

DAILY PT POINTERS

13th May, 2024



The Hindu-Governance(GSII)/Economy(GSIII)Page 8

The poll promise of affordable housing

What is the current housing scenario in India? What has been the history of housing schemes in India? What is the status of the Pradhan Mantri Awas Yojana scheme? Have States also introduced schemes to address the housing crisis?

EXPLAINER

Sruthi Darbhani

The story so far:

With the 2024 elections underway, among various poll promises are those pertaining to housing. India has around 1.7 million homeless people, as per the 2011 Census. Even for people with houses, the quality of build, congestion, and inadequate infrastructure remain major concerns.

Does India have a housing crisis?

According to a Government of India report in 2012, an estimated 18.78 million more houses were required to cater to the housing demand in the country. Post this, a study by the Indian Council for Research on International Economic Relations (ICRIER) in 2020 found that India's urban housing shortage rose by 54% from 2012 to become 29 million in 2018. This included homeless populations, inadequate houses that could not be upgraded, obsolete houses and congested households. However, an analysis by the Centre for Social and Economic Progress of the 2011 Census data noted that coexisting with an urban housing shortage of 19 million units were 11 million vacant units. Seemingly, while houses are built, none of these cater to the class which needs it the most.

Per the government's definition, affordable housing properties are those with an area not more than 60 sqm, with the price capped at ₹45 lakh.

In the first quarter of 2024, housing sales were at an all-time quarterly high, with 1.30 lakh units sold across the top seven cities. But in the new housing supply, it was mid-segment homes that continued to dominate with a 33% share. Affordable housing was at a mere 18% share. As reported by *The Hindu*, the share of affordable housing in overall sales during the first half of 2023 saw a sharp decline, to approximately 20% – an



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11 percentage point decrease as compared to the first half of 2022. In an interview with *Al Jazeera*, Abul Shakel, member of a housing civil society group in New Delhi, said, given the high cost of land and construction materials, "building low-cost houses for low-income people is not economically viable. The low-income class cannot afford the house unless the charges are subsidised." Urban congestion and lack of proper housing create another issue – slums. The 2011 census found that over 65 million people, about 9% of India's total population, lived in slums.

What policies have been implemented? A right to housing has been held to be a part of the fundamental right to life under Article 21 of the Constitution by the Supreme Court. The first policy intervention from the Government came in 1985, with the Indira Awas Yojana,

which was focused on rural housing. After 2004, urban housing came into focus with programmes such as the Jawahar Lal Nehru National Urban Renewal Mission (JNNURM), launched in 2005. In 2008, the Parekh Committee report on housing led to urban housing interventions such as the Rajiv Awas Yojana and Rajiv Rinn Yojana. The Housing for All schemes (2015-22) were launched once the Modi government came to power. The two wings under these are Pradhan Mantri Awas Yojana (Gramin) and Pradhan Mantri Awas Yojana (Urban).

What are PMAY-U and PMAY-G? The Pradhan Mantri Awas Yojana-Urban was launched by Prime Minister Narendra Modi in June 2015 to tackle urban homelessness. The PMAY-U promised houses for 1.18 crore families by December 2024. As of March 2024, it has

only achieved around 67% of its target, that is, around 80 lakh.

The duration of the PMAY-U was initially seven years, from FY 2015-16 to FY 2021-22. It has now been extended up to December 31, 2024 – with all verticals except Credit Linked Subsidy Scheme – to complete houses sanctioned up to March 31, 2022. Around 83% of the houses to be constructed under PMAY-U are not meant for the urban landless poor, but rather for families having access to capital and land. The slum rehabilitation scheme within PMAY-U has sanctioned only 2.96 lakh homes.

The PMAY-G was launched by the Modi government in 2016 with the aim of constructing 2.95 crore houses. The scheme offers ₹1.3 lakh for each unit constructed under the scheme, with a 60:40 funding split between the Centre and State. According to the PMAY-G dashboard, as of April 30, 2024, a total of 2.6 crore houses have been completed. According to data shared by the government, as of September 29, 2022, over 69% of houses constructed under PMAY-G were either wholly or jointly owned by women. Both components of the PMAY combined received ₹80,671 crore in the interim budget.

What about State schemes?

