtra.gov.in\)](https://maharashtra.gov.in/census)

¹⁰ [Maharashtra - Redefining Urban Growth \(naredco.in\)](https://naredco.in/maharashtra)

- **Allocate Resources Effectively:** Use demand data to prioritize funding and direct resources to high-need areas.
- **Engage Stakeholders:** Involve ULBs and other stakeholders for a collaborative and accepted policy approach.
- **Integrate Services Efficiently:** Align housing developments with infrastructure and essential services.
- **Reduce Informal Settlements:** Plan for affordable housing to prevent the growth of slums and unplanned areas.

The local bodies shall take up the task of housing demand assessment on priority after this document is published. Consolidated data on housing demand from all the local bodies will help the Government in deciding focus areas, in making structural changes to the policy if needed, in setting specific targets for the local bodies and in effective allocation of resources.

2.3 Existing Legal and Regulatory Framework in Maharashtra

In Maharashtra, the housing and real estate sector is governed by a legal framework aimed at ensuring transparency, fairness, and efficiency in transactions, while also addressing the need for affordable housing.

Real Estate and Housing:

- i. The Registration Act, 1908: Mandates the registration of certain documents to ensure their authenticity and prevent fraud.
- ii. Maharashtra Co-operative Societies Act, 1960: Regulates the registration, incorporation, rights, liabilities, management and state aid of co-operative societies.
- iii. Maharashtra Ownership Flats Act (MOFA), 1963: Aims to regulate the promotion of construction, sale, management and transfer of flats on an ownership basis.
- iv. Maharashtra Apartment Ownership Act, 1970: Confers on the apartment owners an inheritable and transferable right in an apartment along with a proportionate and undivided share of the land and other common areas.
- v. Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971: Makes provision for the improvement and clearance of slum areas in the State and their redevelopment, and for the protection of occupiers from eviction and distress warrants.
- vi. The Maharashtra Housing and Area Development Act, 1977: Establishes MHADA for housing and area development focusing on affordable housing in the state.
- vii. Maharashtra Rent control act, 1999: Governs rent control and tenants' rights in state.

- viii. The Real Estate Regulation and Development Act, 2016: Aims to regulate the real estate sector and protect homebuyers.

Urban Development and Management:

- ix. Maharashtra Regional and Town Planning Act, 1966 (MRTP): Regulates the establishment and expansion of cities and provides a mechanism for urban development.
- x. The Mumbai Municipal Corporation Act, 1988: Governs the administration, powers, and functions of the Municipal Corporation of Greater Mumbai.
- xi. Development Control and Promotion Regulations (DCPR), 2018 for Greater Mumbai: Provides regulations for development control and promotion in Greater Mumbai
- xii. Unified Development control and Promotion Regulations, 2020: Provides regulations for development control and promotion in Maharashtra except Greater Mumbai.

Environmental Protection:

- xiii. Environmental Protection Act, 1986: A comprehensive act for environmental protection and regulation of activities causing environmental degradation.
- xiv. CRZ Notification, 2019: This notification provides the framework for regulating activities along the coastal areas of Maharashtra. It includes categorization of the CRZ areas and specifies the types of activities permitted and restricted within these zones.

Local Governance:

- xv. The Mumbai Municipal Corporation Act, 1888: Governs the municipal corporation's operation in Mumbai.
- xvi. The Maharashtra Municipal Corporations Act, 1949: Provides for the establishment, powers, and functions of municipal corporations in larger urban areas of Maharashtra, excluding Mumbai.
- xvii. Maharashtra Municipal Councils, Nagar Panchayats and Industrial Towns Act, 1965: Governs the establishment, powers, and functions of municipal councils and Nagar Panchayats in Maharashtra

Land Acquisition and Rehabilitation:

- xviii. The right to fair compensation and Transparency in Land acquisition, Rehabilitation and Resettlement Act, 2013: Lays down procedures for land acquisition and terms for fair compensation and rehabilitation.

These Acts collectively provide a legal framework for the development, management, and governance of real estate, housing, urban regions, and environmental protection within Maharashtra and India.

2.4 Existing Housing Policies and Programs in Maharashtra

2.4.1 Housing Policies

- **Maharashtra State Housing Policy, 2007**

The first ever State Housing Policy was published in 2007. It made an effort to address the issue of providing adequate affordable housing for the EWS, LIG and MIG. The policy focused on the shift in the role of the State Government from being provider to being facilitator and enabler. It acknowledged the need for reforms and liberalisation in the housing sector as a major challenge.

- The State Government drafted a new state housing policy in 2015, but the draft was not published.

2.4.2 Housing Programs and Schemes

Government of Maharashtra has implemented several housing schemes so far. The housing developed under these schemes has substantially contributed to the current housing stock. This section gives overview of the completed and ongoing housing scheme and programs.

Housing Programs in Urban Areas

- **Pradhan Mantri Awas Yojana – Urban (PMAY-U)**

Pradhan Mantri Awaas Yojana (Urban) - Housing for All (PMAY (U) - HFA) is a flagship scheme of Government of India (GoI) under which pucca houses with basic amenities are to be made available to all eligible urban households. The scheme addresses housing shortage among EWS, LIG, MIG and slum dwellers in urban areas. The program is implemented through four verticals:

1. In-Situ Slum Rehabilitation (ISSR)
2. Affordable Housing in Partnership (AHP)
3. Beneficiary-Led Construction (BLC)
4. Credit-Linked Subsidy (CLSS)

MHADA is the nodal agency for PMAY in Maharashtra. Under the program, the State had set a target of building 19.40 lakh houses in 391 cities. As on June 2024, the state

has sanctioned 13,64,923 under PMAY(U), out of which, construction of 8,50,064 houses is completed.¹¹ The tenure of the program is up to December 2024.

- **Jawaharlal Nehru National Urban Renewal Mission (JNNURM)**

Jawaharlal Nehru National Urban Renewal Mission (JNNURM) was launched by the Gol in December 2005. Under JNNURM, two sub-missions – Basic Services for Urban Poor (BSUP) and Integrated Housing and Slum Development Programme (IHSDP) aimed to provide adequate shelter and basic infrastructure facilities to the slum dwellers in identified urban areas. The tenure of these schemes was up to March 2017.

The BSUP Scheme was applicable in nine Municipal Corporations and one Municipality, whereas the IHSDP scheme was applicable in 85 cities excluding those Municipal Corporations covered under BSUP. As on March 2023, the number of houses completed under BSUP and IHSDP are 81,537 and 58,288 against the targets of 97,147 and 77,885 respectively¹².

- **Valmiki Ambedkar Malin Basti Awas Yojana (VAMBAY)**

Gol introduced the Valmiki Ambedkar Malin Basti Awas Yojana (VAMBAY) in December 2001 with the objective of providing shelters or upgrading the existing shelters for people living below the poverty line and members of other weaker section in urban slums. This scheme was subsumed under IHSDP as a part of JNNURM in 2005.

- **Ramai Awas Yojana**

Ramai Awas Yojana is a state government scheme being implemented in urban and rural areas for Scheduled Caste (SC) and Neo-Buddhist community families who are homeless or having kutcha house. In the urban areas, in 2023-24, 10,494 houses were sanctioned under the scheme out of the target of 18,261.¹³

Housing Programs in Rural Areas

- **Pradhan Mantri Awas Yojana – Gramin (PMAY-G)**

¹¹ PMAY(U) Progress as on 3rd June 2024; <https://pmay-urban.gov.in/uploads/progress-pdfs/665d65cf7cb9c-4.pdf>

¹² MHADA – Winter Session 2023

¹³ Economic Survey of Maharashtra 2023-24

PMAY-G was launched in 2016 aiming to provide pucca houses with basic amenities to all eligible houseless households and households living in kutcha and dilapidated houses in rural areas.

As on June 2024, the number of houses completed under PMAY-G are 12,43,080 out of the target of 13,74,105 houses.¹⁴

- **Revised Rajiv Gandhi Gramin Niwara Yojana-II**

The scheme was introduced in 2008 for construction of houses for above poverty line beneficiaries in low-income category. Under this scheme, the cost of the house is fixed. Out of this cost, part is provided as loan through the lead bank in the district, and the part is borne by the beneficiary. The interest component of the loan is borne by the government.

Under the scheme, up to October 2023 amount of 88.93 crore has been disbursed to lead banks as interest component through MHADA¹⁵.

- **Ramai Awas Yojana**

Ramai Awas Yojana is a state government scheme being implemented in urban and rural areas for Scheduled Caste (SC) and Neo-Buddhist community families who are homeless or having kutcha house.

In the rural areas, in 2023-24, 75,920 houses were sanctioned under the scheme out of the target of 1,34,174.¹⁶

- **Yashawantrao Chavan Mukht Vasahat/ Vaiyaktik Gharkul Yojana**

Yashawantrao Chavan Mukht Vasahat/ Vaiyaktik Gharkul Yojana is being implemented for Vimukt Jati, Nomadic Tribes (VJNT) community families who are homeless or having kutcha houses. During 2023-24, 8,031 dwelling units are sanctioned under this scheme¹⁷.

- **Shabari Adivasi Gharkul Yojana**

¹⁴ Retrieved from <https://dashboard.rural.nic.in/dashboardnew/pmayg.aspx> on 4th June 2024.

¹⁵ MHADA- Winter Session 2023

¹⁶ Economic Survey of Maharashtra 2023-24

¹⁷ Economic Survey of Maharashtra 2023-24

Shabari Adivasi Gharkul Yojana is a housing scheme launched by the state government specifically for the Scheduled Tribe (ST) community in the state. During 2023-24, 49,838 houses were sanctioned under this scheme¹⁸.

2.4.3 Provisions under DCPR for Greater Mumbai and UDCPR

There are several provisions under the UDCPR and DCPR for Greater Mumbai with respect to provision of affordable housing, rehabilitation of slums and redevelopment of old and dilapidated buildings.

Table 2: Provisions in DCPR of Greater Mumbai for green-field and brown-field development of affordable housing

| Green-field development | |
|-------------------------|--|
| Regulation 15 | Inclusive housing |
| Regulation 33(8) | Construction of Affordable Housing in Special Development Zone II (SDZ II) |
| Brown-field development | |
| Regulation 33(5) | Development/redevelopment of housing schemes of MHADA |
| Regulation 33(7) | Reconstruction or redevelopment of cessed buildings in the Island City by Co-operative Housing Societies or of old buildings belonging to the Corporation |
| Regulation 33(7)(A) | Reconstruction or redevelopment of dilapidated/unsafe existing authorized tenant occupied building in Suburbs and extended Suburbs and existing authorized non-cessed tenant occupied buildings in Mumbai City |
| Regulation 33(7)(B) | Additional FSI for Redevelopment of existing residential housing societies excluding cessed buildings |
| Regulation 33(9) | Reconstruction or redevelopment of cluster(s) of buildings under Cluster Development Scheme(s)(CDS) |
| Regulation 33(9)(A) | Regulations for Dharavi Notified Area (DNA) |
| Regulation 33(9)(B) | Reconstruction or redevelopment of cluster of BDD chawls at Naigaon, Worli, N.M. Joshi Marg and Shivdi under Urban Renewal Scheme(s) |
| Regulation 33(10) | Redevelopment for Rehabilitation of Slum Dwellers |

¹⁸ Economic Survey of Maharashtra 2023-24

| | |
|----------------------|---|
| Regulation 33(10)(A) | Slum Rehabilitation Scheme within Dharavi Notified Area (DNA) for Dharavi Redevelopment Project (DRP) |
| Regulation 33(15) | Development of land earmarked for the MHADA/ Mill Workers Housing under Regulation No 35 |
| Regulation 33(16) | Reconstruction/Redevelopment in Gaothan/ Koliwada/ Adivasipada area |
| Regulation 33(20) | Affordable Housing (AH) / Rehabilitation & Resettlement (R&R) |
| Regulation 35 | Development or Redevelopment of Lands of Cotton Textile Mills |

Table 3: Provisions in UDCPR for green-field and brown-field development of affordable housing

| Green-field development | |
|-------------------------|--|
| Regulation 3.8 | Provision for inclusive housing |
| Regulation 7.7 | Development of housing for EWS / LIG |
| Regulation 14.1 | Integrated Township Project (Social housing component) |
| Regulation 14.3 | Affordable housing scheme |
| Regulation 14.4 | Pradhan Mantri Awas Yojana |
| Brown-field development | |
| Regulation 7.4 | Development / redevelopment of housing schemes of MHADA |
| Regulation 7.6 | Redevelopment of old dilapidated / dangerous buildings |
| Regulation 14.6 | Slum rehabilitation scheme for Pune, PCMC, PCNTDA and Nagpur |
| Regulation 14.7 | Slum rehabilitation scheme for other Municipal Corporations |
| Regulation 14.8 | Urban renewal scheme |

2.5 Existing Housing Sector Institutions in Maharashtra

The Government of Maharashtra has been progressive in designing and implementing schemes and programs with respect to provision of affordable housing and slum rehabilitation. It has created several institutions to address these issues.

For provision of housing:

- Maharashtra Housing and Area Development Authority (MHADA)
- City and Industrial Development Corporation of Maharashtra Limited (CIDCO)
- Maha Housing Development Corporation (MHDC)
- Mahatma Phule Renewable Energy & Infrastructure Technology Limited (MAHAPREIT)

For redevelopment of slums:

- Slum Rehabilitation Authority (SRA)
- Shivshahi Punarvasan Prakalp Limited (SPPL)
- Dharavi Redevelopment Project (DRP)

For regulation of real estate projects:

- Maharashtra Real Estate Regulatory Authority (MahaRERA)

2.5.1 Maharashtra Housing and Area Development Authority (MHADA)

The Maharashtra Housing & Area Development Authority (MHADA) was established in December 1977 under the Maharashtra Housing and Area Development Act, 1976 with an aim of providing a comprehensive and coordinated approach to the problem of housing in the state.

MHADA is the Apex organization coordinating and controlling the activities of its seven Regional Housing Boards, viz. Mumbai, Konkan, Pune, Nashik, Nagpur, Amravati, Chatrapati Sambhajinagar and two special purpose boards viz. Mumbai Building Repairs and Reconstruction Board, and Mumbai Slum Improvement Board. MHADA has constituted three Local Area Planning Authorities, one each for Chandrapur, and Dharavi for planning the development of New Chandrapur and G-North ward of Mumbai.

Additionally, Urban Development Department has delegated the power of Planning Authority on 23rd May 2018 to MHADA under the provisions of Chapter IV of Maharashtra Regional & Town Planning Act, 1966. This is in respect of the MHADA's layouts under its jurisdiction in Greater Mumbai Area and projects under the Pradhan Mantri Awas Yojana within state, and many other redevelopment projects such as BDD redevelopment, etc.

Since its establishment in 1977 up to March 2023, MHADA has built about 4,48,576 units.¹⁹

2.5.2 Slum Rehabilitation Authority (SRA)

Slum Rehabilitation Authority (SRA) is the State agency for redevelopment of slums in urban areas. The Government of Maharashtra has launched a comprehensive slum rehabilitation scheme by introducing an innovative concept of using land as a resource and allowing incentive Floor Space Index (FSI) in the form of tenements for sale in the open market, for

¹⁹ Units include flats and plots, Figures as per 'Monsoon Session – 2023 MHADA – Karya ani Sadhya'.

cross-subsidization of the slum rehabilitation tenements which are to be provided free to the slum-dwellers.

As per the provision of Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 State Government of Maharashtra has SRA, Mumbai to serve as Planning Authority for all slum areas in the jurisdiction of Municipal Corporation of Greater Mumbai. Subsequently, area of the Thane Municipal Corporation has been added in the jurisdiction of SRA.

Since inception (1995) up to March 2024 in all 2,353 projects are completed and 2,57,403 families residing in slums have been rehabilitated in tenements²⁰.

There is a separate Slum Rehabilitation Authority for the jurisdiction of Pune and Pimpri-Chinchwad.

2.5.3 Shivshahi Punarvasan Prakalp Limited (SPPL)

Since inception of Slum Rehabilitation Authority in 1995, many slum rehabilitation schemes were sanctioned in subsequent three years. Even after sanctioning of these schemes, the schemes could not be implemented due to various issues. In order to address these issues and to implement maximum SRA schemes in one or two years, the Government took the decision of formation of Shivshahi Punarvasan Prakalp as per the Government Resolution dated 28th May 1998.

SPPL implemented SRA schemes in two ways:

1. As a developer on land available from MHADA as well as on land occupied by slum dwellers:

The SPPL has completed construction of 10 schemes consisting of 111 buildings (10672 tenements) up to 31st January 2015²¹.

2. By granting financial assistance to the private developers for financial viability of the slum rehabilitation schemes approved by SRA:

The SPPL disbursed a loan of 73.58 Cr. The loans given to Private Developers were at the interest rate of 17.50% per annum to be repaid in 3-4 annual installments in any event within one year of completion of scheme²².

