



Ministry of Housing and Urban Affairs
Government of India

Pradhan Mantri Awas Yojana - Urban 2.0



Housing for All Mission Scheme Guidelines

September 2024



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1. Scope of PMAY-U 2.0

- 1.1 Pradhan Mantri Awas Yojana - Urban 2.0 (PMAY-U 2.0) – ‘Housing for All’ Mission for urban areas will be implemented for 5 years from 01.09.2024 to provide Central Assistance to all eligible beneficiaries/households/ implementing agencies through States/Union Territories (UTs)/Primary Lending Institutions (PLIs) to construct, purchase or rent a house at an affordable cost.
- 1.2 The Mission will be implemented as Centrally Sponsored Scheme (CSS) except for the component of Interest Subsidy Scheme (ISS) which will be implemented as a Central Sector Scheme. The Scheme will be implemented through following four verticals:
 - i. Beneficiary Led Construction (BLC)
 - ii. Affordable Housing in Partnership (AHP)
 - iii. Affordable Rental Housing (ARH)
 - iv. Interest Subsidy Scheme (ISS)
- 1.3 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.
- 1.4 The Scheme will support construction of houses with a minimum of 30 square meter (sqm) carpet area along with basic civic amenities and social infrastructure. Further, States/UTs will have the flexibility in terms of determining the size of houses up to 45 sqm and other facilities in consultation with the Ministry, without any enhancement in financial assistance from Government of India. States/UTs through their implementing agencies will provide trunk infrastructure from their own resources up to project site.
- 1.5 The projects should have basic civic infrastructure/amenities like water, sanitation, sewerage, road, electricity etc. Urban Local Bodies (ULBs) should ensure that individual houses under ISS and BLC verticals shall have the provision for these basic civic amenities. States/UTs shall endeavour to make suitable provisions in the Detailed Project Reports (DPRs) of AHP and ARH Projects for the following:
 - a) Necessary provision of ramp and other facilities for barrier free access to ensure accessibility for Persons with Disabilities (Divyangjan) as mentioned under the provisions of Rights of Persons with Disabilities Act, 2016.
 - b) Construction of Anganwadi Centres at the site of AHP projects, wherever required.
 - c) Provision of Rainwater Harvesting System.
 - d) Solar Energy System, especially to meet the requirement of common facilities.
 - e) Adequate number of plantations within the project site.
- 1.6 States/UTs, at their discretion, may decide a cut-off date on which beneficiaries have to be a resident of that urban area for being eligible to take benefits under the Scheme.



- 1.7 In order to participate in the Scheme and to avail financial assistance from Central Government, States/UTs should agree to fulfil the prescribed reforms within the specified timeline by signing a Memorandum of Agreement (MoA) with MoHUA as per the format at **Annexure-1A**.
- 1.8 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.
- 1.9 To enable the applicant to avail benefits of PMAY-U 2.0, the inclusion of name of female member of the family in registered title deed/sale deed of the house acquired/purchased during the Mission period, should also be allowed at a later stage and State/UT should make provision for exemption of additional stamp duty and/or registration charges for such cases.
- 1.10 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 as per **Annexure-2 (A, B & C)** of the Scheme Guidelines.
- 1.11 State/UT Governments and Implementing Agencies should ensure the formation of beneficiary residents associations such as Resident Welfare Association (RWA)/Apartment Owners Association (AOA) in AHP projects. These associations will be responsible to take care of facilities and maintenance of houses built under the Scheme. Implementing Agencies shall ensure the compliances of "Real Estate (Regulation and Development) Act [RERA], 2016" (if applicable) and other applicable State laws.

2. Coverage

- 2.1 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 for all verticals.
- 2.2 The Cities/Towns and areas falling under 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, where PMAY-U is being implemented will continue to be covered under PMAY-U 2.0. Cities/towns which were not part of PMAY-U may also be included in PMAY-U 2.0 with due approval of MoHUA.





