

Housing for All by 2022 Mission

Implementation of Credit Linked Subsidy Scheme under Pradhan Mantri Awas Yojana (Urban)

June 17, 2016

Housing for All by 2022 Mission – PMAY (U)

"In situ" Slum Redevelopment

- Using land as a resource
- With private participation
- Extra FSI/TDR to make projects financially viable

Subsidy for beneficiary-led individual house construction

- For individuals of EWS category requiring individual house
- State to prepare a separate project for such beneficiaries
- No isolated/ splintered beneficiary to be covered

Affordable Housing through Credit Linked Subsidy

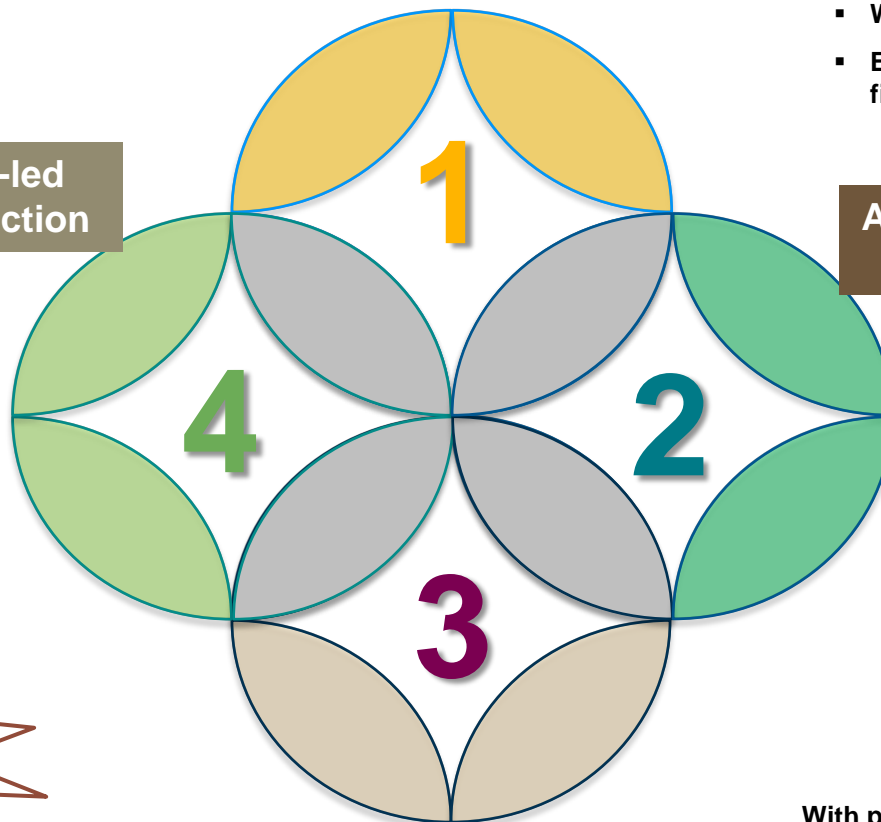
Central Sector Scheme

Implemented by GoI, MoHUPA through Central Nodal Agencies

- Interest subvention subsidy for EWS and LIG for new house or incremental housing.
- All 4041 statutory towns as per Census 2011 are covered.

Affordable Housing in Partnership

With private sector or public sector
Central Assistance per EWS house in affordable projects



1, 3 & 4 implemented through State & UTs

Credit Linked Subsidy Scheme (CLSS) – Objectives

- Enabling EWS/LIG household to have pucca home
- Providing Interest Subsidy upfront credit for acquisition, construction, extension or repair of home
- Expanding institutional credit flow to housing needs of urban poor
 - CLSS Vertical is a Central Sector Scheme.
 - Scheme Period is from June 17, 2015 to March 31, 2022.
 - Scheme covers all 4041 statutory towns as per Census 2011
State/UT will have the flexibility to include planning area as notified, which surrounds the Statutory Town

Roles of the State/UT

- Signing a Memorandum of Agreement (MoA) with Gol to participate in the Mission.
- Designating a State Level Nodal Agency (**SLNA**).
- Sensitizing the State Government Agencies like ULBs.
- Creating awareness amongst Officials/Staff
- Redefining annual income criteria as per local conditions (*if required*) in consultation with Gol.
- Determining EWS area as per local needs, with information to Gol
- Deciding a cut-off date on which beneficiaries need to be resident of that urban area for being eligible to take benefits under CLSS.
- Including planning area as notified, which surrounds the Statutory Town
- Managing the CLSS Beneficiary Information sent by CNAs

