



Govt. of Punjab
Department of Local Government



3rd Anniversary Celebrations PMAY (U)
(Reg. Vertical – II i.e. CLSS)

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Brief about CLSS Vertical



- CLSS component is the most flexible component wherein no demand survey is required ;
- No detailed project reports needs to be prepared ;
- No sanction from SLSMC is required ;
- Only the amount of subsidy to be claimed by the PLIs (Public Lending Institutions) from the CNA ;
- Desirous beneficiaries can approach directly to the Banks.

Role of Banks in the implementation of CLSS



- As per PMAY (U) guidelines, banks through PLIs are the main implementing agencies in the case of CLSS Vertical ;
- Banks are expected to spread information and to educate the customers who approach the banks for home loan without having any knowledge of PMAY (U) Mission ;
- The applications for seeking interest subvention should be prepared in such a manner that the eligibility of the customer can be ascertained easily and automatically .

Progress of CLSS

- Under CLSS vertical 1,55,045 nos. of applications were received through all sources out of which 1,04,673 have been validated;
- Bank has sanctioned only 3,790 loans to the beneficiaries which is 3.62 % of the total validated application;
- In the State of Gujarat Loans disbursed by the Banks to the beneficiaries are 67,000;

Major reasons for rejections of applications by bankers

Bankers are not facilitating the urban poor on the petty issues such as :-

1. Beneficiaries being above the age of 50 years on the ground that 3 years IT Returns are not enclosed
2. Lack of PAN Numbers

Challenges



- It is noticed that bankers are unaware of the Scheme and IEC activities are not conducted by them. Chief Secretary, Punjab has directed Convener SLBC to expedite the validation, as well as, to organize Loan Melas, Financial Literacy Camps so that Public may be aware about the benefits of the Vertical ;
- Banks are holding the cases on account of capacity of beneficiaries to repay EMIs ;
- No mechanism to expedite the validation process has been developed by the Bankers ;
- Approach of the banks is purely commercial whereas Socialistic Approach is required for the implementation of such welfare schemes.

Corrective measures suggested

- Every month Loan Melas should be held at each ULB, for general awareness and to fast track the validation/disposal of online/CSC-SPV portal applicants;
- Information related to CLSS component should be placed within the bank in such a manner that is visible to customers ;
- MoHUA, GoI should direct NHB and HUDCO to come forward to guide the banks to make the process convenient to the applicants ;
- Advertisement in respect of CLSS component is required so that people attract towards this scheme;
- Bankers shall ensure correct & timely submission of data to the State Authorities;

THANK YOU