3. Eligibility Criteria

- 3.1 Families belonging to EWS/LIG/MIG category, living in urban areas, having no pucca house anywhere in the country, are eligible to purchase or construct a house under PMAY-U 2.0.
- 3.2 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. An undertaking may also be submitted by the beneficiary while validating the demand by ULB in this regard.
- 3.3 EWS households are defined as households with an annual income of up to ₹3 lakh. LIG is defined as households with an annual income from ₹3 lakh up to ₹6 lakh. MIG is defined as households with an annual income from ₹6 lakh up to ₹9 lakh. States/UTs shall have the flexibility to redefine the annual income criteria of EWS as per prevailing conditions with concurrence of MoHUA.
- 3.4 Preference under the Scheme will be given to Widows, single women, Persons with Disabilities, Senior Citizens, Transgenders, persons belonging to Scheduled Castes/Scheduled Tribes, Minorities and other weaker and vulnerable sections of the society. Special focus will be given to Safai Karmi, Street Vendors identified under PMSVANidhi Scheme and different artisans under Pradhan Mantri-Vishwakarma Scheme, Anganwadi workers, building and other construction workers, residents of slums/chawls and other groups identified during operation of PMAY-U 2.0.
- 3.5 It would also be ensured that if a pucca house has been provided to the parents of any eligible beneficiary under the previous housing schemes then, he/she will be considered only after other eligible families/beneficiaries whose parents have not availed any benefit under the previous housing schemes are included in the list of beneficiaries.
- 3.6 The houses sanctioned under PMAY-U which got curtailed by Central Sanctioning and Monitoring Committee (CSMC) after 31.12.2023 due to any reason on the recommendation of States/UTs, shall not be sanctioned in PMAY-U 2.0 to those beneficiaries.
- 3.7 The beneficiaries may avail benefit in PMAY-G or PMAY-U 2.0 as per their jurisdiction. The MIS linkage between Department of Rural Development for PMAY-G and MoHUA for PMAY-U 2.0 would be done to avoid duplication of beneficiaries. The final list of beneficiaries may be checked and verified by States/UTs/ULBs before sending to the CSMC for sanctioning.
- 3.8 All eligible beneficiaries (including family members) should have an Aadhaar/ Aadhaar Virtual ID integrated with the details of beneficiaries. In case, any eligible beneficiary does not have an Aadhaar card/Aadhaar Virtual ID, States/UTs should ensure that Aadhaar/Aadhaar Virtual ID enrolment of such beneficiary is done on priority.



- 3.9 A District/ULB level Committee headed by the District Magistrate/Municipal Commissioner/ Executive Officer will be responsible for selection of beneficiaries. Government of India may nominate two non-officials/public representative members as part of committee.

4. Implementation Methodology

- 4.1 In order to avail the Central Assistance under PMAY-U 2.0, it shall be mandatory for States/ UTs to implement reforms & provide incentives for affordable housing and formulate 'Affordable Housing Policy' of the State. States/UTs will sign the Memorandum of Agreement (MoA) with the Ministry of Housing and Urban Affairs for the implementation of the PMAY-U 2.0 Mission. By signing the MoA, they would agree to formulate and implement an "Affordable Housing Policy" as outlined in Para 14, which includes various incentives and reforms for affordable housing along with adherence to other scheme modalities.
- 4.2 After signing of MoA, States/UTs will send proposal to the Ministry for inclusion of additional/ newly formed statutory towns/cities under PMAY-U 2.0, except already approved cities under PMAY-U, if any.
- 4.3 The ULB/State designated agency will be the nodal agency for Scheme implementation in a city. Development authorities and other parastatal agencies shall submit their proposals for approval of State Level Appraisal Committee (SLAC)/SLSMC and CSMC through respective ULB only.
- 4.4 States/UTs/Cities will undertake a rapid assessment of housing demand under different verticals through suitable means for assessing the actual demand of housing as per **Annexure-3**. The beneficiaries can register themselves for housing demand with all details on unified Web-portal. The beneficiaries will be validated by States/UTs/ULBs as per the eligibility criteria of the scheme guidelines. States/UTs/ULBs should verify and exclude the beneficiary families from the list who is having a pucca house in rural area and migrated to city to take advantage of PMAY-U 2.0.
- 4.5 States/UTs/ULBs should also identify the beneficiaries from the Special Focused Group (SFG), as mentioned in para 3.4, for inclusion in PMAY-U 2.0 and accordingly provide benefits to these groups on priority.
- 4.6 Based on demand assessment and other accessible data, cities will complete the online format of the City-wise Housing Plan on the Unified Web-portal in accordance with **Annexure-4**, which includes the vertical wise total and annual demand of housing for eligible beneficiaries in the city.
- 4.7 The progress of houses constructed under the Scheme will be tracked through Geo-tagging at various stages and other digital norms so that each house can be monitored effectively at every stage of construction. The Geo-tagging of houses will be done in five construction stages in accordance to the applicable verticals of PMAY-U 2.0 such as layout, foundation/ plinth, lintel, roof and completion stage.





