

Pradhan Mantri Awas Yojana

Pradhan Mantri Awas Yojana (PMAY) is an initiative by the Government of India in which affordable housing will be provided to the urban poor with a target of building 2 crore (20 million) affordable houses by 31 March 2022. It has two components: Pradhan Mantri Awas Yojana (Urban) for the urban poor and Pradhan Mantri Awaas Yojana (Gramin) for the rural poor. This scheme is converged with other schemes to ensure houses have a toilet, Saubhagya Yojana electricity connection, Ujjwala Yojana LPG connection, access to drinking water and Jan Dhan banking facilities, etc. Total 1 crore homes are approved against total demand of 1.12 crore as of 28 December 2019.

Eligibility

Condition for PMAY: (a) Beneficiary max age 70 years, (b) EWS (Economic Weaker Section) family income limit is ₹3 lakhs per annum and for LIG (Lower Income Group) Family Income limit is ₹6 Lakhs per annum, and Middle Income Group -(MIG-I) income between ₹6 lakhs to ₹12 lakhs per annum, (MIG-II) income between ₹12 lakhs to ₹18 lakhs per annum c) The beneficiary should not have an own dwelling unit on the name of any family member in any part of India. d)The loan applicant should not have availed any central/state government subsidy or benefit for buying a home under the PMAY scheme. e)Currently, the loan applicant should not own any property under their name and along with any of the family members (including the dependents). f)The home renovation or improvement loans, self-construction loans will be allocated only for EWS and LIG categories.[16]The houses given under this scheme will be owned by females or jointly with males.

Phases

3 Phases of PMAY envisage starting and completing the house construction work as follows:

- PMAY Phase-1 from April 2015 to March 2017 to cover 100 cities.
- PMAY Phase-2 from April 2017 to March 2019 to cover additional 200 cities.
- PMAY Phase-3 from April 2019 to March 2022 to cover the remaining cities.

States and cities covered

As of 25 April 2016, the government has identified 2,508 cities and towns in 26 states for beginning construction of houses for urban poor. Construction of 1,86,777 additional houses for the benefit of urban poor with an investment of ₹11,169 cr with central assistance of ₹2,797 cr was approved in February 2018, taking the cumulative total houses approved to 39,25,240 houses including subsumed RAY scheme, of the targeted 1 crore houses by March 2022.

Private contributors

IIFL Home Loans have been helping beneficiaries avail Credit linked Subsidy under Pradhan Mantri Awas Yojana across the country. Till 17 August 2017, the company has helped 4187 beneficiaries avail government subsidy. ICICI Bank is giving subsidized home loans to the people eligible for this scheme. AU Housing Finance Limited is also doing subsidy based funding under this scheme. Home First Finance company also provide help beneficiaries to avail Credit linked Subsidy under Pradhan Mantri Awas Yojana across different regions of India. SBI has now slashed down the interest rate of home loans above ₹75 lakh by 10 basis points. From June 15, 2017, the rate for the same will be 8.55-8.6%