States too have sought to introduce housing schemes. In the run-up to the polls, the Andhra Pradesh government has undertaken schemes such as the Navaratnalu-Pedalandariki Illu. Under this, the State had taken up construction of 21.76 lakh houses, with an outlay of ₹56,700 crore. Of these, the construction of 7.43 lakh houses was completed as of October 2023, with the State reportedly acquiring more than 77,000 acres of land. The State was chasing a target of building 1.79 lakh homes by a deadline of March 2024. In a press release, it specifically mentioned that the government would register the houses in the names of women beneficiaries to empower them. This is in line with the increasing focus on women as an important voting bloc.

THE GIST

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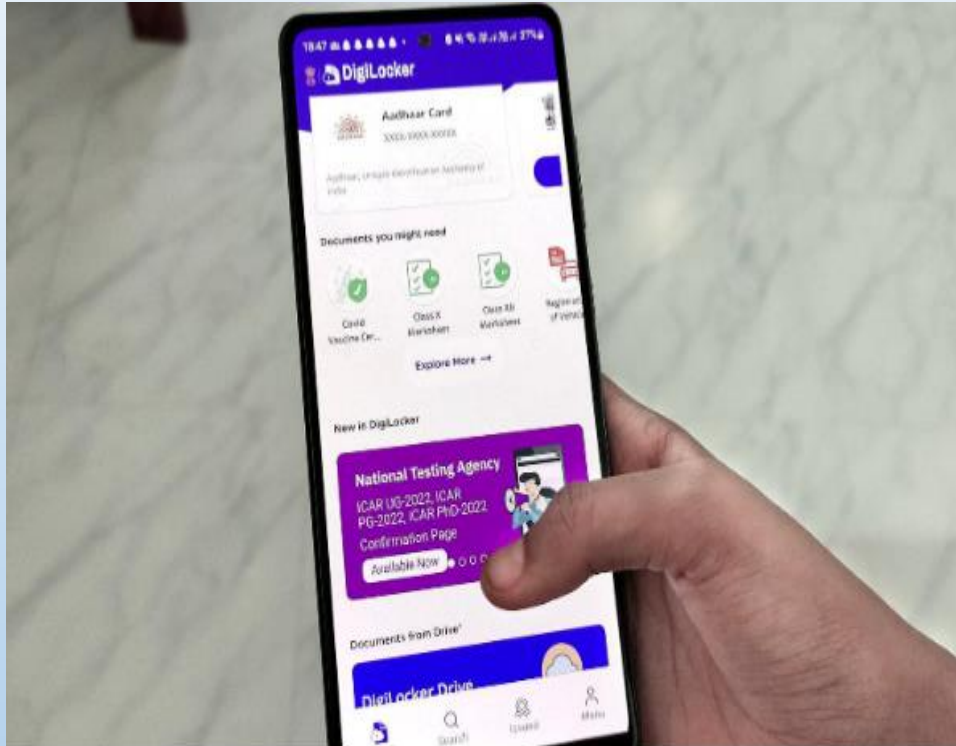
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HEADLINES OF THE DAY

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What is DigiLocker and does it keep your data and documents safe?

The DigiLocker platform, launched in 2015, operates as an app to store users' digital records. As of early May, the app has over 270 million registered users, while nearly 6.7 billion documents have been retrieved through it

ahana Venugopal

physical documents as per Rule 9A of the Information Technology (Preservation

According to DigiLocker's own website, it has standard security measures in place

the app needs the submitted details to match the issuer's data exactly. Users

- The DigiLocker platform, launched in 2015, operates as an app to store users' digital records. The app can be used when applying for a passport, reviewing marksheets, or proving one's identity during travel. The app is part of the Indian government's paper-free initiative aimed at letting users access, verify, and store essential documents in a digital wallet so that they are easy to retrieve and present to officials when required. As of early May, the app has over 270 million registered users, while nearly 6.7 billion documents — like Aadhaar, insurance policy papers, PAN records, and driving licences — have been retrieved through it.
- As per DigiLocker's website: "The issued documents in DigiLocker system are deemed to be at par with original physical documents as per Rule 9A of the Information Technology (Preservation and Retention of Information by Intermediaries providing Digital Locker facilities) Rules, 2016 notified on February 8, 2017 vide G.S.R. 711(E)."

The Hindu-infrastructure (GSIII)-Page 10

Govt. to spend ₹2 cr. per km on roads along China border

Home Ministry has sanctioned 113 roads under the Vibrant Village Programme in Arunachal Pradesh, Uttarakhand, and Sikkim to improve connectivity in areas along the border

Vijaita Singh
NEW DELHI

The government is likely to spend over ₹2 crore on each kilometre of road to be constructed along the China border in Uttarakhand and Sikkim under the Vibrant Village Programme (VVP), according to the project's details.