- 4.8 Central Assistance under AHP and BLC verticals will be released to States/UTs in instalments based on the Geo-tagging status of projects/houses updated in MIS. The Geo-tagging of houses along with their spatial location is required to be captured by the experts/PMC at ULB level. The expenditure incurred on Geo-Tagging of houses/projects under BLC/AHP/ISS/ARH will be released by the Ministry as per the funding pattern.
- 4.9 States/UTs shall endeavour to complete all the houses sanctioned under PMAY-U 2.0 before the period as specified in Detailed Project Report (DPR) by providing incentives to beneficiaries such as enhanced financial assistance, provisions of subsidized construction materials, etc.
- 4.10 Under the scheme, there shall be a mandatory lock-in period of five years from the date of completion of house under BLC, possession of house under AHP and 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.
- 4.11 States/UTs may also propose row housing projects within the jurisdiction of Development Authorities only under AHP vertical, subject to provision of all basic/civic amenities and social infrastructure facilities as envisaged under other AHP projects in the Scheme.
- 4.12 The Mission will undertake various Information, Education and Communication (IEC) activities at national level for widespread dissemination of the scheme. States/UTs/ULBs will also undertake various awareness activities for wider dissemination among all stakeholders. States/UTs/ULBs will mandatorily display the PMAY-U 2.0 logo prominently in front of all housing units constructed under the Scheme.
- 4.13 States/UTs are advised to create awareness among various stakeholders including beneficiaries on the use of innovative housing construction technologies and materials which enhance thermal comfort, energy efficiency, disaster resilience and are cost effective.
- 4.14 The CSMC will provide all necessary approvals on administrative and financial matters of PMAY-U 2.0 scheme. CSMC will also resolve the difficulties faced by the Ministry as well as States/UTs/ULBs during the implementation of the scheme. Any changes in the norms for Capacity Building activities shall also be done by the CSMC.

5. PMAY-U 2.0 Verticals

PMAY-U 2.0 will be implemented through following four verticals which will provide flexibility to the beneficiaries/States/UTs in choosing different options available under the Scheme as described below:



5.4 Interest Subsidy Scheme (ISS)

- 5.4.1 The Mission, will implement Interest Subsidy Scheme (ISS) vertical as a Central Sector Scheme to expand institutional credit flow to the affordable housing sector. Subsidy will be provided on home loans sanctioned and disbursed on 01.09.2024 or after to eligible beneficiaries of EWS/LIG and MIG for purchase/ re-purchase/construction of houses.
- 5.4.2 Households belonging to EWS, LIG and MIG category with an annual income of up to ₹3 lakh, ₹6 lakh and ₹9 lakh, respectively will be eligible to avail the benefit of the Scheme. For identification as an EWS/LIG/MIG beneficiary under the Scheme, an individual loan applicant will submit self-certificate/affidavit as proof of income.
- 5.4.3 A maximum release of interest subsidy of ₹1.80 lakh having maximum NPV of ₹1.50 lakh (at Discount Rate of 8.5%) shall be provided to eligible beneficiaries having a loan tenure of more than five years. Households having income up to ₹9 lakh, loan value up to ₹25 lakh for property value up to ₹35 lakh would be eligible for a subsidy at 4.0 % on first ₹8 lakh for a tenure up to 12 years. The carpet area of houses under this component shall be up to 120 sqm. Subsidy to the beneficiaries will be released in 5 equal yearly instalments.
- 5.4.4 The broad features and eligibility criteria of the Interest Subsidy Scheme are provided in the table below:

| Parameters | EWS/LIG/MIG |
|----------------------------------------------------------|---------------|
| Annual HH income (₹) | Up to ₹9 lakh |
| Interest Subsidy (% P.A.) | 4.0% |
| 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 |

5.4.5 Exclusion (Ineligibility) Criteria under ISS:

- 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. PLIs are to ensure that subsidy benefit is not taken by the previous owner by checking on the unified web portal, before initiating the claim of the current occupant.
- 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.
- In case a borrower has taken a housing loan from one PLI and later on switches to another PLI for balance transfer, 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.



