Pradhan Mantri Awas Yojana (Urban)

Credit Linked Subsidy Scheme: An overview
Training on CLSS Awas Portal (CLAP), 23rd January 2020, Chennai
Pradhan Mantri Awas Yojana (Urban)

The PMAY(U) is one of the largest affordable housing scheme implemented in one of the largest democracies in the world

❖ Aims to facilitate in providing Pucca house to all eligible urban households by the year 2022

❖ Ownership of houses in the name of adult female member or in joint name

PMAY(U)

112 Lakh
Urban Housing Shortage

ISSR
In Situ Slum Redevelopment

CLSS
Credit Linked Subsidy Scheme

AHP
Affordable Housing Project

BLC
Beneficiary Led Construction

103 Lakh
Houses Sanctioned

60 Lakh
Houses Grounded

32 Lakh
Houses Completed

28 Lakh
Houses Occupied

progress till 21st January 2019
Credit Linked Subsidy Scheme

A Central Sector Scheme for Interest subvention on home loans taken by EWS/LIG/MIG for purchase, construction or enhancement of house

Role of Stakeholders under CLSS

M/o Finance
Allocates Budget for CLSS

M/o HUA
Releases funds to CNAs

Bank
Sanctions Loan and claims subsidy from CNA

CNA
Approves claim and disburses funds

Applicant
applies for Housing Loan with CLSS Subsidy
CLSS Time line

Launch of PMAY(U) incl CLSS (for EWS/LIG)
#25.06.2015
*17.06.2015

Launch of CLSS for MIG
01.01.2017

Extension of Loan Tenure to 20 Years for EWS/LIG
11.03.2017
01.01.2017

Beneficiary Family Definition to incl Adult earning member as separate family
27.06.2017
01.01.2017

Carpet Area Definition
27.06.2017
27.06.2017

Extension of CLSS for MIG to 31.03.2019
30.10.2017
01.01.2017

Carpet Area
27.06.2017

Increase in Carpet Area of Dwelling Units for MIG I & II to ‘upto 120 Sq.m’ & ‘upto 150 Sq.m’
27.11.2017
25.11.2017

Inclusion of Planning Area/Development Authority/Industrial Area
12.01.2018
25.11.2017

Increase in Carpet Area of Dwelling Units for MIG I & II to ‘upto 160 Sq.m’ & ‘upto 200 Sq.m’
12.06.2018
01.01.2017

Extension of CLSS for MIG to 31.03.2020
31.12.2018
01.01.2017

Appointmen of SBI as CNA
06.08.2019
01.11.2019

Launch of CLSS Awas Portal (CLAP)
25.11.2019
25.11.2019


PMAY(U) the beginning
17.6.2015

PMAY(U) up to 31.3.2022
# Scheme details of CLSS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>EWS</th>
<th>LIG</th>
<th>MIG I</th>
<th>MIG II</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheme Duration</td>
<td>17.06.2015 to 31.03.2022</td>
<td>01.01.2017 to 31.03.2020</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Household Income (Rs.)</td>
<td>Upto 3,00,000/-</td>
<td>3,00,001/- to 6,00,000/-</td>
<td>6,00,001/- to 12,00,000/-</td>
<td>12,00,001/- to 18,00,000/-</td>
</tr>
<tr>
<td>Dwelling Unit Carpet Area (Up to) in sq. m</td>
<td>30</td>
<td>60</td>
<td>160</td>
<td>200</td>
</tr>
<tr>
<td>Interest Subsidy (% p.a.)</td>
<td>6.5%</td>
<td>4.0%</td>
<td>3.0%</td>
<td></td>
</tr>
<tr>
<td>Maximum Loan Tenure</td>
<td>15 Years (17.06.2015 to 31.12.2016)</td>
<td>Not Applicable</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>20 Years (01.01.2017 Onwards)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eligible Housing Loan Amount for Interest Subsidy (Rs)*</td>
<td>6,00,000/-</td>
<td>9,00,000/-</td>
<td>12,00,000/-</td>
<td></td>
</tr>
<tr>
<td>Discounted Rate for Net Present Value (NPV) calculation</td>
<td>9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upfront Amount for Subsidy (Rs.) for a 20 Year Loan (approx.)</td>
<td>2,67,280/-</td>
<td>2,35,068/-</td>
<td>2,30,156/-</td>
<td></td>
</tr>
<tr>
<td>Savings in Monthly EMI (Rs.) Approx. @ Loan Interest of 10%</td>
<td>2,500/-</td>
<td>2,250/-</td>
<td>2,200/-</td>
<td></td>
</tr>
</tbody>
</table>
## CLSS Progress