In the past five months, the Ministry of Home Affairs (MHA) has sanctioned 113 roads under the VVP in Arunachal Pradesh, Uttarakhand, and Sikkim to improve connectivity in areas along the China border. While 105 roads have been sanctioned in Arunachal Pradesh, five roads in Uttarakhand, and three roads in Sikkim have also been approved.

There are at least 168 villages along the border with China that do not have any road connectivity.

According to the Ministry's sanction letter, 43.96 km of roads is to be built at a cost of ₹119 crore at Pithoragarh district in Uttarakhand. Each kilometre of



More than 100 roads have been sanctioned in Arunachal Pradesh, five in Uttarakhand, and three in Sikkim. REPRESENTATIVE PHOTO

road is expected to cost ₹2.7 crore. Once constructed, the "asset" will have to be maintained by the State government.

In Sikkim, around 18.73 km of roads and 350 metres of steel bridges have been sanctioned under the VVP at the Chungthang and Mangan block in north Sikkim at a cost of ₹96 crore. Each kilometre of road construction will cost ₹2.4 crore.

The Ministry has also asked State governments to monitor construction activity by installing GPS-enabled vehicle tracking devices. "States shall en-

The MHA's report on demands for grants tabled in Parliament on March 20, 2023, stated that the objective is to motivate people to continue to stay there and "help to gather intelligence from the people of border villages".

Around 68% of the total villages that will be covered in the first phase of the VVP are in Arunachal Pradesh. The number of villages that will benefit from the scheme in Ladakh is 35, while 75 villages in Himachal Pradesh, 46 villages in Sikkim, and 51 villages in Uttarakhand have been identified.

Of the ₹4,800 crore budget allotted for the VVP for the financial years 2023-24, 2024-25 and 2025-26, more than half, that is, about ₹2,500 crore, is to be spent on road construction.

As reported by *The Hindu* in December 2022, China is expanding its chain of model villages or Xiaokang ("moderately prosperous") villages close to the Line of Actual Control opposite Uttarakhand, Sikkim, and Arunachal Pradesh.

sure the installation of GPS system in key machinery and equipment engaged during the execution of road works under VVP," the Ministry said in a communication sent to the Uttarakhand government.

The Union Cabinet approved the VVP programme on February 15, 2023, to cover 2,967 villages in 46 border blocks of 19 districts in Arunachal Pradesh, Himachal Pradesh, Sikkim, Uttarakhand, and Ladakh. One of the stated objectives of the VVP is to stop migration in the population residing along the border.

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The Hindu- Economy(GSIII)

NH construction slows as funds go scarce, hybrid annuity model falters

From 34 km per day in FY24, the pace of national highway construction is expected to slow to 31 km per day; influx of mid-level developers with moderate credit profiles, especially after March 2020, blamed; projects under hybrid annuity model haven't taken off as anticipated

NEWS ANALYSIS

Rishi Ranjan Kala

From 34 km per day in FY24, the pace of national highway construction is expected to slow to 31 km per day. Credit rating agency CareEdge Ratings expects the execution pace to decline by 7-10% year-on-year – from 12,350 km in FY24 to about 11,500 km in FY25.

Among other factors, the blame is being laid on the influx of mid-level developers with moderate credit profiles, especially after March 2020. The drastically expanded pool of bidders led to lower bids, but heightened the execution risks, including funding hurdles and other delays, analysts say. To make matters worse, projects under the hybrid annuity model (HAM) – a public-private partnership (PPP) model that combines engineering, procurement, and construction (EPC) and build, operate, transfer (BOT) models – haven't taken off as anticipated.

Maulik Desai, Director, CareEdge Ratings, says other key challenges facing the roads sector include land acquisition hurdles and delays in the 'appointed date' – namely the hand-over of the contract letter to the successful bidder, enabling commencement



Hitting a roadblock: The RBI's recent draft guidelines on project financing have left embattled construction firms anxious about the implications for under-construction infra projects. #1

of work. Of the 11.5 lakh crore HAM projects awarded after March 2020, nearly one-third are delayed by 4-6 months beyond the three-month grace period.

Their aggregate 'bid project cost' (BPC) – the lowest lifecycle cost of the project, which includes construction, operation and maintenance – is 250,000 crore. The developers have applied for or received an extension for a similar or longer period, CareEdge says.