²⁰ Economic Survey of Maharashtra 2023-24

²¹ Information about SPPL; <https://www.sppl.biz/pdf/English-Brief-SPPL.pdf>

²² Information about SPPL; <https://www.sppl.biz/pdf/English-Brief-SPPL.pdf>

2.5.4 City and Industrial Development Corporation of Maharashtra Limited (CIDCO)

City and Industrial Development Corporation of Maharashtra Limited (CIDCO) was incorporated (No. 14574 of 1969-70) under the Companies Act, 1956 in March 1970. It is notified as the New Town Development Authority (NTDA). CIDCO has diversified its functions to accommodate various activities such as planning and development of new towns, consultancy, project management and designing, etc.

CIDCO is implementing housing development programme in a planned manner in the State. Since establishment up to March 2024, CIDCO has constructed in all 2,06,132 dwelling units/tenements and construction work of 51,786 dwelling units/tenements is in progress.

2.5.5 Maha Housing Development Corporation (MHDC)

Maha Housing Development Corporation (MHDC) was established in December 2018 to ensure that the affordable housing under PMAY is made available to the lower segments of the society. It focuses on the construction of large affordable housing schemes in joint venture.

These housing schemes consist of club house, gardens, playground, multipurpose halls, etc. The dwelling units for Economically Weaker Sections (EWS) are of area 300 sq. ft with two balconies and two toilets, and are equipped with necessary furniture like sofa, kitchen cabinets, bed, etc. Maha Housing focuses on using innovative construction technology for faster construction of housing.

As of March 2024, Maha Housing has announced lottery for 3377 housing units being built in various areas across Solapur and Nagpur²³.

2.5.6 Dharavi Redevelopment Project (DRP)

Government of Maharashtra in the year 2003-04 decided to redevelop Dharavi as an integrated planned township and an action plan for implementation of Dharavi redevelopment was approved by its G.R. dtd. 04/02/2004. It was decided to develop it by using land as resource to cross-subsidize the cost of development through sale component on the basis of Slum Rehabilitation Scheme. The area under redevelopment is declared as 'Dharavi Notified Area' (DNA). Dharavi Redevelopment Project (DRP) under SRA is designated as the Special Planning Authority for the project. The project is proposed to redevelop slums, chawls, old

²³ Maha Housing Information Booklet; [MHDC Housing Scheme \(mahahousing.co.in\)](https://mahahousing.co.in)

buildings, commercial and industrial areas that fall within DNA. A Development Plan has been prepared through DRP for the area falling under DNA.

The project is being developed through joint development with the private partner by constituting a Special Purpose Vehicle (SPV).

2.5.7 Maharashtra Real Estate Regulatory Authority (MahaRERA)

Under the Real Estate (Regulation and Development) Act, 2016, the Government has established the Maharashtra Real Estate Regulatory Authority (MahaRERA) for regulation of real estate sector infusing transparency, financial discipline, citizen centricity, accountability, and speedy redressal of complaints through conciliation & quasi-judicial mechanism. Up to May 2024 in all 46,345 projects are registered with MahaRERA.²⁴

2.5.8 Mahatma Phule Renewable Energy & Infrastructure Technology Limited (MAHAPREIT)

Mahatma Phule Renewable Energy & Infrastructure Technology Limited (MAHAPREIT) is a subsidiary of Mahatma Phule Backward Class Development Corporation (MPBCDC), a Govt. of Maharashtra owned company under the Social Justice and Special Assistance Department having its objectives as:

- To ensure social and economic development of Scheduled Castes and to implement various schemes for improving their standard of living.
- To provide financial assistance to the economically weaker sections of the Scheduled Castes and Nav-Buddhas and those living below the poverty line.

MAHAPREIT is mainly engaged in the implementation of various individual and group beneficiary schemes for income generation, skill development, and entrepreneurship set up under D/o Social Justice & Empowerment of GoM & GoI. However, affordable Housing, ARHC and schemes under MoHUA, GoI is also one of the important verticals of MAHAPREIT. There are different projects identified under this vertical which are at implementation phase. Few of them are listed below:

1. MHDC awarded projects
2. PMAY projects at Yavatmal Nagar Parishad, EWS housing at Aurangabad
3. Thane MC cluster development projects
4. SWAMIH

²⁴ Retrieved from [Home | Maharashtra Real Estate Regulatory Authority](https://mahaera.com/) on 31st May 2024.

5. Delayed and Distressed projects of GoM under schemes like SWAMIH scheme
6. Collaboration with state / GoI agencies/ Municipal corporations having land parcels
7. Developing review, monitoring and Green Funding mechanism under climate change funds

The Affordable housing division of MAHAPREIT is focusing on New Technologies and standard of Leadership in Energy and Environmental Design (LEED), Green Concrete, addressing climate change concerns and advanced building materials from bio waste and solid waste²⁵.

2.6 Challenges in Housing Sector of Maharashtra

The housing sector in Maharashtra faces several significant challenges, impacting both urban and rural areas. These challenges stem from a combination of rapid urbanization, economic disparities, affordability, and socio-cultural factors.

a) Rapid Urbanization and Population Growth

Maharashtra, particularly Mumbai, is experiencing rapid urbanization, leading to a substantial influx of people from rural areas and other states. This has resulted in overcrowding and a severe housing shortage. For example, Mumbai's population density is approximately 280 person per hectare and is one of the highest in the world²⁶, creating immense pressure on the existing housing infrastructure.

b) Slum Proliferation

A considerable portion of the urban population lives in slums with inadequate access to basic amenities such as clean water, sanitation, and electricity. Dharavi, one of Asia's largest slums²⁷, exemplifies this issue, where thousands of families reside in cramped, unsanitary conditions. Efforts to rehabilitate and redevelop slums face significant resistance and logistical challenges.

c) Affordable Housing Deficit

Despite numerous schemes, there is a persistent shortage of affordable housing for the EWS, LIG & MIG population. High land costs, construction expenses, and approval process make it

²⁵ [Presentation \(mahapreit.in\)](#)

²⁶ Retrieved from [World Population Review](#) on 04th June 2024

²⁷ Retrieved from [World Population Review](#) on 04th June 2024

difficult to deliver affordable housing at scale. The Pradhan Mantri Awas Yojana (PMAY) has made some progress, but more concerted efforts are required.

d) Land Acquisition Issues

Acquiring land for housing projects is often fraught with legal and procedural complications. Disputes over land ownership, resistance from local communities, and inadequate compensation for land acquisition delay housing projects.

e) High Construction Costs

Rising construction costs due to inflation in raw material prices and labour wages make it challenging to keep housing affordable. Additionally, adopting innovative construction technologies and sustainable practices increases initial costs, even though they offer long-term benefits.

f) Inadequate Infrastructure and Services

The lack of adequate infrastructure, such as roads, public transportation, water supply, and sewage systems, hampers the development of new housing projects, especially in peri-urban and rural areas.

g) Financial Constraints

Access to affordable finance for both developers and homebuyers remains a critical issue. High-interest rates, loan eligibility criteria, and limited financial literacy among lower-income groups restrict their ability to invest in housing. Microfinance institutions and housing finance companies have started addressing this gap, but the scale is still insufficient.

h) Environmental Concerns

Urban sprawl and housing development often come at the cost of environmental degradation. Unplanned growth leads to the depletion of green spaces, increased pollution, and strain on natural resources. The need for sustainable and eco-friendly housing solutions is critical but challenging to implement on a large scale.

i) Social and Cultural Barriers

Socio-cultural factors, including resistance to change and relocation, especially in slum rehabilitation projects, pose significant challenges. Community engagement and consent are essential but often difficult to achieve.

Addressing the challenges in the housing sector in Maharashtra requires a multifaceted approach. This includes regulatory reforms, improved infrastructure, innovative financing solutions, and the adoption of sustainable construction practices. The government, private sector, and civil society must work collaboratively to ensure that housing is affordable, accessible, and sustainable for all segments of the population. The new housing policy aims to tackle these issues directly, by providing a comprehensive framework to overcome these challenges and pave the way for a more inclusive and efficient housing sector in Maharashtra.

2.7 Need for the Policy

As per the Report of the Technical Group on Urban Housing Shortage by Ministry of Housing and Urban Poverty Alleviation, GoI, the urban housing shortage for the State during 2012-17 was estimated as 19.40 lakh. The State Government of Maharashtra has committed to delivering 19 lakh houses to meet the urban housing shortage²⁸, focusing primarily on housing for the EWS, LIG & MIG. Currently, around 9 lakh houses have already been constructed through various government schemes and authorities discussed in section 2.5 of this document. The remaining demand for 10 lakh homes has been prioritized by the state and is set to be met by 2027. This time-bound goal underscores the need to urgently review the previous government housing policy and develop a new one that adapts to the evolving landscape, defining the State's roles as a Facilitator, Catalyst, Builder, and Regulator.

Maharashtra is home to some of the country's largest and most densely populated cities, such as Mumbai and Pune, where a significant portion of the population faces challenges in accessing affordable housing. Rapid urbanization in these areas has led to increased demand for housing, necessitating a comprehensive policy to manage this growth effectively. Additionally, the substantial number of slums, particularly in Mumbai, highlights the urgent need for slum rehabilitation and affordable housing initiatives.

The state's housing sector also faces issues such as inadequate infrastructure, lack of affordable financing options, and inefficient land use planning. A well-structured housing policy could address these challenges by promoting sustainable and inclusive urban development, ensuring the availability of housing for all income groups, and improving living standards across the state. The COVID-19 pandemic has further highlighted the importance of adequate housing, with issues such as overcrowding and lack of sanitation becoming more pronounced.

²⁸ *Economic Survey of Maharashtra 2023-24*

Moreover, Maharashtra's economy is undergoing a significant transformation, shifting from traditional industries such as manufacturing and agriculture to a more service-oriented economy. Cities like Mumbai, Pune, and Nagpur are becoming hubs for finance, IT, education, healthcare, and other service industries. This economic shift has led to increased demand for urban housing as more people migrate to these cities for employment opportunities. The growing workforce in the service sector often prefers modern, well-equipped apartments with amenities that cater to a younger, more mobile population, exacerbating the existing housing shortage.

The disparity in income levels has resulted in a dual housing market where high-end housing is abundant, but affordable housing is scarce. To bridge this gap, the new policy should promote affordable housing projects and ensure that the benefits of economic growth are inclusive. Consequently, there is a pressing need for a comprehensive housing policy that addresses these changing demands, supports sustainable development, fosters resilience in the housing sector, and provides equitable access to housing for all residents of Maharashtra.

SECTION: 3 Policy Objectives & Principle

The Maharashtra Housing Policy - 2024 adopts a comprehensive approach to address the state's diverse housing needs. It emphasizes affordable housing initiatives targeted at Economically Weaker Sections (EWS), Low-Income Groups (LIG), and Middle-Income Groups (MIG), offering various schemes and incentives. The policy encourages redevelopment of old buildings to improve living conditions and optimize land use, and it focuses on transforming slums through public-private partnerships. It promotes inclusive housing by capturing resources created by private market, integrated townships that offer affordable housing with essential services, and industrial workers' housing to ensure proximity to workplaces.

The policy focuses on green building initiatives to promote sustainable development through eco-friendly practices and certifications. To ensure inclusive development, the policy also attempts to address affordable housing for other vulnerable groups such as senior citizens, working women, students, Project Affected Persons (PAPs) and migrant workers. Senior citizen housing addresses unique safety and accessibility needs, and community support, and housing for students and working women ensures safety and affordability. Project-Affected Persons (PAP) housing provides solutions for those displaced by development projects. Affordable rental housing schemes cater to transient populations, including migrant workers and students.

The policy outlines financial strategies to facilitate access to affordable housing loans and construction finance. It promotes innovative construction technologies for efficiency and sustainability and streamlines regulatory processes to enhance the ease of doing business for developers. Urban planning reforms proposed in the policy aim to accommodate future growth and promote balanced regional development.

Additionally, the policy invests in training and skill development for construction workers and professionals, ensuring high-quality housing construction through stringent quality control measures. Overall, this policy aims to create a balanced and inclusive housing ecosystem in Maharashtra, addressing various population segments' needs while promoting sustainable development and economic growth.

3.1 Objectives of the Policy

The housing policy focuses on improving access to housing by provision of adequate, affordable, and sustainable housing for all residents. It further aims to leverage the positive impact of growth in housing sector on the allied sectors, and thereby on the economy.

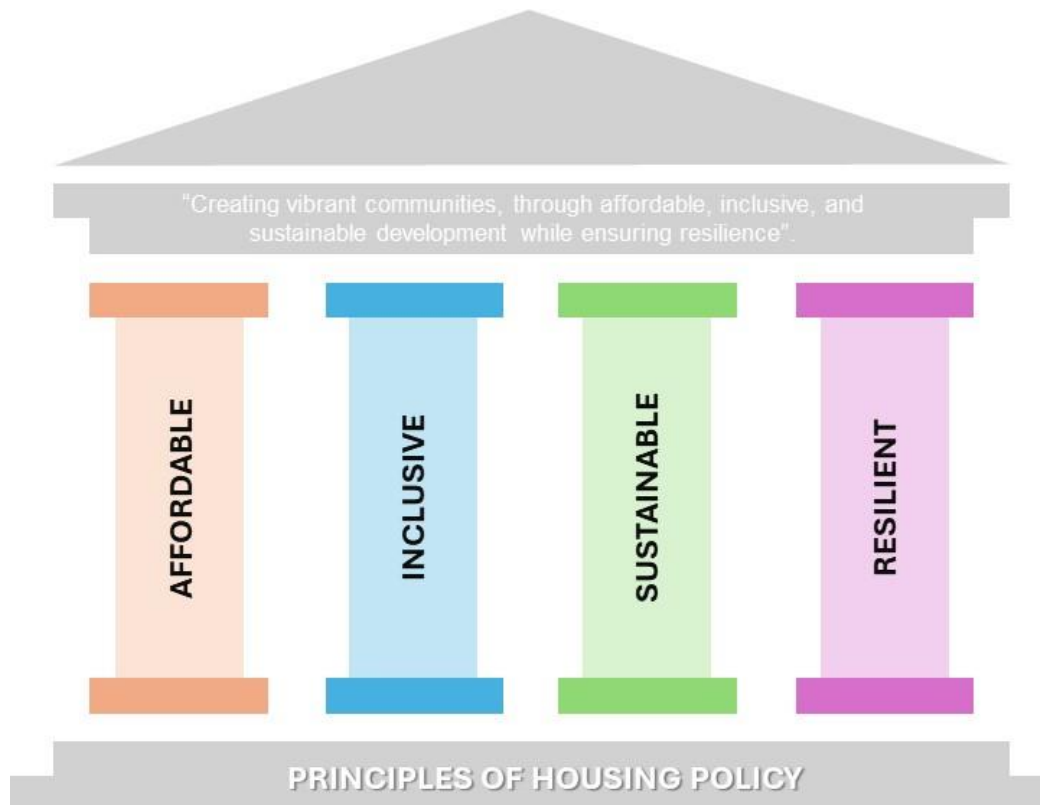
The objectives of the housing policy in the state include:

- i. **Housing Sector as Driver of Economic Growth:** To focus on housing sector as a key driver of economic growth because of its potential to create jobs, a high multiplier effect, and strong forward and backward linkages in the economy.
- ii. **Environmental Sustainability:** To promote environmentally sustainable housing practices, such as the use of green technologies and materials, to reduce the environmental impact of housing developments and mitigate climate change.
- iii. **Affordable Housing:** To increase the availability of affordable housing options for economically weaker sections, low and middle-income groups, particularly in urban areas where housing costs are high.
- iv. **Slum Rehabilitation:** To rehabilitate slum dwellers by providing them with better housing and living conditions through slum redevelopment schemes, thereby improving their quality of life.
- v. **Urban Planning and Infrastructure Development:** To ensure that housing developments are accompanied by the necessary infrastructure, such as roads, water supply, and sanitation facilities, to support the needs of residents.
- vi. **Walk to work:** To promote the walk to work concept by linking housing developments with employment opportunities to ensure that residents have access to livelihood options in proximity of their homes, reducing the need for long commutes.
- vii. **Regulation and Enforcement:** To ensure that the existing regulations related to housing are updated to suit the current needs and requirements, and to ensure their enforcement so that housing developments meet quality standards and are safe for occupancy.
- viii. **Rental Housing:** To focus on the uptake of rental housing in the state by creating an enabling environment for rental housing by strengthening the regulatory framework, by introducing incentives and subsidies, etc.
- ix. **Inclusive Growth:** To promote inclusive growth by ensuring that housing policies benefit all sections of society, including marginalized and vulnerable populations, and reduce socio-economic disparities. The specific focus of the policy will be on:
 - Senior citizen housing
 - Student housing
 - Working women's housing
 - Migrant industrial workers
- x. **Rural Housing:** To assess demand for affordable housing in rural areas, review existing programs and regional development plans.