### 8.32 Lakh
CLSS beneficiaries
(Physical and Financial)

<table>
<thead>
<tr>
<th>Category</th>
<th>Subsidy (Rs Cr)</th>
<th>Beneficiaries (Lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EWS/LIG</td>
<td>14,559</td>
<td>5.75 Lakh</td>
</tr>
<tr>
<td>MIG</td>
<td>6,424</td>
<td>2.57 Lakh</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20,983</strong></td>
<td><strong>8.32 Lakh</strong></td>
</tr>
</tbody>
</table>

**EWS/LIG : MIG Ratio**
- 31%
- 69%

### CLSS YoY Progress

<table>
<thead>
<tr>
<th>Year wise total</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
<th>2018-19</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLSS Beneficiaries (Nos.)</td>
<td>5,835</td>
<td>28,442</td>
<td>1,13,866</td>
<td>4,27,060</td>
<td>2,63,948</td>
</tr>
</tbody>
</table>

(as on 21st Jan 2020)
Top performing States in CLSS
Overall Vs South Zone

Tot performing states in India

Top performing states in South India

- Gujarat
- Maharashtra
- Uttar Pradesh
- Madhya Pradesh
- Rajasthan
- Karnataka
- Tamil Nadu
- Telangana
- Delhi
- Haryana

<table>
<thead>
<tr>
<th>State</th>
<th>Sum of EWS/LIG</th>
<th>Sum of MIG</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gujarat</td>
<td>2,23,774</td>
<td>2,06,608</td>
<td></td>
</tr>
<tr>
<td>Maharashtra</td>
<td>55,171</td>
<td>48,651</td>
<td></td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>39,379</td>
<td>38,000</td>
<td></td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>37,000</td>
<td>28,517</td>
<td></td>
</tr>
<tr>
<td>Rajasthan</td>
<td>16,747</td>
<td>15,600</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State</th>
<th>Sum of EWS/LIG</th>
<th>Sum of MIG</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Karnataka</td>
<td>38,000</td>
<td>37,000</td>
<td></td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>28,517</td>
<td>19,197</td>
<td></td>
</tr>
<tr>
<td>Telangana</td>
<td>12,277</td>
<td>8,000</td>
<td></td>
</tr>
<tr>
<td>Andhra Pradesh</td>
<td>5,000</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td>Kerala</td>
<td>5,000</td>
<td>10,000</td>
<td></td>
</tr>
</tbody>
</table>

Sum of EWS/LIG | Sum of MIG | Total
Top performing Primary Lending Institutions in CLSS
Overall Vs South Zone

Top 10 Primary Lending Institutions in CLSS

<table>
<thead>
<tr>
<th>Bank</th>
<th>Sum of EWS/LIG</th>
<th>Sum of MIG</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>HDFC</td>
<td>1,26,600</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LIC HFC</td>
<td>65,017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICICI</td>
<td>53,139</td>
<td>46,342</td>
<td>34,662</td>
</tr>
<tr>
<td>Axis</td>
<td>43,742</td>
<td>35,408</td>
<td>34,662</td>
</tr>
<tr>
<td>Bandhan</td>
<td>17,515</td>
<td>17,077</td>
<td>14,996</td>
</tr>
<tr>
<td>IIFL</td>
<td>17,077</td>
<td>17,515</td>
<td>14,996</td>
</tr>
<tr>
<td>HFC</td>
<td>12,624</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PNB</td>
<td>7,139</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Andhra HFC</td>
<td>3,831</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporation</td>
<td>3,620</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canara Bank</td>
<td>3,355</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

South Zone Primary Lending Institutions

<table>
<thead>
<tr>
<th>Bank</th>
<th>Sum of EWS/LIG</th>
<th>Sum of MIG</th>
<th>Total</th>
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<tbody>
<tr>
<td>Canara Bank</td>
<td>12,624</td>
<td></td>
<td></td>
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<tr>
<td>Indian Bank</td>
<td>7,139</td>
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<td>Andhra Bank</td>
<td>3,831</td>
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<td>Corporation Bank</td>
<td>3,355</td>
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</table>
Grievances
Information gap related to scheme and eligibility

Not able to get subsidy on time

Not able to see the status of application

PLI not cooperating on query raised

- Housing For All covers EWS/LIG and MIG-I and MIG-II category up to 18 lakh/Annum HH income

- Detail guidelines available on PMAY(U) website: [https://pmay-urban.gov.in/](https://pmay-urban.gov.in/)

- Letter shared with C.N.As clarifying on female ownership/inclusion in loan Ac on later stage.