Notably, another significant chunk of HAM projects are awaiting an 'appointed date' for more than a year; their aggregate BPC is about 240,000 crore, as of April 1, 2024, compared with 214,500 crore, as of June 30, 2023,



CareEdge Ratings expects the execution pace to decline by 7-10% year-on-year – from 12,350 km in FY24 to about 11,500 km in FY25

the rating agency says. HAM projects for 2,200-plus km of national highways remain non-starters even a year after they were awarded.

Dakeep Thusu, Senior Vice President of infrastructure consultancy Rudrabhishek Enterprises, says while HAM was seen effective until March 2020, it had since fallen short, likely due to pandemic-related disruptions.

and funding scarcity. "Moreover, unexpected events such as COVID-19, post-bidding commodity price hikes, prolonged monsoons, and stringent debt terms have exacerbated the delays," says InCoBAN co-founder Abhilasha Panwar. To remedy this, Ms. Panwar suggests stepping up project supervision, alongside exploring alternative funding sources such as multilateral organisations. "Simplifying approval processes, addressing regulatory hurdles, and nurturing collaboration among stakeholders can enable seamless implementation," she adds.

Echoing this, Mr. Thusu stresses the need for a concerted effort by government agencies, developers, financiers, and other stakeholders to expedite HAM projects. "It calls for removing regulatory bottlenecks, enhancing proptech, collaboration, embracing technology and innovation, skills development, and a conducive policy environment," he says.

Regulatory clarity
InCoBAN, an infrastructure industry improvement ecosystem, observes that since March 2020 competition intensified in the roads sector with the inclusion of mid-sized sponsors of moderate credit standing, leading to execution risks, delays

Project finance worries
The Reserve Bank of India's recent draft guidelines on project financing have added another layer

of worry for embattled construction companies, which are anxious about the implications for under-construction infrastructure projects.

Rajashree Murkate, a senior director at CareEdge Ratings, says the draft guidelines hold out challenges for both under-construction and operational infrastructure projects. "A mandatory tail-period accounting for 15% of a project's economic life will restrict the ability of infrastructure projects to secure additional top-up loans. CareEdge Ratings estimates that this will necessitate an 8-10% increase in equity requirements for HAM-based road projects to align the loan tenure with 85% of the economic life for concessions lasting 15 years," she explains.

Defining a specific credit event and implementing a resolution plan in a time-bound manner call for increased monitoring and timely reviews from all stakeholders, she adds.

Infrastructure projects, being capital-intensive, are sensitive to changes in interest rates. Consequently, a significant rise in provisioning requirements, from 0.4% to 5%, during the construction phase is likely to diminish the bidding appetite of developers in the medium term, she cautions.

(The writer is with The Hindu businessline)

- Ministry of Road Transport & Highways has adopted Hybrid Annuity model for implementation of highway projects in order to encourage private sector participation through adequate incentives.
- The objective is to maximize the quantum of implemented highway projects within available financial resources of the Government. As per this model, 40% the Project Cost is to be provided by the Government as 'Construction Support' to the private developer during the construction period and the balance 60% as annuity payments over the concession period along with interest on outstanding amount to the concessionaire.

HEADLINES OF THE DAY

The Hindu-Health(GSII)



A nurse assesses the condition of a sickle cell patient at Mbale Regional Referral Hospital in Uganda on April 24. AP

Sickle cell patients in rural Uganda gather hope from a survivor

Associated Press

MBALE

Barbara Nabulo was one of three girls in her family. But when a sister died, her mother wailed at the funeral that she was left with just one-and-a

- Sickle cell disease is a group of inherited disorders in which red blood cells become hard, sticky and crescent shaped.
- The misshapen cells clog the flow of blood, which can lead to excruciating pain, organ damage and other complications.

Indian Express: Environment (GSIII)-page 10

WHY KERALA TEMPLES BANNED USE OF OLEANDER FLOWERS AS OFFERINGS

SHAJU PHILIP
THIRUVANANTHAPURAM, MAY 12

TWO KERALA government-controlled temple boards, which together manage 2,500-odd temples in the state, have banned the use of oleander flowers (locally known as *arali*) in temple offerings after a 24-year-old woman died after accidentally chewing some oleander leaves.

Here is what to know about oleander, its medicinal uses, and its toxicity.

First, what happened?

Surya Surendran, a 24-year-old nurse, died on April 30, *prima facie* due to accidental oleander poisoning.

Surendran had got a new job in the United Kingdom, and was set to leave on April 28. That morning, however, she chewed some leaves of an oleander shrub that grew outside her home in Pallipad, Alappuzha. She was on the phone, possibly absent-minded, and probably did not know or understand the danger from the plant.

