

Interest Subsidy Scheme (ISS)
under Pradhan Mantri Awas Yojana - Urban 2.0

Interest Subsidy Scheme (ISS) under Pradhan Mantri Awas Yojana - Urban 2.0 (PMAY-U 2.0) is being implemented by our bank.

Salient features and guidelines of Interest Subsidy Scheme (ISS) vertical under PMAY- U 2.0 is as under –

- 1) Subsidy will be provided on home loans sanctioned and disbursed on or after 01.09.2024.
- 2) The beneficiaries from EWS having annual household income up to ₹3 lakh, beneficiaries of LIG having annual household income of ₹3 lakh to ₹6 lakh and MIG beneficiaries with annual household income limit of ₹6 lakh to ₹9 Lakh will be eligible for Interest Subsidy Scheme.
- 3) A beneficiary family will comprise of husband, wife, unmarried sons and/or unmarried daughters. Families belonging to EWS/LIG/MIG segments, living in urban areas, should not own a pucca house (an all-weather dwelling unit) either in his/her name or in the name of any member of his/her family in any part of India.
- 4) The houses constructed/acquired/purchased with Central Assistance under the Scheme should be in the name of the female head of the household or in the joint name of the male head of the household and his wife and only in cases when there is no adult female member in the family, the house can be in the name of male member of the household. In cases where the applicant is a widower, unmarried, separated person, or transgender, the house will be made in the individual's name. In case of death of beneficiary(s), the legal heir of the beneficiary will get the benefit under the scheme.
- 5) The broad features and eligibility criteria of the Interest Subsidy Scheme are provided in the table below:

Parameters	EWS/LIG/MIG
Annual Household income	Up to ₹9 lakh
Maximum Housing Loan eligible	₹25 lakh
Maximum House Value	₹35 lakh
Maximum Carpet area (up to) in sqm	120
Maximum benefit of interest subsidy (₹) – Actual Release	₹1.80 lakh
Maximum benefit of interest subsidy (₹) - NPV	₹1.50 lakh

6) Exclusion (Ineligibility) Criteria under ISS:

- i. The subsidy under the scheme will be provided only once for a property. If it is sold to someone else, the purchaser can't take benefit of ISS on this property.
 - ii. If two or more family members take combined or separate loan on same property, they will be treated as same family for calculation of family income and benefit.
 - iii. In case a borrower has taken a housing loan from one Primary Lending Institution (PLI) and later on switches to another PLI for balance transfer/takeover, such beneficiary will not be eligible to claim the benefit of interest subsidy again. If a person has not claimed interest subsidy from first PLI, he/she shall not be eligible after balance transfer/takeover.
 - iv. Only loan up to ₹25 lakh with the house value up to ₹35 lakh will be eligible for subsidy under this vertical. If the family income or property value as assessed for sanction of loan is higher than eligibility limit, loan will not be eligible for subsidy.
 - v. In case of any false declaration on income level by a beneficiary who has already availed the scheme benefit, he/she would be liable for legal proceedings under applicable laws.
- 7) For availing the benefit under ISS vertical, eligible beneficiaries will be required to register their demand through Unified web-portal of MoHUA, GOI (URL - https://pmaymis.gov.in/PMAYMIS2_2024/PmayDefault.aspx).
- 8) Geo-tagging of houses along with their geo-spatial location will be done by bank.
- 9) The subsidy will be released in 5 equal yearly instalments through DBT in loan accounts of beneficiary provided loan is active at the time of release of subsidy and more than 50% principal is outstanding. Subsidy will be credited by the Bank to the borrower's account upfront by deducting it from the principal loan amount of the borrower. The borrower will pay EMI as per lending rates on the remainder of the principal loan amount.
- 10) The subsidy will be provided to those beneficiaries who have submitted the approved layout plan to the Bank as per guidelines of States/UTs. However, the layout plan may not be insisted where States/UTs have provided the exemption for construction of houses having provision of deemed approval or pre-approved building plan.

- 11) An undertaking from the beneficiary will be taken as a declaration of the fulfilment of eligibility criteria of income and not owning a pucca house anywhere in India on his/her name or any other family members in a specified format of the Scheme Guidelines released by The Government.
- 12) All Statutory Towns as per Census 2011 and towns notified subsequently and areas falling within the boundary of Notified Planning Areas, Notified Planning/ Development area under the jurisdiction of Industrial Development Authority/Special Area Development Authority/Urban Development Authority or any such Authority under State legislation which is entrusted with the functions of urban planning and regulations shall be included for the coverage under the Scheme.
- 13) A beneficiary will be eligible for availing benefit under any of the verticals of PMAY-U 2.0 scheme. The beneficiary who has been allotted house under any of the housing scheme of Central Government, State/UT Government and Local Self Government in last 20 years in urban or rural areas, shall not be eligible to seek benefit under PMAY-U 2.0.
- 14) All eligible beneficiaries (including family members) should have an Aadhaar/ Aadhaar Virtual ID integrated with the details of beneficiaries.
- 15) Under the scheme, there shall be a mandatory lock-in period of five years from the disbursement of first instalment of home loan under ISS verticals and the beneficiary shall not be allowed to sell/ transfer the house during the lock-in period.
- 16) The Frequently Asked Questions given under the 'Support/FAQs' link in the Unified Web-portal (URL - https://pmaymis.gov.in/PMAYMIS2_2024/PmayDefault.aspx) may be referred for further clarification on the scheme guidelines.