- xi. Technological Interventions:** To encourage use of sustainable and cost-effective technology to ensure affordability, speed and quality of construction of affordable housing.
- xii. Community Participation:** To encourage community participation in the planning and implementation of housing projects to ensure that the needs and preferences of residents are taken into account, fostering a sense of ownership and belonging among communities.

3.2 Principles of the Policy

This housing policy is guided by four main principles: Affordable, Inclusive, Sustainable and Resilient. Each aspect of the policy is aligned with at least one of these principles.



A. Affordable:

- Ensuring that the housing is available at affordable rates through supply-side interventions such as land at affordable rates, FSI incentives, discounts in charges, etc., and demand-side interventions such as subsidies, financial assistance, housing finance etc.
- Ensuring minimum standards of quality and safety even if the construction is carried out at affordable rates.

- Ensuring that the housing is affordable not only at the time of buying, but also through its lifecycle with respect to operation and maintenance.

B. Inclusive:

Framing targeted policies for inclusive housing development providing access to housing for all irrespective of their social and financial standing, such as,

- Social housing for Economically Weaker Sections (EWS) and financial assistance for Low-Income Groups (LIG)
- Promoting mixed-income neighbourhoods and integrated townships
- Ensuring easy accessibility to elderly and physically handicapped residents in all the housing projects
- Guidelines for senior citizen housing
- Special housing facilities for working women and students to ensure access to safe, affordable, and quality housing.

C. Sustainable:

Sustainability in housing refers two important aspects:

1. Ensuring that the housing is environmentally sustainable during construction.
 - This can be achieved by promoting energy efficiency, renewable energy integration, water conservation, use of sustainable and recycled materials, efficient site planning, passive design elements, etc.
 - Optimum use of serviced land
 - Incorporation of green building standards and incentivising green building certification
 - Ensuring that the construction techniques being used are environmentally sustainable.
2. Minimum negative impact on the environment throughout the lifecycle of the building
 - This can be achieved through use of energy-efficient appliance and renewable energy sources.
 - Proper operation and maintenance of installed systems, etc.

D. Resilient:

Building resilient housing is an important step towards climate change mitigation and adaptation. Such housing is designed to minimize damage, reduce vulnerability and reduce the impacts of adverse weather conditions. The resilient housing incorporates various strategies such as:

- Robust land use and zoning regulations
- Building codes
- Sustainable building materials

- Flood-resistant designs.
- Designs ensuring thermal comfort, etc.

SECTION: 4 Policy Measures

A Green-field Development

4.1 Affordable Housing by Public Authorities

Over the years, the role of the government in the affordable housing sector has shifted from the provider of housing to the enabler of housing. The role of Government is more in the provision of housing for Economically Weaker Section (EWS) and Lower Income Groups (LIG) with higher subsidies and incentives. Hence, the affordable housing by public authorities is targeted to the EWS and LIG. Whereas, for Middle Income Groups (MIG) and Higher Income Groups (HIG), the role of Government is to push the private markets to develop housing that is affordable to these segments.

4.1.1 Definition and Criteria

Affordability is a relative concept. It is based on the household income, housing price and the size of the house. Hence, the definition of affordable housing varies for each income group. The Housing Department published a GR No. PMAY-2019/ No. 126, dated 16th March 2023, which prescribes the income ceiling and carpet area ceiling for different income groups for housing developed by different boards of MHADA under different models. This criterion does not include the housing price factor as it varies across the state.

Table 4: Income group wise annual income ceiling and carpet area

| Sr. No. | Income Group | Annual Income Ceiling | | Carpet Area |
|---------|-----------------------------------|---|------------------------|----------------|
| | | Mumbai Metropolitan Region (MMR), Pune Metropolitan Region (PMRDA), Nagpur Metropolitan Region (NMRDA), Nagpur Improvement Trust (NIT) Region, and local bodies with population more than 10 lakh | Remaining Local Bodies | |
| 1 | Economically Weaker Section (EWS) | Up to Rs. 6 Lakh | Up to Rs. 4.5 Lakh | Up to 30 sq.mt |
| 2 | Lower Income Group (LIG) | Up to Rs. 9 Lakh | Up to Rs. 7.5 Lakh | Up to 60 sq.mt |

| | | | | |
|---|---------------------------|-------------------|-------------------|----------------|
| 3 | Middle Income Group (MIG) | Up to Rs. 12 Lakh | Up to Rs. 12 Lakh | Up to 90 sq.mt |
| 4 | Higher Income Group (HIG) | No Ceiling | No Ceiling | Above 90 sq.mt |

4.1.2 Models of Development

a) Affordable housing development by public authority

In this model, the Government develops affordable housing on its land through authorities such as MHADA and Maha Housing. Such housing is allotted to the eligible beneficiaries at subsidized rates through a lottery.

But the developable land with the Department is limited. To address this, the other option in this model is that the government buys land from the other government agencies or private owners, and create its own land bank as explained below. Buying private land involves higher initial investment, whereas partnership with private owners makes such development feasible. Such partnership and JV models are described below.

b) Creation of land bank for development of affordable housing by housing department

In the last two to three decades, due to lack of developable land with the state housing department, supply of affordable housing has reduced. Especially in Metropolitan areas like Mumbai, if the government lands are made available to the housing department at ready reckoner rates, then maximum number of affordable houses can be built. A land bank is proposed to be created with detailed information regarding available developable land parcels to meet the increasing demand for housing in urban areas of Maharashtra. The housing department should follow up with the relevant department of state and central government like Maharashtra Industrial Development Corporation (MIDC), Mumbai Port Trust, developable salt pan land etc.

On the similar lines of economic nodes along Hindu Hridayasamrat Balasaheb Thakre Samruddhi Mahamarg, affordable housing should be encouraged in the green field projects, such as, large infrastructure projects, new MIDC areas etc.

c) Affordable housing development through PPP

To implement Affordable Housing in Partnership (AHP) vertical of PMAY, the State Government introduced in the Public Private Partnership (PPP) Policy in 2018 through the

GR No. PMAY/2017/ Pra. Kra. 12/GruNiDho-2/ShiKaNa dated January 11, 2018. This policy was further amended and refined through subsequent GRs.

Under this policy, the relaxations and incentives are offered as follows:

- Permissible FSI of 2.5
- FSI of 1 permissible in No Development Zone (NDZ)/ Green zone
- Subsidy from Central and State Government
- Measurement charges at 50% of prevailing charges
- Development charges at 50% of prevailing charges
- Stamp duty at Rs. 1000
- 50% houses at predetermined rate, and 50% houses at market rate

d) Joint Venture with Private Developers

To increase the pace of development of affordable housing, the Government published a GR No. PMAY/2017/ Pra. Kra. 95/GruNiDho-2 dated September 11, 2018. This GR introduced policy for Joint Venture (JV) between MHADA/ MahaHousing and private landowners. Under this policy, on the private land, MHADA/ MahaHousing will carry out the designing, construction, provision of basic infrastructure and services at its own expense along with all the other expenses such as approval fees, project management and marketing expenses etc. Such houses will be then allotted to the eligible beneficiaries under the PMAY. The landowner is paid fair compensation as per the policy. All the relaxations and incentives as applicable in the PPP Policy are applicable to the projects under JV policy.

As mentioned earlier, the above three models cater to the EWS and LIG segments where there is a direct intervention from the government.

4.2 Inclusive/ Inclusionary Housing

The aim of the inclusive/ inclusionary housing is to create affordable housing and foster social inclusion by capturing resources created through the private market. It also intends to promote well-balanced and integrated urban areas reducing gentrification. Regulation 15 of DCPR for Greater Mumbai and Regulation 3.8 of UDCPR have mandatory provision for inclusive/ inclusionary housing.

As per Regulation 15 of DCPR, in case of any residential development where the gross plot area is 4,000 sq.mt or more, then the developer shall provide EWS/LIG housing units of carpet

area between 25 sq.mt to 27.88 sq.mt (or as decided by Housing Department). Such units shall be to the extent of 20% of the zonal (basic) FSI over and above the permissible FSI. These units shall be handed over to the MCGM.

As per Regulation 3.8 of UDCPR, the private developer developing sub-division or layout of 4,000 sq.mt or more shall provide minimum 20% of plot area or EWS/LIG housing tenements of carpet area between 30 sq.mt to 50 sq.mt to the extent of 20% of basic FSI. This is intimated to MHADA after getting the commencement certificate from the approving authority. MHADA then prepares a list of eligible beneficiaries and shares it with the developer. This ensures that the built-up units are allotted to the eligible beneficiaries at affordable price i.e., construction cost mentioned in Annual Statement of Rates (ASR) plus 25% additional cost. However, there are few challenges in the implementation of the inclusive housing provisions mainly due to involvement of multiple agencies, lack of coordination and stipulated timeframe of the allotment process.

To address these issues and augment supply of inclusive housing, the proposed reforms are as follows:

- a) **Applicability of the provisions:** Currently, inclusive housing provisions are only applicable in the Municipal Corporations having population more than 10 lakhs which covers only nine Municipal Corporations in the state. To increase the supply of inclusive housing, the provision can also be extended to all the Metropolitan Region Development Authority areas.
- b) **Creation of online portal:** When the planning authority gives planning permission to the residential project with plot area above 4,000 sq.mt, it shall be intimated to respective board of MHADA. An AI-based online portal can be created for the same. This will bring transparency to the entire process of creation of inclusive housing units, their timely completion and allotment.
- c) **Conversion to rental housing:** The units produced under the inclusive housing can also be used as rental housing units by MHADA. Government can prepare detailed guidelines regarding rent and management of such projects.
- d) **Delegation to other Government Authorities:** Given MHADA's other commitments and responsibilities, and the limited time frame of six months to give a list of eligible allottees, other suitable government authority like CIDCO or respective planning authorities may be delegated the role of allotting inclusive housing units.
- e) **Provision to pay fees in-lieu:** If the developer is not able to produce inclusive housing with valid explanation, in such a case, he/she will get an option of paying fees in-lieu

of the inclusive housing units which will be collected in the state shelter fund. The decision on this can be taken by MHADA.

4.3 Affordable Housing in Integrated Townships

An integrated township is a cluster of residential, commercial, education and healthcare facilities along with physical infrastructure viz. water supply, sewage disposal facilities, roads, power supply, etc. While providing a great opportunity for Foreign Direct Investment (FDI) in the real estate sector and an integrated development, it also strives to provide adequate housing. The State Government recognises this potential, and has been promoting development of integrated township by providing several concessions such as deemed conversion for Non-Agricultural (NA) use, concession in stamp duty, exemption in payment of development charges, exemption from ceiling on holding agricultural land, exemption from scrutiny fees etc.

These township projects shall mandatorily provide town-level amenities such as gardens, playgrounds, schools, health-care facilities, market, public utilities etc. UDCPR mandates that the facilities for water conservation shall be provided such as rainwater harvesting, recycling of waste water, etc. and also set-up, in the project area itself, the Solid Waste Management Project (SWMP) with a sufficient capacity for processing of 100% garbage and solid waste.

Regulation 14.1 of the UDCPR has provision for development of Integrated Township Project (ITP) in the Regional Plan and Development Plan areas where the suitable land is available the area of such land shall be 40 Ha (100 Acres) or more. Under the regulations for ITP, there is a mandatory provision for social housing component (tenements for EWS and LIG) as follows:

- a) The minimum social housing component shall be at 15% of the Residential basic FSI of the area available for residential development.
- b) Out of the social housing component, 25% FSI shall be utilised exclusively for construction of EWS tenements and remaining 75% FSI may use for LIG tenements.
- c) Out of the total tenements constructed as Social Housing component, one third (1/3rd) tenements shall be kept for Rental Housing tenements which will be disposed on Rent only by the project proponents.

Proposed reforms in the regulations for integrated townships:

Like the inclusive housing component, as per current regulations, the developer shall intimate MHADA after receiving commencement certificate for the social housing component. Within a

period of six months, MHADA shall prepare a list of eligible beneficiaries through lottery and share it with the developer. The developer shall sell these units to the identified beneficiaries at the construction cost mentioned in ASR plus 25% additional cost. The stringent timelines and coordination issues pose similar problems as that of inclusive housing. Hence, similar reforms with respect to creation of online portal and delegation to other government authorities are proposed.

4.4 Industrial Workers' Housing

Maharashtra is the most industrialized state in the country and continues to be a leader in the industrial development with its vision focused on accelerated industrial growth and sustainable development. Maharashtra aims to become largest employment creating state by 2025²⁹. This large work force will come from local as well as migrant workers. With the large-scale industrialisation, providing adequate and safe housing for this workforce in the proximity of workplace is very important. If the factory is located far away from worker housing, time and money gets spent on travel, effectively reducing real wages.

The Industrial Policy of Maharashtra has promoted the walk to work concept through which the companies are encouraged to provide housing for employees within 5km radius. MIDC shall be the planning authority for such areas and other government agencies will participate for development.

Further to this, the government proposes following policy measures with respect to workers housing:

- a) On the concept of Walk to Work, around 10% to 30% land should be reserved for housing in MIDC areas. Such land should be handed over to the appropriate authority at the applicable acquisition price, so that authority can create adequate housing stock in such areas. The authority can also partner with the private industries to provide housing for industrial workers in PPP model.
- b) The guidelines for development of industrial workers housing using PPP model should be prepared.
- c) It is proposed to reserve 10% to 15% of the land suitable for housing project adjacent to the ambitious infrastructure projects (e.g., adjacent to Samruddhi Highway, Delhi Mumbai Industrial Corridor (DMIC), etc.).

²⁹ Maharashtra Industrial Policy 2019

- d) The National Industrial Corridor Development Programme (NICDP) stands as India's most ambitious infrastructure initiative, aiming to shape the future of urban and industrial development. As NICDP mandate includes development of townships the projects proposed in the state under this program can have integrated township with the economic /industrial node.
- e) Wherever the cities are growing in terms of industries and employment, accordingly the provisions should be made to provide affordable housing nearby such places to satisfy their housing needs (e.g., Special Economic Zones (SEZ)).
- f) The Affordable Rental Housing Complexes (ARHC) scheme under PMAY and rental housing projects under other state schemes shall be leveraged to provide rental housing for migrant industrial workers.

4.5 Senior Citizen Housing

As per Census 2011, Maharashtra has an elderly population share of around 10%, which is higher than the national average. It is projected to increase further to reach a 17% share by 2036³⁰. Over the years, the joint family structure is slowly being replaced with nuclear families. Additionally, the emerging trend of younger population settling at different locations for jobs brings focus on senior living. Various studies suggest that the demand for senior citizens housing is expected to grow significantly over the next five to ten years. Real estate developers in Maharashtra have already identified 'Senior Citizen Housing' as an important real estate sector.

To encourage private developments in this sector and regulate the sector better, following steps are proposed:

- a) Senior Citizen Housing/ Retirement Homes shall be **identified as a separate category under building use, and specific definitions shall be provided in the UDCPR.**
- b) The senior citizen housing can be allowed in **residential zone and green zone.**
- c) **Monitoring committee** shall be established at district level, and all the senior citizen housing projects will need to be registered with the Monitoring committee.
- d) **Mandatory registration** of the senior citizen housing projects with RERA and Monitoring Committee
- e) **Mandatory requirements to advertise/market project as senior citizen housing**

³⁰ Report of the Technical Group on Population Projections, National Commission on Population, 2020

- Location - Such project shall be well connected to the public transport and social amenities, within 5 km from the medical centre/ hospital
- Registration of senior citizen housing with RERA and monitoring committee
- Tie-up with nearest Medical centre/ Hospital
- Onboarding a registered service provider (Registration of service provider shall be mandated under RERA)
- Tie-up with NGO
- Mandatory amenities – open recreational area, gymnasium, multipurpose room, indoor games area, dining room, nurse station
- Mandatory services – dining facilities, housekeeping facilities, 24/7 ambulance service, 24/7 nurse, doctor on-call, emergency alarm system, panic alarm button, psychological councillor on-call, Physiotherapist on-call
- Safety and security provisions as per MahaRERA Order No. 55/2024.

f) Inclusion of specific planning and building regulations in the UDCPR

- Adding Senior Citizen Housing as a separate building typology
- Minimum plot area – 3000 sq.mt
- Maximum ground coverage – 35%
- Minimum access road requirement – 12 m
- Requirements of staircase, lifts, corridors, toilets, kitchen, door openings etc. as per MahaRERA Order No. 55/2024 and with reference to National Building Code and Homogenised Guidelines and Standards for Universal Accessibility
- Green Building Design Principles as per MahaRERA Order No. 55/2024.

g) Provision of senior citizen housing component in integrated township policy

Additional incentives to the developers providing senior citizen housing in township projects.

h) Incentives for senior citizen housing projects

For developers:

- Maximum permissible FSI for senior citizen housing projects in residential zone: 2.5 (to be treated as basic FSI)
- Senior citizen housing to be permissible in green zone with FSI 1
- Single window clearance to expedite approval process for senior citizen housing projects
- Commercial use permitted up to 10% of utilised FSI
- TDR available to the developer for unutilised FSI on the plot
- Concession in development charges
- Goods and Services Tax (GST) at 1%

For service providers:

- Facilitate tie-up with Medical Centres and NGOs
- Income tax exemption: 100% deduction on the profit of operating senior citizen housing
- Electricity and water at subsidized rates
- Green technology and innovation grant for incorporating green systems and technological interventions to improve quality of service to the residents
- Training subsidies for staff to ensure high quality care
- Performance-based incentives – rewards for retirement homes that achieve high standard of care and assistance

For buyers:

- Discount in Property Tax
 - Stamp duty of Rs. 1,000
 - Assistance for loans
- i) Redevelopment of old and dilapidated old age homes/ orphanages on government land to accommodate them along with senior citizen housing projects

4.6 Student Housing

There is a steady inflow of migrating students particularly in large metro cities and major education hubs. As per Census 2011, the total number of students migrated in Maharashtra for the purpose of education is around 7,75,062. Highest student migration was observed in Pune followed by Mumbai and Thane (Census 2011). While access to accommodation facilities within the campus is a preferred option for most students, the number of such hostels available often falls short of the total requirement. Hence the private operators have a significant opportunity to participate in this segment.