She soon developed uneasiness, and vomited a few times. She went to Kochi airport, but collapsed there. She was taken to hospital, where she died a couple of days later.

Asked what she had eaten, she told doctors that she had chewed oleander leaves and flowers. The forensic surgeon, who conducted the autopsy, told police that she had suffered oleander poisoning.



Toxicity of oleander has been known since antiquity. Wikimedia Commons

Anamika Chaudhari and Bhawna Singh from the Himalayee Ayurvedic Medical College and Hospital, Dehradun, wrote in a research paper titled 'A Critical Review of Karvira', published in 2016 in the *International Journal of Ayurveda & Medical Sciences*.

"Bhavaprakasha has described *Karvira* (another name of the plant) as a *visha* (poison) and indicated it in treatment of *vrana* (infected wounds), *kustha* (skin diseases including leprosy), *krimi* (microbes and parasites), *kandu* (itching), etc," they wrote.

How toxic is oleander?

Even though it is prescribed in some ayurvedic formulations, the toxicity of oleander has been long recognised in cultures around the world. Researchers Shannon D Langford and Paul J Boor wrote the plant has been "exploited therapeu-

- Two Kerala government-controlled temple boards have banned **use of oleander flowers** in temple offerings after a 24-year old woman died after accidentally chewing some **oleander leaves**.

Oleander Plant

- It is a plant cultivated worldwide in tropical, subtropical, and temperate regions. Known for its drought tolerance, the shrub is often used for ornamental and landscaping purposes
- It is highly toxic due to the presence of **cardiac glycosides** in all parts of the plant, including leaves, stems, flowers, and roots.
- Symptoms of **oleander toxicity** include nausea, vomiting, abdominal pain, diarrhea, irregular heart rate, and in severe cases, death. Poisoning can occur through ingestion, inhalation of smoke from burning the plant, or skin contact.

Indian Express: IR(GSII)/Economy (GSIII)-page 11

IN FY24, INDIA'S IMPORTS FROM CHINA ROSE BY 3.24% TO \$101.7 BN

India's top trade partner: China regains spot on higher imports

RAVI DUTTA MISHRA
NEW DELHI, MAY 12

WITH IMPORTS from China crossing over \$100 billion in FY24, China has overtaken the US to become India's largest trading partner after a gap of two years, as per data released by the think tank Global Trade Research Initiative (GTRI).

The US was India's top trading partner during FY22 and FY23 after China was the top bilateral trading partner in FY21.

India's bilateral trade with China in FY24 stood at \$118.4 billion as imports increased by 3.24 per cent to \$101.7 billion and exports rose by 8.7 per cent to \$16.67 billion in FY24 compared to FY23, GTRI data showed.

Between FY19 and FY24, India's exports to China witnessed a marginal decline in exports by 0.6 per cent, down from \$16.75 billion to \$16.66 billion, while imports from China surged by 44.7 per cent, up from \$70.32 billion to \$101.75 billion.

In contrast, India-US two-way trade came in at \$118.3 billion in FY24 after exports dipped by 1.32 per cent to \$77.5 billion compared to the previ-



File

billion. This resulted in an expanded trade surplus for India, which grew from \$16.86 billion to \$36.74 billion, GTRI report said.

India trade relations with China have been under scrutiny largely due to India's dependence on the neighbouring country's critical products such as telecom & smartphone parts, pharma, advanced technology components among others.

However, India has undertaken significant measures to decrease its dependence on China through production linked incentive schemes (PLI), anti-dumping duties along with quality control orders.

"India imported \$4.2 billion worth of telecom and smart-

In the fast emerging EV sector too, India's dependence on China is high as lithium-ion batteries for EVs, imported from China, were valued at \$2.2 billion, comprising 75 per cent of such imports, critical for India's electrification of transport.

The GTRI report further said that exports to China have remained near stagnant between FY19 and FY24 while imports have surged by nearly 45 per cent which has resulted in widening of the trade deficit from \$53.57 billion in FY 2019 to \$85.09 billion in FY 2024.

During the last five years, Russia's trading figures were marked by a dramatic increase, with exports growing by 78.3

EXPLAINED
E Pips US to the top after a gap of two years

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by 11.7 per cent from \$28.48 billion to \$31.81 billion, which slightly reduced the trade deficit from \$22.92 billion to \$20.25 billion.

"The IIAF also saw notable

- With imports from China crossing over \$100 billion in FY24, China has overtaken the US to become India's largest trading partner after a gap of two years, as per data released by the think tank **Global Trade Research Initiative (GTRI)**.
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