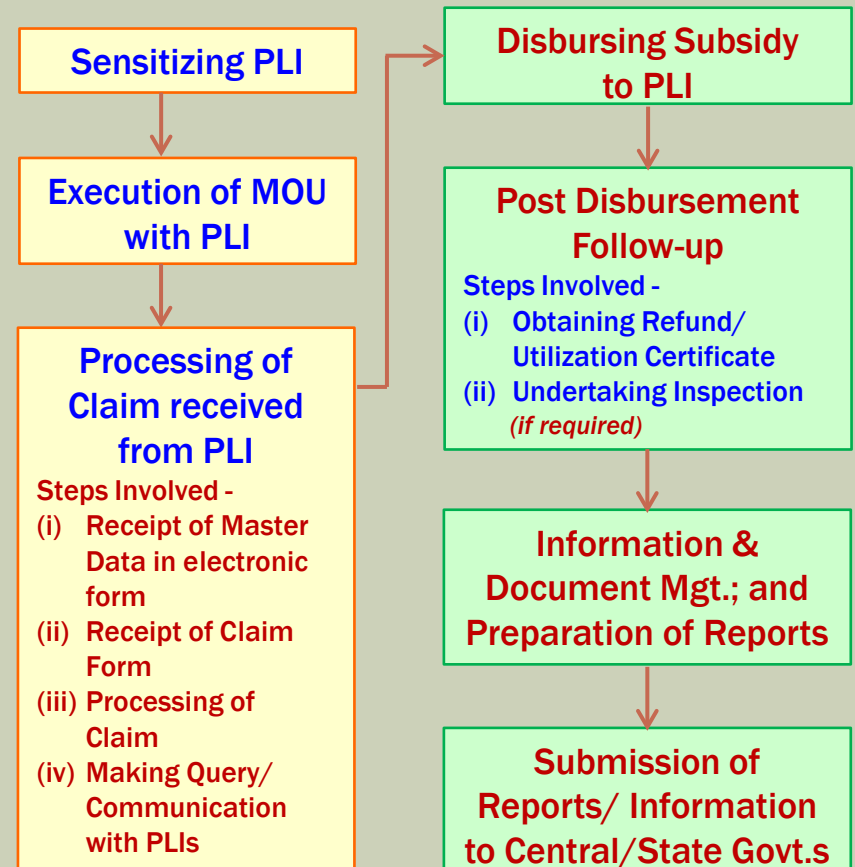
Roles of ULB, SLNA, ...

- Facilitating the identified eligible beneficiaries in getting approvals and documents, etc. to avail of credit linked subsidy.
- Enabling the applications from intended beneficiaries to PLIs. *In order to incentivize the designated staff of ULBs or NGOs a sum of Rs.250 per sanctioned application would be paid out of CLS Scheme funds payable through State Governments.*
- Ensuring that individual houses constructed under CLSS should have provision for basic civic services like water, sanitation, sewerage, road, electricity, etc.
- Providing NOCs to beneficiaries who are availing CLSS benefits from PLIs, **within 15 days of receipt of such requests**
- SLNA is the single point contact for PLIs implementing the CLSS
- SLNA will link PLIs with Urban Local Bodies, Development Authorities, Housing Boards, etc.

Roles of Central Nodal Agency (CNA)

- Channelize the Credit Linked Subsidy to the Primary Lending Institutions
 - Scheduled Commercial Banks
 - Housing Finance Companies
 - Regional Rural Banks
 - State Cooperative Banks
 - Urban Cooperative Banks
 - Any other institutions as may be identified by the MoHUPA
- Monitor the progress of CLSS
- Provide periodic monitoring inputs to the MoHUPA through regular monthly and quarterly reports
- Put-in place appropriate mechanisms for the purpose