- 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 by PLI 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.
- 5.4.6 Under this vertical, Central Nodal Agencies (CNAs) will be designated by the Ministry by signing of an MoU as per **Annexure-1B**, to channelize the subsidy to the beneficiary's account through identified PLIs. PLIs can register only with one CNA by signing MoU as provided.
- 5.4.7 CNAs will be responsible for ensuring proper implementation and monitoring of the scheme and will put in place appropriate mechanisms for the purpose. CNAs will provide periodic monitoring inputs to MoHUA through real-time, regular monthly and quarterly reports and any other information as may be required. PLIs shall link beneficiary identification to Aadhaar/ Aadhaar Virtual ID to avoid duplication. Further, CNA will sign a MoU with interested PLIs for release of subsidy to the beneficiaries as per **Annexure-1C**.
- 5.4.8 For availing the benefit under ISS vertical, eligible beneficiaries will be required to register their demand through Unified web-portal. Subsequently, the application will be forwarded to the concerned PLIs for further necessary action as per his/her eligibility criteria as per **Annexure-7**.
- 5.4.9 Based on the loan disbursed by a PLI to beneficiaries, the Ministry shall release subsidy through single click on a monthly basis through CNA to PLI using unified web-portal. Beneficiary would be intimated by Short Message Service (SMS) on registered mobile number about amount of subsidy credit, bearing beneficiary ID details.
- 5.4.10 The subsidy will be released in 5 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 PLI 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.
- 5.4.11 The subsidy will be provided to those beneficiaries who have submitted the approved layout plan to the PLIs as per guidelines of States/UTs. However, the layout plan may not be insisted by PLIs where States/UTs have provided the exemption for construction of houses having provision of deemed approval or pre-approved building plan.





- 5.4.12 The PLI shall follow best practices of lending by extending the loan at affordable rate to the PMAY-U beneficiary. The PLI shall charge interest on reducing balance method whereby the interest is computed only on the principal outstanding for payment of consecutive instalments.
- 5.4.13 State Level Nodal Agency (SLNA) identified by State/UT for implementing the Mission, will facilitate the identified eligible beneficiaries in getting approvals and documents, etc. to avail the benefit of Interest Subsidy Scheme. SLNA shall organize loan melas, conduct monthly review with PLIs to resolve challenges faced by beneficiaries in availing the benefit of the scheme. In order to facilitate awareness and benefit of the scheme among the beneficiaries, all PLIs shall mandatorily display the details of the scheme along with the contact details at their respective branches for smooth disbursement of loan and interest subsidy.
- 5.4.14 The State Level Bankers Committee (SLBC) shall also monitor the Scheme through its prevalent institutional mechanism. The SLNA shall ensure to participate in SLBC meeting to share the details of interested applicants.
- 5.4.15 Any change in contact details (Name/Number) of the designated officer at Bank Branch shall have to be updated by next day by the PLI on the portal.
- 5.4.16 PLIs should use unified web-portal to check duplication so that no beneficiary is granted more than one benefit under the Mission. Concerned States/ UTs will have access to the details of ISS beneficiaries through the portal, while deciding beneficiaries under other three verticals of the Mission.
- 5.4.17 Geo-tagging of houses along with their geo-spatial location is required to be done by the respective PLI/Beneficiary as per the payment plan. Geo-tagging of houses to be done after release of 1st instalment, in case of purchase of completed house. In case of construction /under construction house, Geo-tagging is to be done before release of each instalment. It is to be ensured by PLI that before releasing 4th instalment to the beneficiary the geo-tagging of house at completed level is captured in MIS.
- 5.4.18 MoHUA will pay 0.1% of total fund disbursement by the CNAs to the PLIs towards the administrative expenses to the CNAs.

