

N-11016/2/2025-HFA-IV-MoHUA (EFS - 9202631)

Government of India
Ministry of Housing & Urban Affairs
HFA-IV Section

3rd Floor, Sankalp Bhawan,
KG Marg, New Delhi - 110001
Dated: 30.09.2025

To

The Pay & Accounts Officer (Sectt.),
Ministry of Housing and Urban Affairs,
Sankalp Bhawan, New Delhi.

Sub: Release of advance of subsidy to Housing and Urban Development Corporation Ltd. (HUDCO) under Interest Subsidy Scheme (EWS/LIG) vertical of PMAY-U 2.0.

Sir,

I am directed to convey the sanction of the President of India for release of **₹21,81,254/- (Rupees Twenty One Lakh Eighty One Thousand Two Hundred Fifty Four only)** as advance subsidy to Housing and Urban Development Corporation Ltd. (HUDCO) being the Central Nodal Agency for implementation of **Interest Subsidy Scheme vertical of PMAY-U 2.0** for making direct release to the Primary Lending Institutions (PLIs) which have signed MoUs with HUDCO under the scheme, based on the claims submitted by PLIs towards the loans disbursed as per the scheme for the FY 2025-26.

2. The release of funds to CNA is further subject to the following terms and conditions:-

- (i) The release made by MoHUA shall be kept in a separate designated account for utilization towards the implementation of the scheme and shall not form part of their general financial operations.
- (ii) The money will be utilised only for the purpose for which it has been sanctioned. Otherwise, these will have to be refunded along with interest as per provisions under GFR-2017
- (iii) CNA will exercise requisite checks and due diligence in settlement of claims.
- (iv) CNA will obtain required data and documents from the respective PLI and furnish a utilization certificate towards the release made as soon as possible.
- (v) The subsequent amounts of interest subsidy will be released to CNA after 75% utilization of earlier released amounts, on quarterly basis, and based on claims raised by CNA in the prescribed format (Annexure 11 and its enclosure as per scheme guidelines).
- (vi) Subsidy will be credited by the PLI to the borrower's account by deducting it from the principal loan amount of the borrower within 7 days from the date of fund release by CNA to PLI and updating on Unified Web-Portal.
- (vii) PLIs will be given a lump sum amount of ₹4,000/- per sanctioned application in lieu of processing fee for housing loan for the borrower under the scheme. In order to incentivize the designated staff of ULBs or NGOs a sum of ₹500 per sanctioned application would be paid out of ISS funds payable through State/UT Governments.
- (viii) 0.1 % of total fund disbursement to the PLIs will be paid to CNA for their administrative expenses for which CNA will furnish the details to MoHUA.
- (ix) CNA will submit progress reports including the details of expenditure to MoHUA regularly in the prescribed formats.
- (x) Where there is an element of cash transfer the same may be made through PFMS/DBT mode as applicable.

Contd. 2

3. The amount of ₹21,81,254/- is debitale from the account of the Central Government in the books under following Head of Account under Demand No. 60 of Ministry of Housing & Urban Affairs for the year 2025-26:

Major Head:	2216	Housing
Sub-Major Head	02	Urban Housing
Minor Head	190	Assistance to Public Sector and Other Undertaking
Sub Head	20	Pradhan Mantri Awas Yojana (Urban) 2.0
Detailed Head	01	Interest Subsidy Scheme-I (ISS-I) for EWS/LIG
Object Head	33	Subsidy

4. The Drawing and Disbursing Officer of MoHUA will prepare the bill and the amount may be transferred to HUDCO through e-payment as per the details as under:

Account Name	HUDCO Ltd. Interest Subsidy Scheme
Account No.	44479015914
Bank Name	State Bank of India
Bank Address	SBI India Habitat Centre, Lodhi Road, New Delhi
IFSC Code	SBIN0061720

5. As per rule 236(1) of GFR, 2017, the relevant accounts of the Grantee institution (s) / Organisation(s) shall be open to inspection by the sanctioning authority and audit, both by the Comptroller and Auditor General of India under the provision of CAG (DPC) Act 1971 and internal audit by the Principal Accounts Office of the Ministry or Department, whenever the Institution or Organisation is called upon to do so.