In 2017, the number of migrant students in Maharashtra was around 16,00,000, one of the highest in India, whereas the number of available beds could only accommodate about 48% of the migrant students³¹, highlighting the need and potential for development. With focused incentives and proper guidelines for student accommodation, the private participation in this sector can be encouraged to bridge the wide unmet demand that exists currently.

Student housing as a real estate asset class is expected to have higher rental yield as compared to office and commercial spaces³¹, but due to lack of regulatory framework and

³¹ *Student Housing: A New Dawn in Indian Real Estate, JLL, 2017*

enough incentives, the private developers and operators are reluctant to enter the sector.

Hence, the government focus is required in the following areas:

- a) Preparation of guidelines for student housing for standardisation of space requirement, amenities and services offered.
 - Space requirement per student
 - Amenities such as study room, gymnasium, and recreation room
 - Kitchen and dining facilities
 - 24/7 security and Closed-Circuit Television (CCTV) in common areas
 - Universally accessible design as per UDCPR
 - Sustainable building design elements as per UDCPR
 - Tie-up with nearby medical facility
- b) Designating land specifically for student housing near universities, streamlining zoning regulations to facilitate construction of such housing
- c) Making MHADA and ULB land in the vicinity of the Universities available for construction of student housing
- d) Encouraging private sector in student housing through following models:
 - Private developer building a student housing on private land and operating it either by himself or by giving it on long lease to the operator.
 - Private developer building a student housing on Institution's land.
 - Utilising unsold residential inventory in the proximity of the educational institutions as student housing after required modifications.
- e) Registration of the student housing with the monitoring committee (same committee as mentioned in the senior citizen housing section) to ensure physical standards, safety, operations, and maintenance of the facilities.
- f) Proposed incentives under student housing

To the developers:

 - Allowing mixed-use development (for example, commercial use - retail shops to the extent of 10% of total FSI)
 - Premium FSI charges at the rate of 15% of land rate in ASR
 - Payment of development charges in instalments
 - GST at 1%
 - Waiver of Registration and Stamp Duty charges

To the operators:

 - Reduced Property Tax for first ten years of operation
 - Income tax exemption: 100% deduction on the profit of operating student housing

- Electricity and water at subsidised rates (not on commercial tariff basis)
- Performance-based incentives – rewards for student housing that achieve high standard of service.

The Government of Maharashtra has shortlisted a building owned by MHADA in Tardeo with compact apartments for its first student housing project. The idea is to offer “Swanky and safe studio apartments” on rental basis to students in the city.³²

4.7 Working Women’s Housing

The National Sample Survey’s Periodic Labour Force Survey reports that the female labour force participation (FLFPR) in Maharashtra was almost 31% in 2017-18 which is higher than the national average of 23%. There is also an increase in the percentage of females migrating to Maharashtra for the reason of employment i.e., from 10% in 2001 to 14% in 2011 (Census 2001 and 2011). Increasing share of women in work force along with new opportunities for them in the urban areas has led to many women choosing to migrate for the purpose of employment. Housing for working women is intended to provide safe and affordable accommodation options to such women who travel from different districts and states for employment, training and on official visits.

Government of Maharashtra has published its fourth Women Policy in 2024 which aims to provide necessary opportunities and facilities to women and girls in the state. One of the focus areas of this policy is ‘Working Women’s Hostels’. These hostels will be provisioned at the district and Taluka level and in all cities offering high quality services, safety, and security. Public-private partnerships will be explored to meet the increasing demand for such hostels/housing.

Housing for working women can be an integral part of the smart cities whose fundamental focus is on sustainable and inclusive development. Some of the core elements in smart city which are aligned with the working women’s housing are affordable housing, safety and security of citizens (particularly women, children and the elderly), health and education.

Following measures will be taken for promoting working women’s housing in the state:

- a) Preparation of guidelines for working women’s housing for standardisation of space requirement, amenities and services offered.

³² [MHADA building in Tardeo shortlisted for Mumbai’s first student housing project | Mumbai news - Hindustan Times](#)

- Amenities such as library, gymnasium, and recreation room
 - Kitchen and dining facilities
 - 24/7 Security and CCTV in common areas
 - Universally accessible design as per UDCPR
 - Sustainable building design elements as per UDCPR
 - Tie-up with nearby medical facility
 - Provision of day-care facility within working women's housing or tie-up with nearby day-care centre
- b) The working women's housing shall be within 5km radius from the major job centres.
- c) Certain percentage of area shall be reserved for working women's housing in the new Town Planning (TP) schemes coming up in the vicinity of the IT Parks, Business Hubs
- d) Making MHADA and ULB land available for construction of housing for working women
- e) Allowing construction of working women's housing on plots demarcated as 'Amenity Spaces' and 'Accommodation Reservations'
- f) Preparation of guidelines for operation of working women's housing
- Flexible timings
 - Tie-up with NGOs
- g) Registration of the working women's housing with the monitoring committee (same committee as mentioned in the senior citizen housing and student housing section) to ensure physical standards, safety, operations and maintenance of the facilities.
- h) Encouraging development of housing for working women through following models:
- Private developer building working women's housing on private land and operating it either by himself or by giving it on long lease to the operator
 - Employer building working women's housing in the proximity of his company
 - Conversion of rental housing schemes into working women's housing
- i) Leveraging financial assistance from Central Schemes (Sakhi Niwas) for construction of working women's housing
- j) Proposed incentives under working women's housing:
- To the developers:
- Allowing mixed-use development (for example, commercial use - retail shops to the extent of 10% of total FSI)
 - Premium FSI charges at the rate of 15% of land rate in ASR
 - Payment of development charges in instalments
 - GST at 1%
 - Waiver of Registration and Stamp Duty charges
- To the employers providing working women's housing:

- Schedule VII to the Companies Act, 2013 lists activities related to women empowerment, homes and hostels for women to be considered under CSR funding. Based on this, the employer companies can use their CSR funds to set up working women's housing/ hostels.
- Deductions can be considered in Income Tax for employers providing working women's housing within vicinity of the offices.

To the operators:

- Reduced Property Tax for first ten years of operation
- Income tax exemption: 100% deduction on the profit of operating working women's housing
- Electricity and water at subsidised rates (not on commercial tariff basis)
- Performance-based incentives – rewards for Working women's housing projects that achieve high standard of service.

4.8 PAP Housing

The housing situation for Project-Affected People (PAP) in Maharashtra is governed by comprehensive Resettlement and Rehabilitation (R&R) policies aimed at ensuring compensation, alternative housing, and livelihood support.

Designated resettlement colonies are established with basic amenities like water, electricity, and sanitation. However, several issues and challenges persist in this sector. Compensation often fails to reflect market values, leading to financial difficulties. Delays in policy implementation and provision of compensation and housing disrupt lives. Resettlement areas often lack essential infrastructure such as healthcare, education, and transportation. Livelihood support is insufficient, making it difficult for PAPs to restore their income. PAPs are frequently excluded from decision-making, leading to dissatisfaction. The land acquisition process lacks transparency and accountability, with complex legal hurdles delaying compensation. Grievance redressal mechanisms are often ineffective. Resettlement areas are poorly integrated with urban infrastructure, limiting access to essential services. There is also a lack of effective monitoring and evaluation, resulting in poor implementation. Addressing these issues requires policy reforms, better stakeholder engagement, and the integration of modern technology for efficient planning and monitoring.

Housing for PAP in Maharashtra, especially those displaced by infrastructure projects, is a significant concern that needs to be addressed to ensure their sustainable living conditions. Hence, the state government proposes several measures to ensure the resettlement and rehabilitation (R&R) of these individuals.

The recent policy released by the Government of Maharashtra titled 'Policy on construction and distribution of project-affected tenements for project-affected persons affected by implementation of public interest infrastructure projects' Dated: August 19, 2024 via Government Resolution No. Petition-2023/Pr.No.220 (Part-1)/Jhopni-2. It says that, at present approximately 50,000 PAPs are required to implement various infrastructure projects in Mumbai, and the need of 2,20,000 tenements to implement the Development Plan (DP) of Mumbai has come to the notice of the Task Force. Since the project-affected tenements cannot be made available immediately in such a large quantity, it is necessary to make more efforts for the construction of the project-affected tenements³³. For this the following action should be taken and it is detailed out in the policy: -

1. Efforts to be made for construction of Project Affected (PAP) tenements
2. Fixing priorities for distribution of project affected tenements
3. Procedure for distribution of project affected tenements
4. Fixation of prescribed fees, terms and conditions for allotment of project affected Tenements
5. Other Terms and Conditions of project affected tenements related to the project in accordance with the recommendations of the Task Force

Further to this, the PAP policy shall ensure:

- a) Compensation matches current market values to prevent financial difficulties.
- b) Streamline processes to reduce delays in policy implementation, compensation, and housing provision.
- c) Upgrade resettlement areas with essential infrastructure, including healthcare, education, transportation, water, electricity, and sanitation.
- d) Enhance support for skill development and employment opportunities to help PAPs restore their livelihoods.
- e) Involve PAPs in the decision-making process to increase satisfaction and reduce resistance.
- f) Improve transparency and accountability in the land acquisition process to build trust and ensure fair practices.
- g) Address complex legal and administrative hurdles to expedite compensation and resettlement.
- h) Strengthen grievance redressal mechanisms to resolve complaints and issues efficiently.

³³ [Government Resolution No. Petition-2023/Pr.No.220 \(Part-1\)/Jhopni-2](#)

- i) Integrate resettlement areas with urban infrastructure to ensure PAPs have access to essential services and opportunities.
- j) Establish robust monitoring and evaluation mechanisms to oversee R&R projects, ensuring effective implementation and oversight.
- k) Integrate modern technology in planning and monitoring to enhance efficiency and transparency in R&R processes.

4.9 Affordable Housing for Middle-Income Groups (MIG)

Most government schemes focus on the EWS and LIG segments. It has become very essential also to address the acute accommodation problem being faced by the middle-income groups in urban areas. When the affordable housing units for MIG are not available in the market, they tend to accommodate the units developed for lower income groups, causing housing shortage for those income groups. Hence, it is important that housing needs of MIG are duly addressed.

The Government of India has recently announced the 'Middle class housing scheme' as part of the fiscal year 2024-25 budget. This scheme intends to support deserving sections of the middle class "living in rented houses, or slums, or chawls and unauthorized colonies" to buy or build their own houses." The state will formulate a policy in line with the central scheme. The state government will not directly involve in the provision of MIG housing, but it will encourage and enable private markets to provide affordable housing for MIG segment through following measures:

- a) Encouraging mixed income development through zoning
- b) Interest subsidy for housing buyers from MIG segment
- c) Discount in premium FSI charges linked to the size of the units, e.g., smaller the size of the units, higher the discount in premium
- d) Premium and development charges can be paid by the developer in installments
- e) Reduction in GST for MIG housing

4.10 Housing Scheme for Government Employees and Special Categories

MHADA Regional Boards should make efforts to implement special housing schemes for all government employees and special categories (ex-soldiers, freedom fighters, differently abled people, artists, journalists, etc.) as listed in the MHADA Act. These housing schemes can be developed on government land located at the district headquarters.

4.11 Affordable Rental Housing

Maharashtra stands as one of India's most urbanized states with approximately 45% of its population residing in urban areas. This urban population constitutes a substantial portion of the state's inhabitants reliant on rental accommodations. Comparatively, at the national level, around 30% of India's population resides in urban areas. This disparity highlights the pronounced need for tailored rental housing solutions in Maharashtra, given its higher urbanization rate compared to the broader Indian scenario. Such tailored policies will address the unique challenges posed by urban living, ensuring affordable and accessible rental housing options for the state's growing urban population.

To address the need for affordable rental housing in Maharashtra, the proposed policy-level measures are as follows:

- a) Provision of incentives such as tax breaks, subsidies, and relaxed regulations to private developers who will invest in affordable rental housing projects. Public-private partnerships (PPPs) can be promoted to leverage private sector efficiency and innovation.
- b) Designation of specific areas as Rental Housing Zones (RHZ) with relaxed development norms and expedited approval processes to encourage the construction of affordable rental housing. These zones can be strategically located near employment hubs and educational institutions.
- c) Adoption of simplified approval processes for rental housing projects to reduce the time and cost involved in developing these properties. A single-window clearance system for all necessary permits and licenses can be implemented.
- d) Provision of financial assistance in the form of subsidies and grants to developers and non-profit organizations for the construction and maintenance of affordable rental housing.
- e) Unused or underutilized government land to be used for the development of affordable rental housing to reduce land acquisition costs.
- f) Provision of lower interest rates on loans for the development of rental housing projects to make it more financially viable for developers. Similar subsidies can be extended to tenants for rental payments.
- g) Formalization and regulating of the informal rental market to ensure better living conditions and legal protections for tenants. This can be achieved through registration and certification of rental properties and landlords.
- h) Promotion of co-living spaces, especially in urban centres, to provide affordable and flexible rental housing options.

- i) Establishment of tenant assistance programs that will provide financial aid, counselling, and legal support to renters to help address issues related to affordability and security of tenure.
- j) Establishment of Rental Management Company by the developer

In case of Dharavi slum redevelopment project government is planning to provide affordable rental housing to ineligible slum dwellers for the first time. A separate policy will be released for the same with detailed guidelines which includes formation of SPV to ensure effective implementation, appointment of asset management company for operation and maintenance, costing for the construction of rental housing unit and rent, cut of date for eligibility in rental housing scheme along with the other details.

Incentives for landlords

- a) **Tax Incentives:** Provide tax incentives for landlords who offer their properties for rent. This could include deductions on property taxes or income tax benefits for rental income.
- b) **Fast-Track Approvals:** Expedite approvals for landlords seeking to rent out their properties. This would encourage more landlords to enter the rental market and increase the availability of rental housing.
- c) **Subsidies for Property Maintenance:** Offer subsidies or financial assistance for landlords to maintain and repair their rental properties. This would ensure that rental properties are kept in good condition, making them more attractive to tenants.
- d) **Low-Interest Loans for Property Upgrades:** Provide low-interest loans or financing options for landlords to upgrade their rental properties. This would help improve the quality of rental housing stock in Maharashtra.
- e) **Insurance Premium Reduction:** Offer reductions in insurance premiums for landlords who rent out their properties. This would help offset some of the risks associated with renting out property.
- f) **Tenant Screening Assistance:** Provide assistance or resources for landlords to screen potential tenants. This would help landlords find reliable tenants and reduce the risk of rental defaults or property damage.

4.12 State Housing Scheme

Keeping in mind the unmet demand of affordable housing in Maharashtra, a state housing scheme is proposed to be implemented. The state scheme will be in line with the GoI's PMAY.

Under this scheme, excellent quality houses will be constructed at affordable prices through MHADA/ Maha Housing in every taluka of the state. As a part of the first phase, 100 households will be constructed in each taluka. Beneficiaries eligible for it will be from Economically Weaker Sections (EWS) and Low Income Group (LIG). Considering the total of 358 talukas in the state and excluding three talukas in the suburbs of Mumbai, a total of 355 talukas to implement the scheme of 100 households in the first phase of the scheme. These projects can be implemented using the shelter fund available with the state.

B Brown-field Development

4.13 Redevelopment

Redevelopment is a comprehensive approach that considers the social, economic, and environmental aspects of living spaces. Redevelopment addresses the critical need for urban renewal and sustainable living. It transforms outdated and dilapidated housing into modern, safe, and energy-efficient homes, catering to the growing demands of urban populations. By revitalizing neighbourhoods, redevelopment combats urban decay, promotes economic growth, and ensures equitable access to quality housing. It's a forward-thinking approach that not only enhances living standards but also fosters inclusive communities and environmental stewardship with the optimum use of the urban land.

