

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 1489
ANSWERED ON 09/12/2024**

PRADHAN MANTRI AWAS YOJANA (PMAY) - PHASE II

NO. 1489. SHRI GOLLA BABURAO:

Will the Minister of Housing and Urban Affairs be pleased to state:

- (a) the expected benefits of the increased corpus for the Credit Risk Guarantee Fund Trust (CRGFT) in the second phase of PMAY;
- (b) the manner in which the tripling of the corpus to ₹3,000 crore will impact the availability and affordability of housing loans for the urban poor in Andhra Pradesh;
- (c) whether there are any measures in place to ensure that the increased financial support translates into tangible benefits for the target beneficiaries in the State; and
- (d) if so, the details thereof?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF HOUSING AND URBAN AFFAIRS
(SHRI TOKHAN SAHU)**

(a) to (d): Based on the learning from the experiences of PMAY-U, MoHUA has launched PMAY-U 2.0 'Housing for All' Mission with effect from 01.09.2024 for assisting to one crore households to construct, purchase and rent a house at affordable cost in urban areas across the country through four verticals i.e., Beneficiary Led Construction (BLC), Affordable Housing in Partnership (AHP), Affordable Rental Housing (ARH) and Interest Subsidy Scheme (ISS). As on date, 29 States/UTs have signed Memorandum of Agreement (MoA) to implement PMAY-U 2.0 as per scheme guidelines launched on 17.09.2024 and available at <https://pmay-urban.gov.in/uploads/guidelines/Operational-Guidelines-of-PMAY-U-2.pdf>.

Further, the cabinet has approved the restructuring of Credit Risk Guarantee Fund Trust for Low-Income Housing (CRGFTLIH) for Economically Weaker Section (EWS) /Low Income Group (LIG). The scheme aims to enhance the credit accessibility and worthiness of the eligible households by extending the guarantee on the housing loan taken from Scheduled Commercial Banks, Housing Finance Companies, etc. It also aims to help eligible beneficiaries of PMAY-U 2.0 belonging to EWS/LIG through affordable home loans from financial institutions to complete their homes on time, thereby directly contributing to the program's objectives.

The increased corpus of ₹3,000 crore is spread over five years, to provide expansion of credit guarantee to Primary Lending Institutions (PLIs) for providing home loans to eligible beneficiaries who will be able to purchase/construct and own a pucca house in pan India including Andhra Pradesh. The scheme focuses on first-time homebuyers in the EWS/LIG categories, to bring them under formal home loan ecosystem. The scheme guarantees 70% of the amount in default, reducing the risks for lenders and increasing confidence in providing loans to EWS/LIG groups.