6. This issues with the concurrence of the Finance Division vide their **Note#10 dated 08-09-2025**.

7. Details of this sanction have been registered at S.No. 169 in the Sanction Register of the HFA Directorate (HFA-III Section) of MoHUA for the year 2025-26.

Yours faithfully,

(Sanjeev Kumar Sharma)

Under Secretary to the Government of India

Copy to:

1. Section Officer, Admin II Section, MoHUA.
2. Chairman and MD, HUDCO, HUDCO Bhawan, Core 7A, India Habitat Centre, Lodhi Road, New Delhi – 110 003.
3. CCA, Ministry of Housing & Urban Affairs, Nirman Bhawan, New Delhi.
4. Principal Director of Audit, Infrastructure, A-Wing, 3rd Floor, IP Bhawan, New Delhi – 110002.
5. O/o CGA, Mahalekha Niyantrak Bhavan, New Delhi
6. Director (IFD), M/o HUA.
7. O/o DDG (HFA-III)
8. US (HFA-III)
9. Dy. Chief (MIS/DRMC), HFA Directorate to place this sanction at appropriate place on the Website of the Ministry
10. PMU (MIS), HFA Directorate
11. AO (HFA), MoHUA
12. Budget Section, M/o HUA.
13. Sanction folder/File copy.

(Sanjeev Kumar Sharma)

Under Secretary to the Government of India

18th September, 2025

Shri R K Gautam

Deputy Director General
Ministry of Housing & Urban Affairs,
3rd Floor, Sankalp Bhawan,
GPOA-2 Building,
KG Marg, New Delhi – 110 001



Sub: Release of ISS Subsidy

Sir,

HUDCO was nominated as Central Nodal Agency (I) for implementation of Interest Subsidy Scheme (ISS) and has signed MoU with Ministry of Housing and Urban Affairs for channelizing the subsidy. In continuation, HUDCO executed MoUs with two Primary Lending Institutions (PLIs)/ Banks i.e. Indian Bank and Chola mandalam Investment Fin. Co. Ltd, for disbursement of ISS subsidy to the eligible borrowers.

HUDCO, through ISS Portal, has approved subsidy release request from the above PLIs for their 79 EWS/LIG and MIG category applicants, as per details given below:

Bank/Category	Subsidy	Fee	Total
EWS/LIG			
Indian Bank	13,31,609	1,56,000	14,87,609
Chola mandalam Invest. Fin. Co. Ltd.	6,17,645	76,000	6,93,645
Total	19,49,254	2,32,000	21,81,254
MIG			
Indian Bank	2,88,000	32,000	3,20,000
Chola mandalam Invest. Fin. Co. Ltd.	4,47,646	52,000	4,99,646
Total	7,35,646	84,000	8,19,646
GRAND TOTAL	26,84,900	3,16,000	30,00,900

Passed for payment of ₹ 21,81,254/- (Rupees twenty one lakh eighty one thousand and two hundred fifty four only). Sub 24.9.25

संजीव कुमार शर्मा
SANJEEV KUMAR SHARMA
अवर सचिव / Under Secretary
आवासन और शहरी कार्य मंत्रालय
Ministry of Housing & Urban Affairs
भारत सरकार / Govt. of India
नई दिल्ली / New Delhi

As advised by the Ministry, HUDCO has opened a PFMS-enabled account, and the account details have been duly shared with the Ministry.

In this regard, it is requested that the Ministry may kindly release funds amounting to ₹30,00,900/- through the PFMS Portal, to enable disbursement to the respective PLIs for onward credit to the borrowers' housing loan accounts.

Regards,

Radha Roy
Executive Director (Project)

22/9/2025
DIO (HP/A-4)

24/9/2025
DIO (HP/A-4)

हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लिमिटेड
(भारत सरकार का उपक्रम)
आई एस ओ 9001:2015 प्रमाणित कंपनी
कोर - 7 'A', HUDCO Bhawan, India Habitat Centre, Lodhi Road,
नई दिल्ली - 110003, दूरभाष : 011-24649610-21

Housing and Urban Development Corporation Limited
(A Government of India Enterprise)
AN ISO 9001 : 2015 CERTIFIED COMPANY
Core - 7 'A', HUDCO Bhawan, India Habitat Centre, Lodhi Road,
New Delhi - 110003, Tel. : 011-24649610-21

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Financing Assets for Viksit Bharat