4.13.1 Cluster redevelopment

In the recent time cities have developed in haphazard manner over the years due to rapid urbanisation leading to unauthorized, congested, and unhygienic settlements with inadequate transportation, infrastructure, and basic services. This scenario is typically observed in high density areas of the city. Cluster redevelopment/Urban renewal aims at urban regeneration and redevelopment of old dilapidated buildings in a group, rejuvenating infrastructure and enhancing overall quality of life.

Government of Maharashtra enacted special provision of "Urban Renewal Schemes" in Regulation 14.8 of the UDCPR. The regulation details out the eligibility criteria, incentives, cutoff date, entitlement of rehabilitation, terms for allotment and incentives for such cluster redevelopments.

The Thane cluster redevelopment project is one of the largest projects which covers 45 Urban Renewal Plans, spread across a gross area of 1,500 hectares. The project will be implemented in six areas in the first phase, including Kopri in Thane East and Kisan Nagar in Thane West, and will involve the redevelopment of old and dilapidated buildings, legal and illegal residential

buildings, and recreational facilities³⁴. Anticipated to benefit approximately 30,000 families, the project is being executed by the City and Industrial Development Corporation (CIDCO) along with the partnership with Mahatma Phule Renewable Energy and Infrastructure Technology Ltd (MAHAPREIT), a state-owned entity experienced in affordable housing projects.³⁵

For successful implementation of cluster redevelopment following considerations to be taken care -

- a) Selection criteria for the precinct / cluster for the redevelopment shall be as per the UDCPR Regulation 14.8, and timely amendments to the UDCPR.
- b) Involvement of all stakeholders, including residents, businesses, and local authorities, is crucial for consensus and support.
- c) Ensuring the demand and economic feasibility assessment of redevelopment projects, including funding sources and long-term sustainability. Identifying and mitigating risks associated with redevelopment, including financial, legal, and construction-related risks.
- d) Incorporating green building practices and sustainable designs to minimize environmental impact and leveraging technology and innovative practices to enhance efficiency and quality of life.
- e) Ensuring the transit accommodation for the stakeholders of cluster redevelopment schemes to prevent displacement and provide housing options for all income levels.
- f) Cultural Preservation: Respecting and preserving the cultural heritage and identity of the area undergoing redevelopment.
- g) Monitoring and Evaluation: Implementing robust monitoring and evaluation mechanisms to track progress and make necessary adjustments.
- h) Project timeline for each task shall be defined by the respective implementing authority.

4.13.2 Self-redevelopment

Housing societies of old and dilapidated buildings usually appoints a developer for the redevelopment of the society under the rules and regulations implied by the local government/authority. In such cases except the members of the society only the developer gets benefit of additional FSI and other incentives. The participation in such projects is limited from the members of the society which results into dominance of the developer and stalled projects, irregular payment, or no payment for transit rent. Delayed projects add financial

³⁴ Hindustan times, 06th June 2023

³⁵ [Maharashtra govt launches 1,500 ha cluster development project in Thane \(nbmcw.com\)](https://nbmcw.com)

burden on the buyers from free sale component of the project who took loan from banks to buy home. To curb this issue, it is ideal that housing society can opt for self-redevelopment where the members can get the benefit of FSI and other incentives. State government introduced concessions to ensure fast tracking of such self-redevelopment projects through government resolution dated – March 8, 2019.

The Maharashtra State Government issued a Government Resolution (GR) on September 13, 2019, to promote self-redevelopment of housing societies. This initiative aims to empower residents to undertake redevelopment projects independently, ensuring better control, transparency, and benefits for society members.

Eligibility Criteria:

- Age of Building: Buildings that are over 30 years old are eligible for self-redevelopment.
- Society Resolution: A resolution passed by the housing society's general body is required to initiate the process.

To encourage self-redevelopment, the government has provided several incentives and concessions:

- Additional Floor Space Index (FSI): Eligible projects receive an extra 10% FSI.
- Free FSI: 0.4 FSI is provided at no cost for plots abutting roads less than 9 meters wide.
- TDR Concession: A 50% concession on the purchase of Transfer of Development Rights (TDR).
- Premium Concessions: Reduced premiums payable to Municipal Corporations.
- Loan Rebates: A 4% rebate on loans taken for self-redevelopment projects.
- GST Reduction: Concessions on Goods & Service Tax (GST) applicable to the project.
- Stamp Duty Reduction: A nominal stamp duty of Rs. 1,000 for the Permanent Alternate Accommodation Agreement (PAAA).

The resolution introduces a streamlined approval process:

- Single Window System: All necessary permissions are processed through a single window.
- Timeframe: Plans must be approved within six months from the date of application.
- Completion Deadline: Projects must be completed within three years from the date of obtaining all necessary approvals.

Quality Assurance and Monitoring:

- **Vigilance Committee:** A committee is established to monitor the quality of construction and adherence to project timelines.
- **Regular Inspections:** Periodic inspections ensure compliance with approved plans and standards.

Grievance Redressal Mechanism:

- **Grievance Cell:** A dedicated grievance redressal cell is set up to address complaints from residents and manage issues related to contractors.
- **Protection Measures:** Measures are in place to protect residents from malpractices and ensure their interests are safeguarded.

4.13.3 Redevelopment of old and dilapidated Buildings

Redevelopment of co-operative housing societies in MHADA colonies

Despite the existing provisions for redevelopment of MHADA colonies (Regulation 33(5) of the DCPR of Greater Mumbai, Regulation 7.4 of UDCPR), very few co-operative housing societies in MHADA colonies have undertaken redevelopment. To address this, following measures are proposed:

- a) In case of redevelopment projects, if only the buildings are redeveloped, then other social infrastructure facilities like schools/hospitals/parks in that area, and other infrastructure facilities like road width etc. are often ignored. For this, while undertaking the redevelopment of co-operative housing societies, it is necessary to adopt the approach of group redevelopment instead of individual buildings. This will enable better planning of infrastructure and civic amenities. Redevelopment projects need to be implemented over a large area and while redeveloping buildings, redevelopment of the area is also necessary (Urban Renewal). For this, a minimum area of 1 hectare is proposed for redevelopment of MHADA colonies in Mumbai. MHADA should implement the redevelopment project on an area of at least 2.5 hectares by integrating the concerned flat holders / housing societies. If the redevelopment area increases, the flat owners will get additional carpet area.
- b) Redevelopment projects will be categorized as follows:
 - i. Large projects - 10 acres and above area
 - ii. Medium Project - Area between 5 to 10 acres
 - iii. Small Projects - Area up to 5 acres
- c) It is also proposed that MHADA may create a list of developers, project management consultants, architects and land surveyors / surveyors. So that housing societies will have

access to the resources empaneled by MHADA. The criteria for such agencies shall be finalized with the prior approval of the State Government.

- d) Mumbai Board of MHADA observed that out of 717 No-Objection Certificates (NOCs) issued, 108 projects have received full Occupancy Certificate. 41 projects have received partial Occupancy Certificate. 504 projects have not received Occupancy Certificate. While 64 projects have not seen any progress or have been closed. It is proposed to take away the projects from the developers of stalled projects for more than 5 years and blacklist them.
- e) MHADA has proposed that the Contract Management Agency for all redevelopment projects under Regulation 33(5) of the DCPR shall monitor the compliance of the developer/architect/co-operative society with the terms and conditions and the regular progress of the project as per the redevelopment agreement. The compliance report shall be submitted to MHADA and Housing Department.
- f) The Contract Management Agency will also monitor whether the tenant has received their monthly rent or whether the developer has provided alternative accommodation (transition camp) as mentioned in the redevelopment agreement.
- g) The co-operative housing society, developers and MHADA will enter into a tripartite agreement. This arrangement will also help in addressing issues with respect to non-payment of rent, non-completion of redevelopment work by the developer, blacklisting of developers after issuing show-cause notices on the recommendation of the Contract Management Agency, opening of escrow accounts to provide advance rent to tenants, etc.
- h) 20% of the project cost should be taken as bank guarantee from the developer for a period of 5 years. It is also proposed that bank guarantee will be waived by MHADA in case the developer does not complete the project.
- i) Annual performance index/ranking shall be published annually for Developers, Project Management Consultants, Architects, Land Surveyors/Surveyors on the basis of results decided by MHADA.
- j) It is proposed that MHADA should create online portal for redevelopment projects. Redevelopment related policies/acts/rules frequently asked questions etc. can be easily accessed by all stakeholders on this portal.
- k) MHADA should also promote net-zero buildings to ensure efficient management of resources including energy and water.

Redevelopment of Co-operative Housing Society on Government land by MHADA

For redevelopment of co-operative housing societies on Government land, if the provisions of Regulation 33 (5) of the DCPR 2034 are applicable, then such societies shall get a FSI of 3 or 4 based on the layout. With this additional FSI, more houses will be constructed in addition to

the rehabilitation of existing members. The rehabilitation of the existing members will be completed within FSI of 1 or 1.2. The housing developed in the remaining FSI will be distributed between the concerned department who owns the land, MHADA and the developer in the ratio of 20:20:60 respectively.

For redevelopment of existing MHADA settlements, cluster development should be promoted.

Redevelopment of cessed buildings

The case of redevelopment of cessed buildings is specific to Greater Mumbai. Regulation 33(7) of the DCPR of Greater Mumbai has regulations for their redevelopment by providing additional FSI.

Despite of the existing regulations, there are various challenges in redevelopment of the cessed buildings such as consent of the tenants, smaller plot sizes and road widths, under-utilization of FSI, non-feasibility of redevelopment projects, buildings at disbursed locations etc. There are already several amendments to the MHADA Act and published Government Regulations to streamline the process of redevelopment of cessed buildings.

Following measures are proposed to further strengthen these provisions:

- a) Single window clearance for redevelopment of cessed buildings
- b) Preparation of list of all the eligible tenants similar to Annexure II for slum rehabilitation projects
- c) Engagement of NGO or community expert by the developer for consensus building among tenants
- d) Clubbing of plots where a single redevelopment project is not feasible
- e) Adoption of cluster redevelopment approach for better feasibility, planned infrastructure development
- f) MHADA can acquire larger parcels of land covered with mainly cessed buildings, and undertake redevelopment. For example, redevelopment of Kamathipura.

Redevelopment of old tenanted buildings

There are old authorized tenanted buildings in parts of Mumbai, as well as in cities such as Pune, Nashik, etc., popularly known as '*Pagdi*'. For redevelopment of such buildings in Mumbai, there is a regulation 33(7)(A) in DCPR. This regulation prescribes permissible FSI, permissible carpet area for tenants, consent requirement, area for non-residential occupier, eligibility of tenants, premium and other charges, corpus fund, relaxations in building requirements etc.

Regulation 7.6.2 in UDCPR also prescribes rules for redevelopment of tenanted buildings in the state of Maharashtra (except Greater Mumbai). It prescribes the permissible FSI, permissible carpet area, consent requirement, etc. However, more detailed regulations are required for actual execution of the redevelopment project. Hence, it is proposed that more detailed regulations for redevelopment of old tenanted buildings shall be added to the relevant section of UDCPR.

4.13.4 Redevelopment of Gaothan

Regulation 33(16) of the DCPR of Greater Mumbai has regulations for the redevelopment in Gaothan areas. As per this regulation, FSI of 1.5 is offered in the case of redevelopment for plots fronting the road above 6m and below 9m. An additional 0.5 FSI is offered for commercial development if the plots are fronting road above 9m.

The UDCPR of Maharashtra, in Regulation 6.1, gives a separate set of regulations for Gaothans and congested areas. These regulations are generally relaxed as compared to the regulations for non-congested areas. In DCPR of Greater Mumbai, apart from FSI for redevelopment, there are no separate regulations for development in Gaothan, because of which the development in Gaothans needs to be taken up as any regular project. This creates challenges as the plot areas and street widths in case of Gaothans are comparatively smaller.

Proposed reforms for development of Gaothans;

- a) A separate set of regulations is framed for development in Gaothans in Mumbai. This will also enable development of projects under PMAY in Gaothan areas, which is currently not possible.
- b) Cluster development approach should be allowed for development in Gaothans with necessary modifications. While doing this, precautions should be taken to ensure that the identity of the Gaothans is maintained.

4.13.5 Redevelopment of housing on untenable land

There are housing settlements in the untenable lands such as within the flood line, swamp areas etc. Such areas should be identified and surveyed to make a list of eligible beneficiaries. A separate policy should be prepared for relocation and rehabilitation of such settlements.

4.13.6 Special group of professionals for implementation of redevelopment projects

For each redevelopment project, there should be a project-wise sub-group consisting of architects and banking institutions to regulate the redevelopment of that particular project. This project-wise approach will be helpful in speedy implementation of the project.

4.14 Slum Rehabilitation & Redevelopment

Regulations 14.6 and 14.7 of UDCPR, and regulation 33(10) of the DCPR of Greater Mumbai have provisions for slum rehabilitation. These provisions are based on the approach of developing the slums by using land as a resource to cross-subsidize the cost of development through sale component. The slum rehabilitation schemes have been working well in Mumbai due to scarcity of land and the high land costs, but they are yet to pick up in other cities. In Mumbai too, there have been various issues like poor implementation, non-feasibility and social factors due to which the slum rehabilitation projects have been delayed or held up. This policy proposes following measures to address these issues:

4.14.1 Disciplinary action against developers delaying completion of projects

It has been pointed out in many schemes that there is unreasonable delay in construction of rehabilitation building by the developer. As a result, the noble intention of the government to initiate the slum rehabilitation scheme is failing, therefore some strict conditions need to be put in the Letter of Intent (LOI) as well as in the DCPR and UDCPR. While making the LOI, it should include a condition mandating obtaining the commencement certificate within a specified period, and failure to obtain the commencement certificate within the specified period shall result in reduction of the incentive carpet area index as shown in the table below.

Table 5: Reduction in incentives in case of failure to obtain Commencement Certificate

| Period for obtaining Commencement Certificate after receipt of LOI | A reduction in incentives in the developer's sales portion |
|---|---|
| 2 years | 5% |
| 3 years | 10% |
| After 4 years, the LOI will be canceled and will not be renewed. | |

In some cases, after receiving the Commencement Certificate, although there are no hindrances, the developers do not start the rehabilitation scheme. The developer is expected to complete at least one-third to one-fourth of the construction every year after obtaining the Commencement Certificate. If the developer fails to complete the construction within the stipulated time, a reasonable deduction will be made in the incentive carpet area index as

shown in the following table. A reduction in incentive carpet area index will certainly act as a deterrent measure.

Table 6: Reduction in incentives on failure to complete construction in time

| Period for completion of standard construction after receipt of commencement certificate | Reduction in incentives in the developer's sales area |
|--|---|
| 1 year | 5% |
| 2 years | 10% |
| 3 years | 15% |
| 4 years | 20% |
| Additional deduction of 7% per annum | |

4.14.2 Conversion of leased land into fully owned land in slum rehabilitation project

In the case of slum rehabilitation schemes on public land, section 15A of the Slum (Improvement, Clearance and Redevelopment) Act provides for lease of land for 30 years to slum dwellers' societies and societies formed by buyers of flats in sale buildings. Developers are not able to raise capital from banks, non-banking financial companies etc. Banks and other financial institutions are not willing to provide finance as they do not get collateral (mortgage) in return for financing. Presently SRA is executing the lease agreement on public land with the developer/society after giving the Letter Of Intent (LOI). To enable the developer to raise funds from the bank, it is proposed that an application can be made to the SRA after giving the LOI to convert the land of the sale building into a fully owned land by depositing an amount equal to 33% of the total amount required for conversion of leased land into fully owned land. After depositing such amount, a tripartite agreement may be executed by the SRA to allow developers to seek funding from the banks to start construction. After completion of the slum rehabilitation scheme, the land can be converted into full ownership by accepting the remaining amount for land conversion.

4.14.3 Redevelopment of slums on the private plots greater than 10 acres area

Additional provisions are proposed for redevelopment of slums on larger private land parcels for effective implementation of such projects.

- a) For such development, under Section 3K of the Maharashtra Slum Improvement, Clearance and Redevelopment Act, 1971, a temporary Letter of Intent (LOI) will be issued by the Housing Department.
- b) Land acquisition for such a scheme should be done on priority and at faster pace.

- c) Before finalizing the Annexure-2 for such scheme, the SRA may issue Letter of Intent (LOI)/ Approval Notice (10A)/ Commencement Certificate (CC) under Regulation 33(10).
- d) As per Section 3K of the Act, the concerned competent authority shall issue Annexure-2 within 90 days of the issuance of the letter of intent.
- e) 50% concession in infrastructure charges, MRTTP charges and LUC charges should be given for such schemes.
- f) No open space deficiency charges should be levied for rehabilitation units/combined buildings (rehabilitation and sales units) under this scheme, and labour-tax-fees should be levied on the basis of land-area.

Benefits of the proposed measures:

- Consent of slum dwellers shall not be required.
- Annexure-2 Finalization will not be delayed.
- The developer shall have sufficient funds for timely completion of the scheme.
- Larger area would facilitate provision of alternative transit camps for slum dwellers.
- All the above incentives will motivate the developers to implement the slum rehabilitation scheme.