Role with Primary Lending Institution



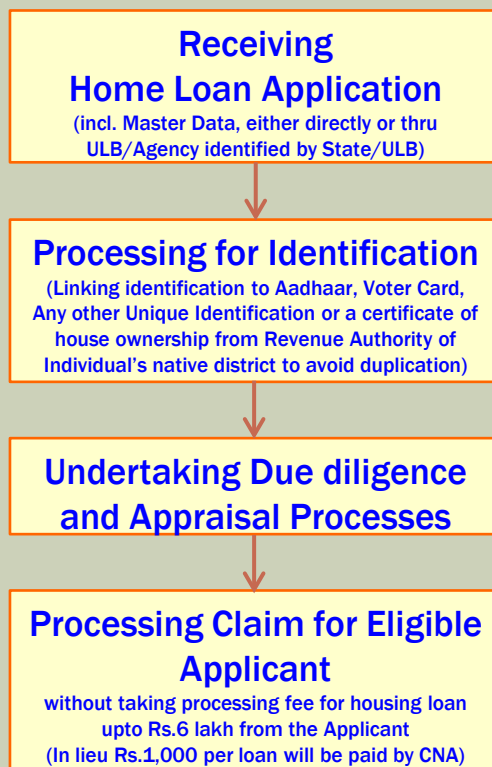
Roles of Primary Lending Institution (PLI)

- **Household Annual Income**
 - **EWS - Up to Rs.3,00,000** (Rupees Three lakh).
 - **LIG - Between Rs.3,00,001** (Rupees Three lakh one) and up to Rs.6,00,000 (Rupees Six lakh).

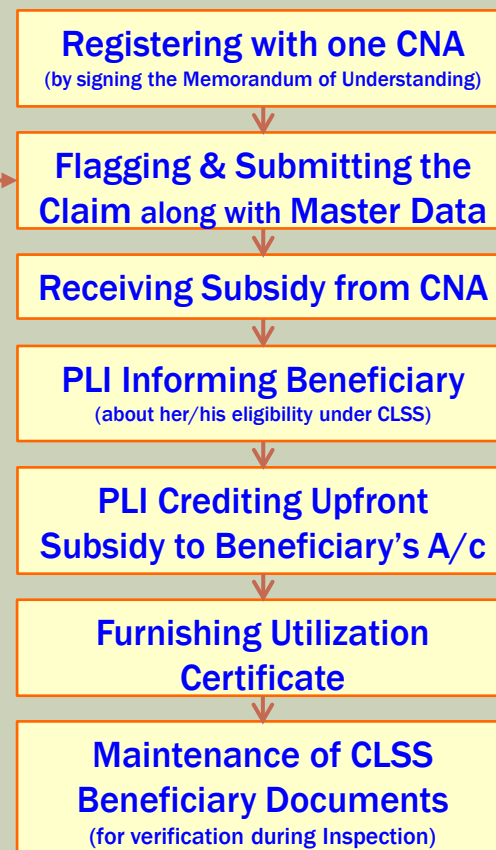
- **Carpet Area**
 - **EWS - Upto 30 sq.m.**
 - **LIG - Upto 60 sq.m.**
- **States can determine area of EWS as per their local needs with information to MoHUPA**

- **Interest subsidy @6.5% for loan amount upto Rs.6 lakh on NPV basis**
 - **15 years or actual tenure of loan, whichever is lower**

Role with Individual



Role with CNA

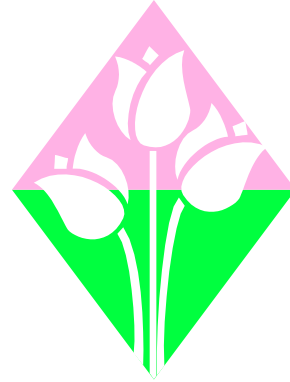


Implementation of Credit Linked Subsidy Scheme (CLSS) by NHB

- Signed MoUs with 145 PLIs
- Conducted 11 Regional Workshops on pan-India basis
- Implemented 24x7 on-line portal for submission of claims by Primary Lending Institutions
- Handholding PLIs for the use of on-line portal
- Disbursed Rs.108.55 crore to 53 PLIs for about 6,300 households in 29 States/UTs
- To avoid duplication, persuaded Credit Information Companies to add an additional field for capturing subsidy details

Feedback & Suggestions

- **Committee of Secretary (HUPA) and Secretary (DFS) in Government of India is constituted for monitoring the CLSS, giving targets to PLIs, etc.**
- **SLNAs/PLIs can send their feedback/suggestions regularly to NHB on the issues being faced during implementation of the CLSS**
- **NHB would take up them with the Concerned Authorities, including the Committees constituted for the purpose, Central Government, RBI, State/UT Governments, etc. for successful implementation of the CLSS**



Thank You

vrajan@nhb.org.in