- Subsidy Calculator available: [https://pmayuclap.gov.in/content/html/Subsidy-Calc.html](https://pmayuclap.gov.in/content/html/Subsidy-Calc.html)

- Under CLAP - CLSS Tracker was developed to enable beneficiaries to track their status
Primary Lending Institution (Grievances)

- No response from C.N.A sometimes
- Delay in processing (indefinite TAT)
  - (Time consuming claim forms)
  - Not getting subsidy on time (Delay in TAT)
  - Information gap on quality of data - leading to rejections
- Some PLIs are unaware of CLSS (esp in South India)
- Challenge in accessibility to links and appropriate understanding of CLAP
  - Application ID generation Link and its significance.
  - Challenge faced by PLIs in processing claims

- Series of training conducted by the Ministry and C.N.A on CLAP
- Fortnightly Meetings organised by the Ministry for top PLIs
- Ministry reaching out to PLI contacts directly/through C.N.As for resolving the issues
- Awareness on CLSS to States and other Nodal agencies
Operational and Administrative challenges at Centre and C.N.A level
(which lead to development of CLAP)

- Aadhaar verification and deduplication after subsidy release
- Bunch Processing resulting in delay of claim release
- No update to beneficiaries
- Increase in public grievances
- No Real-Time data integration amongst Stakeholders

- Application request logged in or not?
- Pendency at which stakeholder level?
- Applicant claim approved or not?

Process Diagnostics of old system
Angikaar - Financial Literacy outreach Camps
*Adapting PMAY(U) Homes
Cities Covered **4,424**

ARPs on Field **17,800**

Beneficiary Need Assessment **15 Lakh**

Citizen Coverage **22 Lakh**

*A Campaign for Change Management*

*Convergence with Missions and Ministries*

**CLSS Beneficiaries 75,000**

PLI need to tie up with ARPs for conducting Financial Literacy outreach camps

*Adapting PMAY(U) Homes*  -  *A Campaign for Change Management*  -  *Convergence with Missions and Ministries*

ARP: Angikaar resource persons
RBI Guidelines promoting Financial Inclusion/Financial Literacy in both Rural and Urban areas through FLCCs of Banks

1. Objectives

The broad objective of the FLCCs will be to provide free financial literacy/education and credit counselling. The specific objectives of the FLCCs would be:

(i) To provide financial counselling services through face-to-face interaction as well as through other available media like e-mail, fax, mobile, etc. as per convenience of the interested persons, including education on responsible borrowing, proactive and early savings, and offering debt counselling to individuals who are indebted to formal and/or informal financial sectors;

(ii) To educate the people in rural and urban areas with regard to various financial products and services available from the formal financial sector;

(iii) To make the people aware of the advantages of being connected with the formal financial sector;

(iv) To formulate debt restructuring plans for borrowers in distress and recommend the same to formal financial institutions, including cooperatives, for consideration;

(v) To take up any such activity that promotes financial literacy, awareness of the banking services, financial planning and amelioration of debt-related distress of an individual;

Success Story
PMAY(U) Vs RAY and Jnnurum
Stories from field
Success Story of Bhvana Rathod

**Beneficiary Name** | Bhavana Rathod
---|---
**Spouse Name** | Rahul Rathod
**City/State** | Karnataka, Hubli

**Transformation**

Bhavana was living in a single room flat in Hubli. They decided to have their own house, as they were already paying high rent which might as well be used for paying EMI to Bank.

Besides that, the addition of a new born pushed them to leave the small house and go for their own home much spacious and secure for the child and mother.

When they got to know from State Bank of India that they will get subsidy of 2.35 lakh on their home loan, they were very happy. Bhavana could save about 24,000 Rs / annum as the EMI reduced by 2,250/-
The family of four lived in a rented house in Guwahati earlier. However, over a period of time as they were unable to afford the high rent in the city, the family shifted to a village. They had to commute daily from the village to the city for work and school.

The family was looking for loan options with financial institutions and they came to know about the Credit Linked Subsidy Scheme (CLSS) under the PMAY (U) programme through State Bank of India. The PMAY (U) subsidy on EMI was a relief as it reduced the monthly burden on day to day expenditures.

The new house in the city has not only provided the family with better infrastructure and amenities but also access to better education facilities for children.
Thank you