4.14.4 Separate unit for eviction in slum rehabilitation schemes

In respect of ineligible and non-cooperative slum dwellers, Sections 33 and 38 of the Slum Act must be followed. Timely enforcement of eviction orders requires the help of police and demolition teams. Most of the time the police department is unable to provide adequate police force due to other requirements. It is proposed that the SRA will hire the services of security personnel from private security agencies in addition to a limited police force.

4.14.5 Transit camps

Currently there is a severe shortage of transit camps, which prevents developers from shifting slum dwellers to alternative accommodation. Hence it is proposed to construct permanent transit camps on developable Salt pans, and land owned by Mumbai Port Trust and other public authorities etc.

4.14.6 Rental housing complexes

The said scheme shall be permissible in Residential/Commercial/Industrial use category (after change of use to Residential/Commercial user). It shall be allowed on plots having access road of minimum 9m width.

Distribution of FSI in the said scheme will be as per Regulation No.33(11) of DCPR 2034 of Greater Mumbai. Half of the total FSI (base FSI + additional FSI) of the said site will be used by the developer and the remaining FSI will be used for construction of residential units which will be transferred to the Shivshahi Redevelopment Project. The carpet area of these units will be 300 sq.ft as per Regulation 33(11) of DCPR.

All the concessions and payments as per Regulation 33(11) of the DCPR will be applicable in these projects. These projects will be implemented by the SRA.

4.14.7 Auto Annexure-II

Competent authority takes a lot of time to prepare and finalize Annexure-II. The Competent Authority must send the documents to various Government as well as semi-government authorities like Municipal Corporation of Greater Mumbai (MCGM), Adani Electricity Supply Company, Brihanmumbai Electric Supply and Transport (BEST) etc. for verification. SRA has planned to create an automatic Annexure-II. An agency will be appointed for this purpose through competitive bidding and the successful bidder will be responsible for preparing the base material, which includes acquisition of information from Municipal Corporation of Greater Mumbai, Adani Electricity Supply Company, Aadhaar Card, Audit of Voter List etc. Once the basic material is prepared then the eligibility of the slum dwellers through the said software will be determined on the basis of information and biometric survey. This will greatly reduce the human intervention as well as the time required for preparation of Annexure-II.

4.14.8 25% compensation to private landowners in slum rehabilitation scheme

Slum rehabilitation schemes on privately owned land have been delayed due to petitions filed by private landowners in various courts. Slum rehabilitation schemes on private land require acquisition of land. As per the provisions of the Maharashtra Slum (Reformation, Clearance and Redevelopment) Act, 1971, the compensation payable to private landowners is minimal. In case of government land, developers are required to pay 25 percent of the land rate as per the Ready Reckoner to the SRA. On this basis, if the Maharashtra Slums (Improvement, Clearance and Redevelopment) Act, 1971 is amended to provide a compensation of 25% of the ready reckoner rate to the private landowners, disputes over acquisition will be significantly reduced and private landowners will easily get ready for land acquisition.

4.14.9 Establishment of Joint Venture / Special Purpose Entity (SPV)

In case of slum rehabilitation schemes on public land, the slum rehabilitation schemes can be implemented in a Joint Venture (JV) by setting up a Special Purpose Vehicle (SPV) and

adopting the Dharavi model of 20:80. For this purpose the initiative will require the SRA to set up a special purpose company in which the SRA should hold 20% stake with voting rights. In such schemes the principal partner i.e. the developer shall not be entitled to raise finance by encumbering the land. A quarterly progress report will need to be submitted by the principal partner to the SRA. The main partner i.e. the developer will be responsible for carrying out and maintaining all the works. If the developer fails to complete the scheme within the stipulated time, provision will be made to the SRA to relieve the Special Purpose Company of all encumbrances. Where such a model is adopted, there will be no need to obtain the necessary consent of the slum dwellers as per the provisions of the DCPR 2034.

4.14.10 Appointment of developers through competitive bidding process / transparent competitive open tender under Slum Rehabilitation Scheme

The slum rehabilitation schemes sometimes remain incomplete because of removal of developers for the reasons such as non-completion of work, inordinate delays etc.

After such removal of the developer, the slum dwellers' organization can appoint a new developer of their choice. However, they are not getting new developers and the projects are stalled. Developers have not shown interest in the incomplete schemes due to various reasons. Out of these schemes, proposed schemes on public land should be identified and developers should be appointed through competitive bidding process under Section 13 of the Slum Act.

The SRA has proposed to prepare a list of developers by verifying their specific knowledge and past performance in implementing slum rehabilitation schemes, so that such developers can be prioritized for speedy redevelopment. Criteria should also be laid down for developers.

4.14.11 Slum redevelopment by slum dwellers' organizations

It is proposed that the slum dwellers' organizations can redevelop the slums themselves or by hiring contractors or through government/semi-government authorities. The organization will develop the land considering the number of members, and using 10 percent of land for sale and 20 percent of land for public amenities. These plots will be sold by the Government authority through lottery system.

Selling permission for additional plots can be allowed and revenue generation from this housing scheme is possible. The slum dwellers' organization can develop their area using 10 percent area for sale plots.

4.14.12 Slum Rehabilitation Authority to undertake redevelopment work as developer

The SRA is currently acting as a facilitator between slum dwellers and developers for slum redevelopment. However, many slum rehabilitation projects have been stalled for years due to developers or other reasons, the SRA has proposed to act as developer in connection with slum rehabilitation schemes on public land.

Slum rehabilitation projects on public land will be undertaken directly by the SRA and contractors will be appointed through competitive bidding. Necessary finance will be made available by the SRA as per the progress of the scheme. Once the rehabilitation component is completed by the SRA, it will recover its cost by constructing affordable houses on the sale plot, the affordable houses thus constructed can be allotted through drawing lottery, or the SRA can auction the vacant plot without any construction. The FSI available for such vacant plot shall be as per regulation 33 (10) of the DCPR 2034.

4.14.13 Development of slums on Central Government land

In the case of slums on land belonging to the Central Government, the slum rehabilitation schemes can be implemented through JV between the Central Government and the SRA. In this case, the corpus fund can be available from the respective department of the Gol.

4.14.14 Cluster redevelopment of multiple slums within one ward

Two or more slums present within a ward can be redeveloped as a cluster. After analyzing the feasibility of the slum rehabilitation projects, the developers may be allowed to club two or more slums within one ward for cluster redevelopment. This approach would enable redevelopment of slums which is currently not feasible as an individual slum, but may become feasible as a cluster redevelopment with other slums.

4.14.15 Use of CSR fund for slum rehabilitation projects

Schedule VII to the Companies Act, 2013 indicates the activities to be undertaken by the company under CSR. Slum area development is one of the activities for which the companies can utilize CSR fund. It is proposed that slum rehabilitation projects can be also considered as a part of these activities, and hence, can be eligible for CSR funding.

C Green Building Initiatives and Innovative Technologies

4.15 Green Building Initiatives

In India, the building sector is the second highest contributor to the energy consumption after industries³⁶, and a significant contributor to Green House Gas (GHG) emissions due to this energy consumption. This, combined with increasing urbanisation and the rising demand for affordable housing points to the need to make initiatives to make the upcoming buildings environmentally sustainable and energy efficient. In August 2021, the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) warned that the Indian subcontinent would suffer more frequent and intense heat waves over the coming decade. Hence, thermal comfort is one of the most important parameters to be considered.

The state has always been proactive in taking initiatives to ensure that the housing being built in the state is environmentally sustainable. This is being achieved through various mandatory regulations of UDCPR and FSI incentives for green buildings. Additional FSI of 3%, 5% and 7% is offered to the developers of green buildings based on the certification levels.

To further strengthen these efforts, following measures are proposed:

- a) **Adoption of Eco-Niwas Samhita:** The Eco-Niwas Samhita (energy conservation building code for residential buildings published by Bureau of Energy Efficiency) whenever notified by the State Government, shall be made mandatory for all the affordable housing projects coming up under this policy.
- b) **Sustainable materials:** Through UDCPR, the use of locally available, sustainable and disaster resilient materials will be made mandatory for all the projects.
- c) **Energy-efficient appliances:** The authorities building public housing can procure energy-efficient appliances such as BLDC (Brushless Direct Current) fans, etc. in bulk and install them in the affordable housing projects.
- d) **Plantation:** The UDCPR mandates specific number of trees per unit area, but it shall also include the list of trees that should be preferred for planting based on the local conditions and requirement.
- e) **Measures to ensure thermal comfort:**
 - Eco-Niwas Samhita sets standards for building roofs, walls and fenestration (openings such as windows, doors, vents) to limit heat gains (for cooling-

³⁶ State Energy Efficiency Index, Ministry of Power, 2023

dominated climates) and to limit heat loss (for heating-dominated climates), and for ensuring adequate natural ventilation and daylighting potential.

- Based on India Cooling Action Plan, the state shall formulate guidelines that aid thermal comfort in the affordable housing projects, and also prepare a cool roof policy³⁷.

f) Incentives for operation and maintenance of green buildings:

- The state has been encouraging development of green buildings through various incentives in the form of additional FSI, but the most common issue in the green buildings is operation and maintenance post occupancy of the building.
- To ensure continuous operation and maintenance of the green components of the buildings such as Rainwater Harvesting, Sewage Treatment Plant, Solar Panels, Solid waste management systems, the local bodies shall roll out initiatives such as property tax rebates for buildings maintaining the green building components.

g) Installation of solar photovoltaic panels:

- There is a great thrust on use of solar energy from the Government of India. The State Government has also made it mandatory for the projects located on plots above 4,000 sq.mt to provide Solar Water Heating (SWH) systems and Roof Top Photovoltaic (RTPV) systems.
- In addition to this, the Government shall make it mandatory for all the projects housing more than 5,000 dwelling units and all the township projects to install Grid-connected Solar Photovoltaic systems with the aim of neutral billing.
- Installation of grid-connected solar systems shall be mandatory for all the housing projects developed by the public authorities.

4.16 Innovative Construction Technologies and Materials

The policy encourages the use of local materials, skills and techniques that are eco-friendly and suitable to the prevailing climate of the region. However, the Government understands the importance of the adoption of new and innovative construction technologies to improve the pace and quality of construction of affordable housing projects. While the national government is already encouraging adoption of innovative technology in affordable housing

³⁷ A cool roof uses special paints or tile cover and is designed to reflect more sunlight than a conventional roof, thus reducing heat retention and cooling indoor spaces.

projects, the role of the state government is to ensure that these technologies are accepted and adopted locally.

The state government will achieve this through following ways:

- a) **Incentives:** The Government will promote adoption of new and innovative construction technologies and cost effective, environment friendly, locally available and disaster resilient construction materials by offering following incentives:
 - Expenses on innovative construction technology to be eligible for income tax deductions.
 - Reduced GST on materials
 - Technology innovation grant from State Government
- b) **Encouragement through awards:** State awards for projects completed using innovative and sustainable construction technologies and materials
- c) **Inclusion in tendering process:** The Government shall incorporate specifications of new building materials and innovative construction technologies in the tendering processes for project development.
- d) **Guidance document:**
 - **A manual of locally relevant architectural designs, and material and technology** options will be commissioned by the appropriate agency to guide public authorities and private developers on design.
 - The government will prepare **guiding document to assist the developers of affordable housing projects in availing Technology Innovation Grants (TIG)** from state and national government.

Government of Maharashtra encourages use of technologies shortlisted under Global Housing Technology Challenge (GHTC). This initiative aims to identify and mainstream the best available construction technologies from around the world that are sustainable, disaster-resilient, cost-effective, and suitable for different geo-climatic conditions in India.³⁸

1. **Precast Concrete Construction System:** Used in Chennai and Ranchi, this involves assembling precast components at the site, which speeds up construction and ensures quality.
2. **Monolithic Concrete Construction using Tunnel Formwork:** Implemented in Rajkot, this method allows for rapid construction of uniform structures.

³⁸ <https://ghtc-india.gov.in/Content/LHP.html>

3. Prefabricated Sandwich Panel System: Used in Indore, this system involves prefabricated panels that provide good insulation and are quick to assemble.
4. PVC Stay-in-Place Formwork System: Applied in Lucknow, this technology uses PVC formwork that remains in place, providing additional strength and insulation.
5. Light Gauge Steel Structural System & Pre-engineered Steel Structural System: Being used in Agartala, these systems involve lightweight steel structures that are quick to erect and highly durable.

D Other Policy Initiatives

4.17 Affordable Rural Housing

In Maharashtra, housing initiatives like PMAY(G) have improved rural living by constructing pucca houses and integrating basic infrastructure development. However, the state faces challenges hindering affordable rural housing. Financial constraints, high construction costs, and limited financing options make housing unaffordable. Land scarcity and unclear titles complicate land acquisition, while inadequate infrastructure and poor connectivity reduce project viability. Technical issues such as construction quality further hinder progress.

Addressing these challenges is crucial to meet the pressing need for affordable rural housing. Improved housing conditions are essential for economic stability, poverty alleviation, and enhancing living standards. Access to sanitation, clean water, and disaster-resilient housing is vital for health and well-being, while stable housing promotes community cohesion and educational opportunities. Balancing urban-rural development through sustainable housing solutions and infrastructure investment can revitalize rural areas, making them more attractive and resilient.

To strengthen the affordable housing in rural areas of the state, several policy measures are proposed:

- a) **Enhanced Financial Assistance:** Subsidies could be increased, and interest-free or low-interest loans should be introduced for rural housing to enhance affordability.
- b) **Land Restructurings:** Land pooling schemes could be implemented and land title clearances to be expedited to facilitate consolidated land use for housing development.
- c) **Incentives for Private Developers:** Offer tax incentives, streamline approval processes, and promote public-private partnerships to stimulate investment in rural affordable housing.
- d) **Use of Technology and Innovation:** Promote prefabricated construction methods and green building practices to reduce costs and enhance sustainability in rural housing projects.
- e) **Capacity Building:** Establish training programs for local construction workers and engage communities in project planning to improve skills and ensure community involvement.

- f) **Improved Infrastructure:** Integrate housing projects with broader infrastructure plans and ensure digital connectivity to support modern living standards in rural areas.
- g) **Targeted Support for Vulnerable Groups:** Develop specialized housing schemes for women, SCs, STs, and marginalized groups, including disaster-resilient housing options.
- h) **Monitoring and Evaluation:** Establish clear metrics for program performance and ensure transparent fund allocation and project implementation to prevent misuse of resources.
- i) **Promotion of Cooperative Housing:** Support housing cooperatives through technical and financial assistance, enabling collective ownership and management of housing projects.

4.18 Housing & Construction Finance Strategies

4.18.1 Housing Finance

Promotion of housing finance is critical for the sustainable development of the housing sector. High mortgage repayment-to-income ratios, unavailability of adequate collateral, stringent due diligence procedures are major setbacks for low-income households in accessing formal housing finance.

Lowering interest rates, providing interest subsidies for low-income households, mandating lenders to have share of their assets in affordable housing loans are some of the interventions that are implemented at national level. However, at the state level, the Government shall work along with the financial institutions to improve access to housing finance for low-income households.

To achieve this, following measures are proposed:

- a) The Government can encourage financial institutions to define their targets to provide credit facilities to the EWS/LIG segments for affordable housing.
- b) It can encourage HFCs, MFIs to collaborate with other agencies to strengthen their capacities in field-based detailed assessment and verification processes.
- c) It can promote Housing Finance Companies (HFCs), Micro Finance Institutions (MFIs) for increased outreach to the EWS/LIG segments through campaigns.

4.18.2 Construction Finance

Affordable housing has been given infrastructure status. This enables the developers to avail External Commercial Borrowing (ECB), Foreign Direct Investment (FDI) for their projects. It is also a sector eligible for Priority Sector Lending (PSL) from Banks and HFCs.

Additionally, there are initiatives at national and state levels with respect to availability of construction finance to the developers of affordable housing. Finance Ministry of India has set up a special fund called Special Window for Affordable and Mid-Income Housing (SWAMIH) to provide debt financing for completion of stalled real estate projects.

On the similar lines, the State Government can take up following measures:

- a) **State-level distressed asset fund:** Maharashtra government will create a state-level distressed asset fund to facilitate contractors to complete stuck projects. Focus of state-level fund can be Affordable Housing Projects requiring last-mile funding for project completion and handover.
- b) **Amnesty Scheme:** Maharashtra government has announced an amnesty scheme with a view to restart housing development of stalled projects which can potentially unlock blocked bank loans of approximately 35,000 Cr.³⁹
- c) **Interest free loans:** long-term interest free loans disbursed by central government can be availed for construction of affordable housing and viability gap funding for the promotion of private investment in affordable housing construction.

4.18.3 Constitution of State-level Housing Fund

A fund can be constituted at state level for the purpose of development of affordable housing which will be administered by the Housing Department. This fund can support construction of housing projects by public authorities, PPP as well as projects by private developers.

