

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 1854
TO BE ANSWERED ON SEPTEMBER 22, 2020**

SUBSIDY UNDER PMAY-U

NO. 1854. SHRI DIBYENDU ADHIKARI:

Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

a) whether the Government provides only the paid interest under the Pradhan Mantri Awas Yojana-Urban (PMAY-U) in the name of subsidy and/or repayment of home loan; and

(b) if so, the details thereof?

ANSWER

**THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE
MINISTRY OF HOUSING AND URBAN AFFAIRS
(SHRI HARDEEP SINGH PURI)**

(a)&(b) The Government is providing interest subsidy on housing loans for purchase/construction of houses through Credit Linked Subsidy Scheme (CLSS) component of Pradhan Mantri Awas Yojana (Urban) [PMAY(U)]. Interest subsidy is credited upfront to the loan account of beneficiaries through lending institutions resulting in reduced effective housing loan and Equated Monthly Instalment (EMI). Details of CLSS are at Annexure - I.

Annexure - I

Annexure for Lok Sabha Unstarred Question No. 1854 for answer on 22.09.2020

S.No.	Particulars	EWS/LIG	MIG-I	MIG-II
1.	Household Income (Rs. Per Annum)	Up to 3,00,000/- for EWS and between 3,00,001 to 6,00,000 for LIG	Between 600,001 up to 12,00,000	Between 12,00,001 up to 18,00,000
2.	Interest Subsidy (% p.a)	6.5%	4%	3%
3.	Maximum loan tenure (in years)	20	20	20
4.	Eligible Housing Loan Amount for Interest Subsidy (Rs.)	6,00,000*	9,00,000*	12,00,000*
5.	Dwelling Unit Carpet Area (Sq.mtr)	30 [#] /60 [#]	Up to 160	Up to 200
6.	Discount Rate for Net Present Value (NPV) calculation for interest subsidy	9%	9%	9%
7.	Upfront Amount for Subsidy (approximately in Rs.)	2,67,280	2,35,000	2,30,000

*Loans beyond this limit will be at non-subsidised rates.

In case of EWS/LIG, a beneficiary, at his/her discretion can build a house of larger area but interest subvention would be limited to first Rs. 6 lakh only. EWS/LIG households can also avail CLSS subsidy for addition of rooms, kitchen, toilet etc. to existing dwellings as incremental housing.
