

No. I-11016/15/2016-HFA-4 (eoffice no. 3017120)

Government of India
Ministry of Housing & Urban Poverty Alleviation
HFA-IV Division

Nirman Bhawan, New Delhi

Dated: 11 March, 2017

To,

The Chairman & Managing Director Housing and Urban Development Corporation Ltd., Hudco Bhawan, Core-7A, India Habitat Centre, Lodhi Road, New Delhi-110003	The Managing Director & CEO, National Housing Bank, Core-5A, India Habitat Centre, Lodhi Road, New Delhi-110003
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Subject: Amendments in guidelines of Credit Linked Subsidy Scheme (CLSS) under the Pradhan Mantri Awas Yojana (Urban) Mission- regarding.

Sir,

I am directed to state that the Credit Linked Subsidy Scheme (CLSS) is one of the verticals under the Pradhan Mantri Awas Yojana (Urban) Mission being implemented by the Government of India with effect from 17th June, 2015. The salient features and other procedural requirements pertaining to CLSS are detailed in the PMAY (Urban) guidelines and subsequent revisions/amendments made from time to time and also clarified through FAQs. The scheme guidelines, subsequent amendments and the FAQs are available on the web site of the Ministry www.mhupa.gov.in.

2. It has now been decided with the approval of the Competent Authority to make the enclosed amendments with regard to the CLSS vertical under PMAY (Urban).
3. The enclosed amendments, including that of lump sum amount in lieu of processing fees, would be effective from 1.01.2017 and would be applicable for new housing loan borrowers in respect of housing loans sanctioned and disbursed on or after 1.01.2017. Cases already sanctioned on or before 31.12.2016 would not be eligible for this purpose.
4. The amendments may please be further communicated to the Primary Lending Institutions (PLIs).
5. This issues with the approval of the Competent Authority.

Yours faithfully,

(S K Valiathan)

Deputy Secretary to the Government of India

Tele : 011-23061206

Copy to:

- I. Dir (HFA-I&V); DS (HFA-II&III); PS to JS&MD (HFA); PPS to Secretary (HUPA)

- II. Ms. Shikha, MIS, PMU, HFA Mission Directorate, New Delhi – It is requested to upload the amendments in guidelines of CLSS for EWS/LIG on the Ministry's website immediately.

**AMENDMENTS APPROVED IN PRADHAN MANTRI AWAS YOJANA (URBAN) –
HOUSING FOR ALL MISSION GUIDELINES**

<i>Para number</i>	<i>Existing Paragraph/sub-paragraph</i>	<i>Amended Paragraph/sub-paragraph</i>
5.1	Beneficiaries of Economically Weaker section (EWS) and Low Income Group (LIG) seeking housing loans from Banks, Housing Finance Companies and other such institutions would be eligible for an interest subsidy at the rate of 6.5 % for a tenure of 15 years or during tenure of loan whichever is lower. The Net Present Value (NPV) of the interest subsidy will be calculated at a discount rate of 9 %.	Beneficiaries of Economically Weaker section (EWS) and Low Income Group (LIG) seeking housing loans from Banks, Housing Finance Companies and other such institutions would be eligible for an interest subsidy at the rate of 6.5 % for a tenure of 20 years or during tenure of loan whichever is lower. The Net Present Value (NPV) of the interest subsidy will be calculated at a discount rate of 9 %.
15.5	In lieu of the processing fee for housing loan for the borrower under the scheme, PLIs will be given a lump sum amount of Rs. 1000 per sanctioned application. PLIs will not take any processing charge from the beneficiary.	In lieu of the processing fee for housing loan for the borrower under the scheme, PLIs will be given a lump sum amount of Rs. 3,000/- (Rupees Three Thousand only) per sanctioned application. PLIs will not take any processing charge from the beneficiary for housing loans upto Rs. 6 lakh under the Scheme. For additional loan amounts beyond Rs. 6 lakh, PLIs can charge the normal processing fee.
5.12	In line 4, For: the text “PLIs should take NOCs quarterly from State /UT Government or designated agency of State / UT Governments for the list of beneficiaries being given benefits under credit linked subsidy”.	Read: “PLIs should take NOCs quarterly from State /UT Government or designated agency of State / UT Governments for the list of EWS beneficiaries being given benefits under credit linked subsidy”.
5.13	-	Primary Lending Institutions, in the home loan applications, shall disclose

Para number	Existing Paragraph/sub-paragraph	Amended Paragraph/sub-paragraph
		transparently the Scheme eligibility and ascertain willingness and eligibility of applicants under CLSS for EWS/LIG.
PMAY (Urban) guidelines	For: 'CLSS', wherever it occurs in the scheme guidelines, MoUs and related documents.	Read: 'CLSS for EWS/LIG', wherever it occurs in the scheme guidelines, MoUs and related documents.
Defini-tions	Primary Lending Institutions (PLI) : Scheduled Commercial Banks, Housing Finance Companies, Regional Rural Banks (RRBs), State Cooperative Banks, Urban Cooperative Banks or any other institutions as may be identified by the Ministry.	Primary Lending Institutions (PLI): Scheduled Commercial Banks, Housing Finance Companies, Regional Rural Banks (RRBs), State Cooperative Banks, Urban Cooperative Banks, Small Finance Banks, Non Banking Financial Company-Micro Finance Institutions' (NBFC-MFIs) or any other institutions as may be identified by the Ministry.