

Background Notes on 100 days achievements:

Pradhan Mantri Awas Yojana-Urban 2.0 launched by Hon'ble Prime Minister on 17th September, 2024. Operational Guidelines issued.

- Prime Minister in his Independence Day speech on 15th August 2023 from the ramparts of Red Fort had announced that Government of India will come up with a new scheme for the coming years to provide benefit to weaker section and middle-class families in owning a house.
- The Union Cabinet, approved PMAY-U 2.0 on 9th August 2024 for construction of additional 1 crore pucca houses for eligible urban poor and middle-class families, over next 5 years.
- The estimated investment under the scheme is ₹ 10 lakh crore with Government Assistance of 2.3 lakh crore.
- Under PMAY-U, 1.18 crore houses have been sanctioned while more than 85.5 lakh houses have already been constructed and delivered to the beneficiaries.
- In pursuance of the Hon'ble Prime Minister's vision, PMAY-U 2.0, with an investment of ₹ 10 lakh crore, will address the housing needs of one crore families, ensuring that every citizen leads a better quality of life.
- In order to seek benefit under PMAY-U 2.0, States/UTs will have to formulate "Affordable Housing Policy" containing various reforms and incentives for ensuring active participation of Public/Private entities and promote Affordable Housing Ecosystem. 'Affordable Housing Policy' will include such reforms which will improve the affordability of 'Affordable Housing'.

PMAY-U 2.0 Eligibility Criteria

Families belonging to EWS/LIG/Middle Income Group (MIG) segments having no pucca house anywhere in the country are eligible to purchase or construct a house under PMAY-U 2.0.

- EWS households are families with an annual income up to ₹3 lakh.
- LIG households are families with an annual income from ₹3 lakh up to ₹6 lakh.
- MIG households are families with an annual income from ₹6 lakh up to ₹9 lakh.

Coverage of the Scheme

All statutory towns as per Census 2011 and towns notified subsequently, including Notified Planning Areas, Areas falling within 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 also be included for the coverage under PMAY-U 2.0.

PMAY-U 2.0 components

The Scheme seeks to address the affordable housing requirement in urban areas through following verticals:

- i. **Beneficiary-Led Construction (BLC):** Under this vertical, financial assistance will be provided to individual eligible families belonging to EWS categories to construct new houses on their own available vacant land. In case of landless beneficiaries, land rights (*pattas*) may be provided by States/UTs.
- ii. **Affordable Housing in Partnership (AHP):** Under AHP, financial assistance will be provided to EWS beneficiaries for owning houses being built with different partnerships by States/UTs/ Cities/Public/Private agencies.
 - Redeemable Housing Vouchers will be given to beneficiaries who purchase house from private projects. States/UTs/ULB shall whitelist the private sector projects complying with all the necessary norms
 - An additional Grant in the form of Technology Innovation Grant (TIG) @₹1000 per sqm/unit shall be provided to AHP Projects using innovative construction technologies
- iii. **Affordable Rental Housing (ARH):** This vertical will create adequate rental housing for working women/ industrial workers/ urban migrants/ homeless/ destitute / students and other eligible beneficiaries. ARH shall ensure affordable and hygienic living spaces for urban dwellers who do not want to own a house but require housing for short term basis or those who do not have the financial capability to construct/buy a house.

This vertical will be implemented through two models as under:

- Model-1: Utilizing existing Government funded vacant houses in cities by converting them into ARH under Public Private Partnership mode or by public agencies.
- Model-2: Construct, Operate and Maintain rental housing by Private/Public agencies

For projects constructed using innovative technologies, TIG at the rate of ₹3,000 per sqm shall be released by Central Government while State/UT Government shall provide ₹2000/ per sqm as part of State Share.

- iv. **Interest Subsidy Scheme (ISS):** The ISS vertical will provide benefits of subsidy on home loans for EWS/LIG and MIG families. Beneficiaries taking loan up to ₹25 lakh with house value

up to 35 lakh will be eligible for 4 percent interest subsidy on first ₹8 lakh loan up to 12 years tenure. A maximum of ₹1.80 lakh subsidy will be given to eligible beneficiaries in 5-yearly instalments through push button. Beneficiaries can access their accounts through website, OTP or smart cards.

PMAY-U 2.0 will be implemented as Centrally Sponsored Scheme (CSS), except for the Interest Subsidy Scheme (ISS) component, which will be implemented as Central Sector Scheme.

Funding Mechanism

S. No.	States/UTs	PMAY-U 2.0 Verticals		
		BLC & AHP	ARH	ISS
	North-Eastern Region States, Himachal Pradesh, Uttarakhand and Union Territory (UT) of J&K, Puducherry and Delhi	Central Govt.- ₹2.25 lakh per unit State Govt.- Min. ₹0.25 lakh per unit	Technology Innovation Grant Gol: ₹3,000/Sqm per unit	Home Loan Subsidy – up to ₹1.80 lakh (Actual Release) per unit by Government of India as Central Sector Scheme
	All other UTs	Central Govt. - ₹2.50 lakh per unit		
	Remaining States	Central Govt. - ₹1.50 lakh per unit State Govt.- Min. ₹1.00 lakh per unit	State Share: ₹2,000/Sqm per unit	

- TISM will be set up under PMAY-U 2.0 to guide and facilitate States/UTs and other stakeholders in adoption of modern, innovative and green technologies and building material for faster and quality construction of houses. Under TISM, States/UTs/Cities will be assisted through innovative practices and projects in challenge mode focused on disaster resistant and environment friendly technologies for climate smart buildings and resilient housing.
- On 17th September 2024, Hon'ble Prime Minister Shri Narendra Modi, launched Pradhan Mantri Awas Yojana-Urban (PMAY-U) 2.0 Scheme along with its Operational Guidelines.
- The launch of PMAY-U 2.0 is a major achievement of the Governments 100 Days agenda. The Union Cabinet approved the Scheme in August 2024, after which, the Guidelines was released and shared with States/UTs for implementing the Scheme across the country.

- PMAY-U 2.0 will achieve the vision of 'Housing for All' by fulfilling the housing dreams of EWS/LIG and MIG segments. The Scheme will also ensure equity across different segments of population by addressing the requirement of slum dwellers, SC/STs, minorities, widows, Persons with Disabilities and other underprivileged 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.