

**N-11016/2/2025-HFA-IV-MoHUA (EFS - 9202631)**  
**Government of India**  
**Ministry of Housing & Urban Affairs**  
**HFA-IV Section**

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Sankalp Bhawan (3rd Floor),  
KG Marg, New Delhi - 110001

Dated: 6<sup>th</sup> January 2026

To

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

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

Sir,

I am directed to convey the sanction of the President of India for release of **₹3,10,050/- (Rupees Three Lakh Ten Thousand Fifty 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 ₹3,10,050/- is debitible 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	02	<b>Interest Subsidy Scheme-II (ISS-II) for MIG</b>
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# 25-27 dated 02-01-2026.**

7. Details of this sanction have been registered at S.No. 259 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, 3<sup>rd</sup> 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

31<sup>st</sup> Dec, 2025

**Shri R K Gautam**

Deputy Director General  
Ministry of Housing & Urban Affairs,  
3<sup>rd</sup> 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 (CNA) for implementation of Interest Subsidy Scheme (ISS) and has signed MoU with Ministry of Housing and Urban Affairs for channelizing the subsidy. HUDCO has executed MoUs with two Primary Lending Institutions (PLIs)/ Banks i.e. Indian Bank and Cholamandalam 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 96 EWS/LIG and MIG category applicants, as per details given below:

Bank/Category	No. of Cases	Subsidy	Fee	Total
<b>EWS/LIG</b>				
Indian Bank	65	22,89,047	2,60,000	25,49,047
Cholamandalam Invest. Fin. Co. Ltd.	23	7,49,240	92,000	8,41,240
<b>Total</b>	<b>88</b>	<b>30,38,287</b>	<b>3,52,000</b>	<b>33,90,287</b>
<b>MIG</b>				
Indian Bank	4	1,34,050	16,000	1,50,050
Cholamandalam Invest. Fin. Co. Ltd.	4	1,44,000	16,000	1,60,000
<b>Total</b>	<b>8</b>	<b>2,78,050</b>	<b>32,000</b>	<b>3,10,050</b>
<b>GRAND TOTAL</b>	<b>96</b>	<b>33,16,337</b>	<b>3,84,000</b>	<b>37,00,337</b>

*As approved, and as per availability of fund, pass for payment of ₹ 3,10,050/- + ₹ 3,18,746/- = ₹ 6,28,796/-*

*(Six Latch twenty eight thousand seven hundred and ninety six only)*

In this regard, it is requested that the Ministry may kindly release funds amounting to ₹37,00,337/- through the PFMS Portal, to enable disbursement to the respective PLIs for onward credit to the borrowers' housing loan accounts.

Regards,

S Thangaraju  
Executive Director (Project)

*Raj 01/01/2026  
USC/PPA-4*

*Su 01/01/2026  
SO (H/FA-4)  
06/01/2026  
02/01/26  
S. NMM*

अजीत कुमार भदानी / Ajit Kumar Bhadani  
अनुयाग अधिकारी / Section Officer  
आवास और शहरी कार्य मंत्रालय  
Ministry of Housing & Urban Affairs  
भारत सरकार / Govt. of India  
संकल्प भवन, नई दिल्ली-110001  
Sankalp Bhawan, New Delhi-110001

हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लिमिटेड  
(भारत सरकार का उपक्रम)  
आई एस ओ 9001:2015 प्रमाणित कंपनी  
कोर - 7ए, हडको भवन, इंडिया हैबिटेट सेंटर, लोधी रोड,  
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**

**Central Nodal Agency – UC**  
**Format for Utilization Certificate for CNAs**  
(Furnished by CNAs to MoHUA)

**Summary:**

S.No.	Particulars	In crore
1.	Total cumulative funds allocated	0.30
2.	Total cumulative funds released	0.30
3.	Total cumulative refunds	Nil
4.	Funds left with CNA	Nil
5.	Net total funds released	0.30
6.	Additional fund sought from MoHUA	0.37

**# Please give State-wise and bank-wise details as per attached Format.**

**It is certified by CNA that:**

- 1) The loans have been sanctioned and disbursed in accordance with the extant guidelines for ISS for EWS/LIG/MIG of the Ministry of Housing & Urban Affairs Government of India, as certified by the PLIs.
- 2) There has been no negligence on the part of the CNA or any of its officers in verifying the claims and sanctioning the amounts to PLIs of the above referred loan accounts and the same has been sanctioned as per guidelines.
- 3) There is no duplicate claim of the subsidy for any of the aforesaid loan accounts.



**Date: 31.12.2025**

**S Thangaraju**  
**Executive Director (Projects)**  
**HUDCO**

**Place: New Delhi**