Sources for the fund:

1. Grants from Government of India
2. Grants from Government of Maharashtra
3. Funding from Development Finance Institutions (DFIs)

Utilization of fund:

³⁹ Maharashtra Economic Advisory Council Report 2023

1. Development of affordable housing for EWS and LIG
2. Development of housing for senior citizen, industrial workers, students and working women
3. Construction of affordable rental housing projects

The projects for availing funding from the housing fund shall be filtered based on the stringent criteria with respect to, feasibility of the project, mandatory green building certification, innovative construction technology, etc.

Detailed guidelines for the constitution and utilization of housing fund will be prepared by the housing department in consultation with relevant agencies.

4.19 Ease of Doing Business

The following measures are recommended to significantly enhance the ease of doing business in Maharashtra's housing sector:

- a) **Streamlined Approval Processes and Single Window Clearance:** Enforce a streamlined and digitized approval process for construction projects, including building permits, environmental clearances, and occupancy certificates. A single-window clearance system should be mandated for large projects – more than 40,000 sq.mt to minimize the delays.
- b) **Parity in payment of various premiums:** It is observed that there is a difference in the instalment facility offered by MCGM and MHADA for payment of various premiums. The instalment facility offered by MCGM is more practical as the number of instalments is linked to the height of the building (five instalments for buildings having height less than 70 m and six instalments for buildings having height equal to or more than 70m). Also, MCGM grants full CC except for 10% of built-up area to ensure full payment of all the instalments. MHADA's instalment facility is same for all buildings and is more stringent. The CC granted by MHADA is proportionate to the instalments paid.

As per MHADA's Resolution no. 6260, the premium for commercial is different from residential, whereas Regulation 33(5) of DCPR does not differentiate between premium rates for residential and commercial.

To bring parity across policies of various planning authorities and thereby, to ensure ease of doing business, it is proposed that MCGM's instalment facility and premium rates to be adopted by MHADA too.

- c) **Simplified process for Agricultural to Non-Agricultural (NA) conversion of land:**
The process of conversion of land from Agricultural to Non-Agricultural should be simplified. Although this process is made online, still a lot of work is done offline.
- d) **Clarity in Acts/ Rules:** The rules should be strict and clear enough so that they cannot be interpreted differently, otherwise multiple interpretations of the rules lead to projects being stalled with litigations going on for years.
- e) **Periodic review of Acts and necessary amendments:** A committee should be appointed chaired by a retired IAS Officer for periodic review of the Acts. The committee will ensure that all the Acts are in sync and amended as required.
- f) **Clarity in Project Approvals:** Frequent changes in the policy depending on the approvals and permissions given to the projects should be avoided. The permission given to the project should be irrevocable.
- g) **Transparent Land Acquisition:** Ensure transparent and efficient land acquisition processes for real estate development projects. This should include clear guidelines for land acquisition, fair compensation for landowners, and timely approvals for land conversion.
- h) **Improvement of Infrastructure:** Require investments in improving infrastructure such as roads, water supply, and electricity to support the growth of the real estate sector. This would make the state more attractive for real estate development and enhance the quality of life for residents.
- i) **Infrastructure Status to Housing Sector:** Affordable housing already has an infrastructure status. It is proposed that the overall housing and real estate sector should get infrastructure status. This will lower the interest rates for construction finance and enable inflow of capital in the form of Foreign Direct Investment (FDI) and private capital.
- j) **Regular Stakeholder Consultations:** Mandate regular consultations with stakeholders in the housing sector, including developers, investors, and homebuyers, to identify challenges and opportunities for improvement. This would ensure that policy reforms are effectively addressing the needs of the industry.

4.20 RERA

Under the Real Estate (Regulation and Development) Act, 2016, the Government has established the Maharashtra Real Estate Regulatory Authority (MahaRERA) for regulation of real estate sector infusing transparency, financial discipline, citizen centricity, accountability and speedy redressal of complaints. One of the key provisions of RERA is the mandatory disclosure of project details by developers, including information on project completion

timelines, carpet area, amenities, and pricing which are very crucial in any real estate project, more so in the affordable housing projects.

The Act provides for filing of complaint with MahaRERA, by an aggrieved person for any violation or contravention of the provisions of the Act. So far, 24789 complaints have been registered with MahaRERA, out of which only 16979 complaints have been resolved⁴⁰. Timely redressal of complaints is crucial especially in the case of affordable housing projects.

To address this, the Government should take following measures:

- a) **Adequate staffing:** Given the large number of registered projects, lodged complaints and grievances, the functioning of MahaRERA needs to be expanded. There should be enough staff to handle all the functions effectively.
- b) **Staff on deputation:** Currently, most of the important posts in MahaRERA are filled on contractual basis. Some of the officers and staff members appointed in 2017 on contractual basis are still serving. However, to ensure efficient working of the authority, the important and senior posts should be appointed on deputation from other Government Departments.
- c) **Bench at each district for complaint redressal:** For timely redressal of complaints, there should be benches at each district level.
- d) **Provision of consolidated state fund:** The fees and penalties collected by MahaRERA should be credited to the consolidated state fund. The funds for functioning of RERA can be disbursed from this fund as per requirement.

4.21 Urban Planning Reforms

This section of the policy document outlines strategic initiatives aimed at fostering sustainable and inclusive urban development to address the challenges of rapid urbanization, optimize land use, and enhance residents' quality of life. By integrating modern planning techniques, improving infrastructure, and promoting environmental sustainability, the state seeks to create vibrant, resilient, and well-connected urban communities. The proposed reforms emphasize participatory planning, streamlined regulatory processes, and the incorporation of technologies to ensure efficient governance and responsive urban management.

Additionally, these reforms aim to meet the housing sector's needs by establishing a comprehensive support system, elevating it to a robust housing industry. The goal is to view

⁴⁰ <https://maharera.maharashtra.gov.in/#nolink>, retrieved on June 27, 2024.

the housing sector not as an isolated entity but as part of a holistic environment designed to foster its development, growth, and long-term sustainability.

The state proposes the following urban planning related reforms and measures:

A. Creation of land bank database for government land suitable for residential use

The major aim is to streamline the identification, acquisition, and allocation of land parcels for housing development. The reforms include a comprehensive survey and digitization of government-owned lands to create a centralized database, ensuring transparency and efficiency in land management. The policy will prioritize the conversion of underutilized or vacant government lands into residential zones, with a focus on affordable housing projects. Additionally, regulatory frameworks will be established to facilitate public-private partnerships, incentivizing private developers to participate in the development of these lands. The reforms will also include measures to expedite the clearance and approval processes, reducing administrative delays and encouraging timely project completion.

B. Place-making

Place-making in affordable housing projects aims to create meaningful and useful spaces with community through collaborative process. Following strategies can be adopted to enhance place making in the affordable housing projects:

- **Mandatory green areas:** Such green spaces can serve as gathering spots, promote physical activity, and enhance the overall environment.
- **Shared amenities:** Shared amenities like community centres, libraries, study rooms or fitness rooms encourage interaction among residents and provide resources for personal growth.
- **Public art and murals:** Collaboration with local artists to incorporate murals, sculptures, or other forms of art in the public areas. These installations can celebrate community identity and beautify the area.
- **Local businesses and markets:** Space can be provided for local shops, cafes, or markets. These establishments contribute to the neighbourhood's character and economic vitality.

C. Provision of Infrastructure services to boost housing sector

To enhance the housing sector in Maharashtra, several proposed policy mandates and reforms under physical and social infrastructure services are being considered. These reforms

aim to improve infrastructure and service delivery while fostering a supportive environment for housing development.

For physical infrastructure, comprehensive urban development plans will integrate transportation, water supply, sanitation, and power systems to promote cohesive growth. Transit-Oriented Development (TOD) will optimize land use, while metro rail expansions and multi-modal transport hubs will enhance public transport accessibility. Sustainable water management practices, including rainwater harvesting and wastewater recycling, along with smart water management systems, will be implemented. Additionally, smart grids and incentives for renewable energy projects will ensure reliable energy supply.

On the social infrastructure front, healthcare access will be improved through public-private partnerships (PPP) to establish new facilities and expand telemedicine services. Educational infrastructure will see upgrades to existing schools and the establishment of skill development centers to better equip the workforce. Community development initiatives will focus on creating community centres, parks, and inclusive housing policies that provide affordable units. Enhanced safety and security will involve smart surveillance systems and the development of disaster-resilient infrastructure.

To support these initiatives, policy and regulatory reforms will streamline approval processes through online platforms, reducing administrative delays and simplifying compliance. Financial incentives such as tax benefits, interest subsidies, and grants for affordable housing projects will be offered, alongside subsidized loans for first-time homebuyers. Land use reforms will encourage mixed-use developments and higher densities while promoting land pooling mechanisms for large-scale projects. Collectively, these proposed reforms aim to create a conducive environment for housing development in Maharashtra, enhancing infrastructure and providing vital support to developers and homebuyers.

D. Inclusionary Zoning

Inclusionary zoning is a spatial tool used to demarcate zones or areas in the Development Plan where a private developer shall build affordable housing. The inclusionary zoning may be mandatory or voluntary. In case of voluntary approach, such inclusionary zone for affordable housing can be an overlay zone above the base zone as decided by the authority. The development can either be as per base zone or overlay zone based on feasibility.

The inclusionary zoning and its regulations will vary from city to city, based on the specific housing needs of the city and the real estate market. Hence, while preparing the Development Plans, the planning authorities shall give consideration to the inclusionary zoning.

E. Encouraging Affordable Housing in Transit Oriented Development (TOD) Areas

Transit-Oriented Development (TOD) promotes compact, mixed-use, pedestrian- and bicycle-friendly urban development that integrates jobs, housing, services, and amenities. Moreover, it is closely integrated with public transportation. Affordable housing combined with TOD can provide significant social, economic, and environmental benefits. Access to affordable housing near transport hubs is particularly important for low-income households as it reduces transport costs. Additionally, it improves access to employment and basic services and promotes social inclusion.

The following measures will be taken to promote affordable housing in TOD areas:

- a) Demarcation of TOD areas in Development plans
- b) Creation of Affordable Housing zones in TOD
- c) Provision of additional FSI in TOD areas
- d) Certain percentage of units mandatorily reserved for EWS and LIG households
- e) Discount in premium FSI charges

F. Development of Satellite towns

To reduce housing pressure in urban areas and curb rural-urban migration, developing satellite towns in Maharashtra requires an approach which should be focused on the following:

- a) Establishing industrial and commercial hubs, along with Special Economic Zones (SEZs), can create local employment opportunities and stimulate economic growth.
- b) Enhancing transport connectivity through robust networks and efficient public transit systems, along with reliable utilities and services, will make satellite towns more accessible and liveable.
- c) Implementing affordable housing schemes and encouraging public-private partnerships can ensure diverse housing options for different income groups.
- d) Social infrastructure, such as quality educational institutions, healthcare facilities, community centres, and recreational spaces, will improve residents' quality of life.
- e) Promoting green building practices, integrating renewable energy sources, and adopting smart technologies will support sustainable and efficient development.
- f) Strengthening local governance with greater autonomy, coupled with robust monitoring and evaluation frameworks, will ensure effective management of these towns.
- g) Offering tax incentives, subsidies, and grants will attract businesses and investments.
- h) Engaging local communities through public consultations and partnering with NGOs for social welfare initiatives will foster community development.

These interventions will make satellite towns attractive, self-sustaining alternatives to major urban centres, thus reducing urban housing stress and curbing migration.

G. Digital TDR Certificates and online portal

As suggested in the guidelines published by NITI Aayog⁴¹, to enhance the transparency in the TDR trading mechanism, prevent misinformation, facilitate better monitoring and to make the process citizen friendly, an online TDR bank portal/ application can be developed by the local bodies. This portal may have various features like details of TDR Certificates (digital TDR certificates) issued, TDR area calculations, notification of sale and purchase etc. Such a system may also reduce the transaction cost and eliminate the dependence on brokers.

4.22 Creation of State-level Housing Information Portal (SHIP)

Various government agencies under different departments are responsible for the development of housing stock, including authorities such as MHADA, CIDCO, MahaHousing, and MIDC. It is proposed to create a unified web-based portal that will consolidate all data related to housing provided by these agencies under different schemes, and their beneficiaries. In the first phase, this portal will offer easy access to information on the existing vacant housing stock developed by government agencies, details of upcoming units, and their locations. Additionally, it could be linked to the land bank database, offering mapping and insights into suitable land available across various departments. During the second phase, the information related to the private developments could be integrated in this portal with the help of the RERA.

Moreover, this portal could also be integrated with other central and state-level initiatives, such as Gati Shakti, to support the regional development of the state and contribute to boosting the state's economy.

4.23 Policy Reforms to Facilitate CSR Contribution in Affordable Housing

Corporate Social Responsibility (CSR) funds can indeed play a significant role in developing the affordable housing sector of Maharashtra. By directing CSR funds towards housing-related projects, private companies can significantly contribute to addressing the state's critical housing challenges. As per Schedule VII of the Companies Act, activities related to eradicating hunger and poverty, promoting education, promoting gender equality and building homes/

⁴¹ *Transferable Development Rights – Guidelines for implementation of TDR tool for achieving urban infrastructure transition in India*, NITI Aayog, September 2020
<https://www.niti.gov.in/sites/default/files/2021-09/TDRguidelines.pdf>

hostels for women, ensuring environmental sustainability, protection of heritage, promotion of sports, contribution to funds set up by Central Government, contribution to research and development, rural development projects, slum area development and disaster management, etc. can be included by the companies in their CSR policies.

It is proposed that these activities are expanded to facilitate CSR contribution in affordable housing sector through following measures:

- a) Companies could collaborate with the MHADA to co-finance affordable housing projects, providing homes for low-income families and contributing to socio-economic upliftment.
- b) Companies could use CSR contributions to support initiatives aimed at providing housing for homeless populations, such as shelter homes and rehabilitation programs for street dwellers.
- c) CSR initiatives could finance skills training programs for construction workers, improving the quality of housing projects and providing employment opportunities for local labourers.
- d) CSR could also support financial literacy programs for homebuyers, particularly those from lower-income groups, to help them better understand mortgage options, savings, and long-term financial planning.
- e) The state could establish a “CSR-Housing Development Board” to collaborate with corporates, aligning CSR investments in housing with Maharashtra’s broader development goals.
- f) The government could implement “regulatory reforms” to streamline procedures for companies investing in housing-related CSR activities.

4.24 Capacity Building & Skill Development

Apart from creating necessary awareness about the technologies, materials, and processes; capacity building of professionals, masons, construction workers and artisans would be required for use in the field. There is a need for private and public sector to work together in skill development and capacity building of construction workers.

- a) **Setting up new Skill Development Centres:** The State Government will identify the clusters of development where new skill development centres can be set up.
- b) **Upgradation of existing ITIs:** Further, the Government will also upgrade the existing Industrial Training Institutes (ITIs) through introduction of a state scheme in line with

the one introduced by Ministry of Skill Development and Entrepreneurship⁴². The ITIs will be encouraged to sign MOUs with the industry to conduct training programs to meet specific skill requirement e.g., a new construction technology or working with a new material.

- c) **Partnership with National Skill Development Corporation (NSDC):** The state government will encourage all the public agencies and private developers involved in the construction of affordable housing to leverage from the initiatives of the National Skill Development Corporation (NSDC)⁴³. NSDC undertakes various initiatives to foster partnership with private industries to expand skill development initiatives. The private organisations can use their CSR funds to sponsor candidates in skill development and capacity building.
- d) **Capacity building of public authorities:** Additionally, capacity building of the staff of the public authorities responsible for development of housing projects is equally important. Government will encourage frequent trainings to upgrade their knowledge about the upcoming technologies, best practices around the world and new software (IT and financial management tools) to ease their tasks of planning, implementation, and monitoring.

4.25 Responsibility of Accidents on Construction Sites

The responsibility of any accident on the construction site is with the developer, rather than the safety manager and the contractor. There is a need to revise the definition of major employer in this regard.

4.26 Quality Control

Given the scale and pace of development of affordable housing, it is imperative to keep a check on the quality of the construction and the units being delivered. The construction quality of a project depends on multiple technical and engineering parameters like soil testing, structural stability, quality of raw material, seismic resistance, etc. Achieving good construction quality is possible if stringent checks are followed at each construction stage. Ensuring construction quality in the housing sector is crucial for safety, durability, and long-term liveability.

⁴² [Schemes for Upgradation of ITIs | Ministry of Skill Development and Entrepreneurship | Government of India \(msde.gov.in\)](https://msde.gov.in)

⁴³ [Industry Partners - CSDCI \(csdcindia.org\)](https://csdcindia.org)

Hence, the proposed measures that can be adopted by the state to ensure quality in the construction of housing projects are as follows:

- a) **Engaging certified third-party agencies** for periodic inspections at key construction stages to independently assess compliance with construction norms.
- b) **Utilizing Non-Destructive Testing (NDT)** methods like ultrasonic testing and thermal imaging to detect internal defects and weak spots in materials and structures without causing damage.
- c) **Installing IoT sensors** at construction sites to monitor real-time factors such as concrete strength, temperature, and material usage, ensuring adherence to quality standards.
- d) **Implementing drone surveillance equipped with AI** analysis to capture aerial footage of construction sites and detect defects, poor alignment, or unsafe practices.
- e) **Mandating material testing and certification** in approved labs before use in housing projects to ensure the quality and durability of construction materials.
- f) **Introducing digital platforms** for site quality audits, allowing site supervisors to log daily reports on construction progress and material usage for real-time monitoring.
- g) **Developing mobile-based quality assurance apps** that provide on-site engineers with checklists for construction standards, enabling quick verification and documentation.
- h) **Using Building Information Modelling (BIM)** to pre-plan construction steps through detailed 3D models, improving accuracy and identifying potential issues early.
- i) **Implementing mandatory labour training and certification programs** to ensure all workers and contractors adhere to best practices and maintain consistent quality standards.
- j) **Embedding smart sensors** within structures to continuously monitor factors like load and vibration post-construction, ensuring long-term structural health and safety.
- k) **Establishing public engagement channels** for communities and residents to report quality concerns, promoting transparency and allowing timely corrective actions.
- l) **Requiring pre-handover quality certification**, where a qualified certifier verifies the construction quality before units are handed over to residents.

4.27 Grievance Redressal committee (MHADA)

State Government shall establish a state-level apex grievances redressal committee for MHADA on the similar lines of SRA. The structure of the committee can be as follows:

Apex Grievances Redressal Committee

Hon'ble Addl. Chief Secretary, Housing Department, Mantralaya (Chairman)

Hon'ble Vice President & Chief Executive Officer, MHADA (Member)

Hon'ble Chief Vigilance & Security Officer, MHADA (Member)

Hon'ble Chief Executive officer of concerned board of MHADA (Member)



Registrar/AGRC



Chief Legal Consultant/AGRC (Two)



Legal Advisor/AGRC (One)



Legal Assistant/AGRC (Four)



Stenographers/AGRC (Two)



Clerks/AGRC (Three)



Peon/AGRC (Six)

SECTION: 5 Monitoring and Evaluation

Effective monitoring and evaluation (M&E) are crucial for the successful implementation of the housing policy in Maharashtra. This chapter outlines the framework for M&E, detailing the processes, indicators, and methodologies to ensure that the objectives of the housing policy are met effectively.

5.1 Objectives of Monitoring and Evaluation

The primary objectives of the M&E framework are to:

- To track progress against predefined targets and timelines.
- To assess the effectiveness, efficiency, and impact of policy interventions.
- To identify challenges and provide actionable insights for corrective measures.
- To ensure accountability and transparency.
- To integrate feedback for continuous improvement and refinement of the policy.

5.2 Monitoring Framework

5.2.1 *Institutional arrangements*

A dedicated Monitoring and Evaluation Unit (MEU) will be established under the Department of Housing, Government of Maharashtra. This unit will be responsible for:

- Developing and maintaining a comprehensive M&E plan
- Coordinating with various stakeholders, including government departments, local authorities, and civil society organizations
- Collecting, analysing, and reporting data related to policy implementation.

5.2.2 *Data collection and management*

Data collection will be a continuous process, leveraging both primary and secondary sources. Key methods will include:

- Surveys and field visits to assess ground realities
- Administrative data from relevant departments and agencies
- Reports from local authorities and implementing partners
- Feedback from beneficiaries through structured and semi-structured interviews.

A centralized database will be maintained to store and manage all collected data, ensuring data integrity, security, and accessibility.

5.2.3 Key Performance Indicators (KPIs)

To effectively monitor progress, a set of KPIs has been developed, aligned with the key policy principles of affordability, inclusivity, sustainability, and resilience. The details are outlined as follows:

Table 7: Key performance indicators

| Policy Principles | Indicator | Methodology | Data Source | Frequency | Responsible Entity |
|-------------------|---|---|--|-----------|--|
| Affordable | Number of affordable housing units constructed | Statistical analysis | Administrative records, project reports | Quarterly | Department of Housing, Local Authorities |
| | Number of beneficiaries availing housing subsidies | Stakeholder feedback | Subsidy records, beneficiary surveys | Quarterly | Department of Housing, NGOs |
| | Reduction in the number of homeless households | Surveys, statistical analysis | Surveys, census data | Annual | Department of Housing, NGOs |
| Inclusive | Number of housing units allocated to vulnerable groups | Stakeholder consultations, statistical analysis | Allocation records, beneficiary surveys | Quarterly | Department of Housing, Social Welfare Departments |
| | Increase in accessibility features in housing projects | Field inspections | Project plans, field inspections | Biannual | Department of Housing, Local Authorities |
| | User satisfaction levels of the target groups | Beneficiary surveys, focus group discussions | Beneficiary surveys, focus group discussions | Annual | MEU, Independent Evaluators |
| Sustainable | Compliance with green building standards | Compliance audits | Inspection reports, compliance audits | Biannual | Local Authorities, Environmental Agencies |
| | Energy efficiency improvements in housing | Energy audits, field inspections | Energy audits, project reports | Annual | Department of Housing, Energy Department |
| | Waste management practices in housing projects and Rainwater harvesting | Field visits, statistical analysis | Field visits, project reports | Annual | Local Authorities, Environmental Agencies |
| Resilient | Incorporation of disaster-resilient features | Field inspections, stakeholder consultations | Project plans, field inspections | Biannual | Department of Housing, Disaster Management Authority |

| | | | | | |
|--|--|--|--|-----------|--|
| | Number of housing units with insurance coverage | Beneficiary surveys, insurance records | Insurance records, beneficiary surveys | Annual | Department of Housing, Insurance Companies |
| | Timeliness of post-disaster reconstruction efforts | Field visits, project reports | Project reports, field visits | Quarterly | Department of Housing, Disaster Management Authority |

5.3 Evaluation Framework

5.3.1 Types of evaluation

Evaluation will be conducted at different stages to assess the policy's impact and effectiveness:

- a. **Formative Evaluation:** Conducted during the initial stages to refine policy design and implementation strategies, focusing on the relevance and feasibility of policy interventions.
- b. **Process Evaluation:** Examines the implementation process to ensure that activities are being carried out as planned, identifying operational challenges, and providing recommendations for improvements.
- c. **Summative Evaluation:** Conducted at the end of a specific period to assess the overall impact and outcomes of the policy, measuring the extent to which policy objectives have been achieved.

5.3.2 Evaluation methodologies

A mix of qualitative and quantitative methods will be employed to provide a comprehensive evaluation:

- a. **Quantitative Methods:** Statistical analysis of data collected through surveys and administrative records and compare it with a benchmark to measure the impact.
- b. **Qualitative Methods:** Case studies, in-depth interviews with beneficiaries and stakeholders, and focus group discussions to gather insights on qualitative aspects of policy impact.

Table 8: Evaluation matrix

| Type of Evaluation | Focus Area | Methodology | Data Source | Frequency | Responsible Entity |
|---------------------------------|---|--|---|----------------------------------|-----------------------------|
| Formative Evaluation | | | | | |
| Policy design and feasibility | Relevance and feasibility of interventions | Stakeholder consultations, pilot studies | Initial policy documents, pilot project reports | Initial implementation phase | MEU, Policy Analysts |
| Process Evaluation | | | | | |
| Implementation process | Adherence to planned activities, operational challenges | Process tracking, stakeholder feedback | Implementation reports, stakeholder meetings | Mid-term | MEU, Implementation Teams |
| Summative Evaluation | | | | | |
| Overall impact and outcomes | Achievement of policy objectives, long-term impact | Statistical analysis, control group comparisons | Survey data, administrative records, case studies | End of policy cycle | MEU, Independent Evaluators |
| Mixed Methods Evaluation | | | | | |
| Comprehensive assessment | Qualitative and quantitative impact assessment | Case studies, in-depth interviews, focus group discussions, statistical analysis | Mixed methods data sources | Mid-term and end of policy cycle | MEU, Independent Evaluators |

5.4 Reporting and Feedback Mechanisms

5.4.1 Reporting

Regular reports will be prepared by the MEU and disseminated to all relevant stakeholders. The reporting structure will include several components to ensure thorough monitoring and evaluation. Firstly, there will be Monthly Progress Reports that highlight short-term achievements, challenges, and next steps. Secondly, Quarterly Performance Reports will provide a detailed analysis of progress against key performance indicators (KPIs). Lastly, Annual Evaluation Reports will offer a comprehensive assessment of the policy's impact, including recommendations for future actions.

5.4.2 Feedback mechanisms

A robust feedback mechanism will be established to ensure continuous improvement:

- a) **Stakeholder consultations:** Regular meetings and consultations with stakeholders will be held to gather feedback and suggestions.

- b) **Beneficiary feedback:** Systematic collection of feedback from beneficiaries through surveys and community meetings.
- c) **Grievance redressal:** An accessible and transparent grievance redressal system will also be put in place to address issues and complaints related to policy implementation.

The monitoring and evaluation framework is integral to the success of the housing policy in the state. By systematically tracking progress, assessing impact, and incorporating feedback, the M&E framework will ensure that the policy objectives of being affordable, inclusive, sustainable, and resilient are met. This continuous process of monitoring, evaluation, and learning will contribute to the sustainable development of the housing sector in Maharashtra, ultimately improving the quality of life for its residents.

SECTION: 6 Way Forward

The government's housing goal is crucial for the public, and all efforts must be made to achieve it. Previously, the policy aimed to increase housing stock but lacked specific targets. Now, with a defined goal, focused implementation through a "MISSION MODE" approach is required, with annual targets for affordable housing over the next seven years and regular monitoring for timely adjustments.

The mission will be led by the Chief Secretary and include key officials such as the Additional Chief Secretary of Housing, Principal Secretary of Urban Development, the VP & CEO of MHADA, the CEO of CIDCO, and the commissioners of MMRDA, MCGM, Pune, PMRDA, and Nagpur. The Additional Chief Secretary (Housing) will serve as the Member Secretary of this mission, which will have the authority to take necessary actions under Section 47⁴⁴ of the MRTP Act. All other secretaries involved in housing policy implementation will report to this mission. The mission's head will ensure prompt decisions from relevant departments and authorities, with monthly meetings to review progress and make necessary decisions.

Additionally, a Cabinet sub-committee on housing, led by the Hon'ble Chief Minister, will meet quarterly to review policy implementation, and provide direction. The mission head will present a quarterly review to this sub-committee. The New Housing Policy 2024 embodies the government's commitment to providing housing for all by 2031 and will be executed with dedication and vigour.

It shall be the responsibility of concerned department to undertake preparation of a Road Map for implementation of this Housing Policy. The necessary formulation of new rules and regulations or modification to the existing shall be completed within a period of one year.

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<https://dtp.maharashtra.gov.in/sites/default/files/1.MRTP%20ACT%201966%20ENGLISH%20AMENDED%20UP%20TO%2026NOV%202015.pdf>

Detailed table including the roles for all proposed levels in the institutional structure for housing sector agencies in Maharashtra.

Table 9: Proposed institutional arrangement

| Level | Composition/ Units | Role & Responsibilities | Administrative Functions | Monitoring Functions |
|---|--|---|---|--|
| Central Governing Body | Representatives from MHADA, SRA, CIDCO, RERA, and MHDC | Policy formulation, strategic planning, and oversight | Coordination and control of housing activities, administration of housing schemes | Overseeing implementation of housing laws and policies, performance monitoring |
| Regional Housing Boards | Mumbai, Konkan, Pune, Nashik, Nagpur, Amravati, Aurangabad | Implementation of housing projects, regional planning, and coordination | Regional implementation of housing projects, adherence to state policies | Project completion and quality monitoring, coordination with local authorities |
| Special Purpose Units | Slum Rehabilitation Unit, Urban Development Unit, Housing Finance Unit | Focused initiatives on slum rehabilitation, urban development, and housing finance | Execution of specialized housing initiatives, management of targeted programs | Monitoring of slum rehabilitation and urban development initiatives |
| Integrated Support Services | Legal, financial, technical, and administrative support | Providing necessary support to regional boards and special units | Support in legal, financial, technical, and administrative matters | Ensuring support services meet the needs of housing projects and policies |
| Real Estate Regulatory Authority (RERA) | Regulatory body for the real estate sector | Regulating and promoting the real estate sector, ensuring transparency and fairness | Project and agent registration, disclosure requirements, consumer protection | Complaint redressal, project monitoring, imposing penalties for non-compliance |
| Maharashtra Housing Development | Agency for housing project development and finance | Developing and implementing housing projects, providing housing finance solutions | Affordable housing development, resource | Quality assurance, fair allocation of houses, |

| Level | Composition/ Units | Role & Responsibilities | Administrative Functions | Monitoring Functions |
|------------------------------------|--|---|---|--|
| Corporation (MHDC) | | | management, mega project execution | integration with urban development |
| Single-Window Clearance Unit | Streamlining project approvals and reducing delays | Streamlining project approvals and reducing delays | Facilitating quick and efficient project approvals | Monitoring the efficiency and effectiveness of the clearance process |
| Sustainability and Innovation Unit | Promoting sustainable practices and innovative housing solutions | Promoting sustainable practices and innovative housing solutions | Implementing sustainable housing practices, encouraging innovation in housing projects | Monitoring the adoption and impact of sustainable and innovative practices |
| Public-Private Partnership Unit | Facilitating collaboration with private developers | Facilitating collaboration with private developers | Managing partnerships with private developers, ensuring compliance with agreements | Monitoring the performance and outcomes of public-private partnerships |
| Town planning / Valuation dept. | Creation of land bank suitable for housing in the state | Preparing data of the government owned developable lands in the state for housing development (especially in urban areas) | Co-ordination with various ULBs, parastatal agencies, development authorities in the state w.r.t. land bank | Monitoring the process with the latest technology and digital platforms |

6.1 Roadmap to Implementation

The section outlines a strategic roadmap to achieve our vision of providing affordable, inclusive, resilient, and sustainable housing for all. This section presents the key initiatives, financial mechanisms, institutional frameworks, community engagement strategies, adoption of technology and innovation, social inclusion measures, and risk management approaches necessary for the successful implementation of the policy.

Strategic Initiatives

To boost the supply of affordable housing, state proposes to incentivize private developers and promote public-private partnerships (PPPs). Leveraging central government schemes such as Pradhan Mantri Awas Yojana (PMAY) will be a key strategy. State will implement regulatory reforms to streamline approval processes, minimize delays, and create an investor-friendly environment. The approach includes optimizing land use, promoting mixed-use development, and encouraging higher density housing in urban areas to ensure efficient land utilization. State also aims to improve essential infrastructure services such as water supply, sanitation, and transportation to support new housing projects. Additionally, the government advocates for the adoption of green building practices, energy-efficient designs, and sustainable materials to minimize the environmental impact of housing developments.

Financial Mechanisms

The State plans to mobilize funds through government budgets, financial institutions, and innovative financing models such as Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs). The policy outlines subsidy schemes, tax incentives, and other financial benefits for developers and homebuyers to promote affordable housing.

Institutional Framework

The strategy includes strengthening the capacity of housing-related institutions at the state and local levels, including urban local bodies (ULBs) and development authorities. Establishing coordination frameworks between various government departments, private sector players, and civil society organizations will ensure a holistic approach to housing development.

Community Engagement

The government aims to involve community members in the planning and decision-making processes to ensure that housing solutions align with their needs and preferences. Awareness campaigns will be launched to educate the public about housing schemes, financial assistance programs, and the benefits of formal housing.

Technology and Innovation

The government proposes the adoption of modern construction technologies, digital tools for planning and management, and innovative building materials to enhance efficiency and quality. Integrating smart technologies in housing projects will improve living standards and promote smart city initiatives.

Social Inclusion

The policy addresses the needs of marginalized communities, including women, the elderly, differently-abled individuals, and socially disadvantaged groups. The state will develop specific strategies for slum rehabilitation and redevelopment to provide dignified living conditions for slum dwellers.

Risk Management

The disaster-resilient features will be incorporated in housing projects, particularly in areas prone to natural calamities like floods, earthquakes, and cyclones. Risk mitigation strategies will be outlined to address financial uncertainties, market fluctuations, and other external factors impacting housing development.

Conclusion

In conclusion, this section provides a clear and comprehensive roadmap to achieve the vision of the state's housing policy. The strategic initiatives, financial mechanisms, institutional frameworks, and inclusive policies outlined here offer a solid foundation for creating a sustainable and inclusive housing environment in Maharashtra.

All the stakeholders – policymakers, developers, financial institutions, and community organizations shall actively participate in implementing this policy. By working together, they can ensure that every resident of Maharashtra has access to a safe, affordable, and adequate home. The successful execution of this policy will not only improve living standards but also contribute significantly to the socio-economic development of the state, where every citizen enjoys the dignity and security of a proper home.