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Government of India

Ministry of Housing and Urban Affairs

HFA-IV Section

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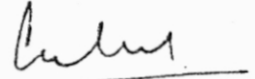
Nirman Bhawan, New Delhi

Dated the 04<sup>th</sup> October, 2018

OFFICE MEMORANDUM

**Subject: Minutes of the fourth meeting of the Committee on Monitoring of Credit Linked Subsidy Scheme (CLSS) for Housing for All (Urban) Mission of Pradhan Mantri Awas Yojana (PMAY)-reg.**

The undersigned is directed to enclose herewith a copy of the minutes of the above said meeting held with Secretary, Ministry of Housing and Urban Affairs and Secretary, Department of Financial Services as Co-Chairs on 31<sup>st</sup> July, 2018 at 1700 hrs in Room No. 123-C, Conference Hall, First Floor, Ministry of Housing and Urban Affairs, Nirman Bhawan, New Delhi, for information and necessary action.



(Rahul Mahna)

Under Secretary to the Government of India

Tele: 23061285

Encl: As above.

*o/c*

To

1. Secretary, Department of Financial Services, Ministry of Finance, Jeevan Deep Building, Parliament Street, New Delhi – 110001.
2. Mrs. Dakshita Das, Additional Secretary, Department of Financial Services, Ministry of Finance and MD & CEO, NHB, Core 5-A, 4<sup>th</sup> Floor, India Habitat Centre, Lodi Road, New Delhi – 110003.
3. CMD, HUDCO, HUDCO Bhawan, Core-7A, India Habitat Centre, Lodi Road, New Delhi – 110003.

Copy to:

1. Director (HFA-IV) — *Sayan*
2. Director (IFD) — *4/10*
3. PSO to Secretary (HUA) — *4/10*
4. PS to JS & MD (HFA) — *4/10*
5. PS to JS & FA — *4/10/18*

*3*  
*4/7/18*

*attached*  
*15/10/18*

Committee on Monitoring

CREDIT LINKED SUBSIDY SCHEME (CLSS)

Housing for All (Urban) Mission, Pradhan Mantri Awas Yojana

Minutes of the Fourth Meeting of the Committee

1. The fourth meeting of the Committee on Monitoring the Credit Linked Subsidy Scheme (CLSS) for Pradhan Mantri Awas Yojana (Urban) - Housing for All Mission was held under the Co-Chairmanship of Secretary, Ministry of Housing and Urban Affairs and Secretary, Department of Financial Services on **31 July, 2018 at 1700 hrs** in Room No: 123-C, Conference Hall, First Floor, Ministry of Housing and Urban Affairs, Nirman Bhawan, New Delhi. The list of participants is enclosed at **Annexure I**.

2. Secretary (HUA) welcomed Secretary (DFS) and provided a background of the PMAY (U) - Housing for All Mission. Thereafter, agenda with specific reference to CLSS were discussed.

3. **Performance of Banks under CLSS**

It was observed during the discussions that the Mission is a priority initiative of the Government of India and an enhanced focus needs to be done by the Scheduled Commercial Banks to improve their performance. In order to achieve better outcomes the following points were discussed and decided:

- a. CNAs to fix Bank-wise targets and the same would be communicated to the Banks. The Bank-wise targets for major banks is enclosed in **Annexure-II**.
- b. The above targets may be distributed by the Banks State-wise so that this may be reviewed and monitored at the State-level at State Level Bankers Committee (SLBC) Meetings.
- c. Consultation-cum-Strategy meeting of select Key PLIs (**Annexure-III**) will be convened in the month of October, 2018 in New Delhi to discuss strategies for achieving the targets.

- d. Secretary (HUA) and Secretary (DFS) will address all Banks through Video Conference on the importance of the Mission and the need to improve performance in achieving the targets.
- e. In addition to Consultation-cum-Strategy meeting at New Delhi, meetings will be hosted in Mumbai, New Delhi and Chennai with all PLIs to discuss action plans for implementation of CLSS in FY2019.

*(Action: PMAY (U), MoHUA)*

#### **4. Common Application Form**

A common application form incorporating the details required for CLSS has been developed by the Indian Banks' Association (IBA) and few banks have already started using this form. It was decided in the meeting that IBA would be urged to get the form or its equivalent implemented in all the Banks.

*(Action: PMAY (U), MoHUA, DFS)*

#### **5. CLSS Beneficiary Grievance**

It was proposed by MoHUA that in order to address grievances raised by customers' of bank regarding CLSS in an effective manner, the CNAs may be allowed to forward the grievances to the Ombudsman of the respective banks. It was clarified by DFS that only the aggrieved party should be approaching the ombudsman and hence it was suggested the customer may approach the banking ombudsman directly and not through the CNA. The CNAs may devise other strategies to address the grievances raised by Bank customers.

*(Action: NHB and HUDCO)*

#### **6. Bank Lending to EWS/LIG Customers**

The members at the meeting discussed that Banks need to assess the incomes of low-income informal population and provide them with housing loans based on their repayment capacity and prudential norms.

*(Action: PMAY (U), MoHUA)*

#### **7. Sub-Category for EWS Housing in PSL**

The need for a Sub-Category for EWS Housing in PSL was discussed. Secretary, DFS informed that Reserve of Bank has given sufficient provisions for Housing under PSL and a separate Sub-Categorisation may not be required at

this juncture. However, it was advised that MoHUA may write to DFS with a detailed note justifying the need for Sub-Categorisation for EWS Housing in PSL.

*(Action: PMAY (U), MoHUA, DFS)*

#### **8. Affordable Housing Fund at National Housing Bank**

It was informed in the meeting that the funds for the Affordable Housing Fund is already allotted to National Housing Bank (NHB) and NHB has been advised to draw the funds in tranches. NHB shall inform the Ministry as and when they receive the funds.

*(Action: NHB)*

#### **9. Infrastructure Status to Affordable Housing**

Infrastructure status has been accorded for Affordable Housing. Joint Secretary (DFS) informed that the Affordable Housing Projects are eligible for Income Tax benefits. They are also eligible for take away finance.

*(Action: PMAY (U), MoHUA)*

#### **10. Flagging of CLSS beneficiaries by PLIs with Credit Bureau**

MD & CEO of NHB raised the point of instructing the PLIs to flag the CLSS loans in the data shared with RBI approved Credit Information Bureau. This is essential for effective monitoring of the portfolio and also prevents duplication of benefits to beneficiaries. The Committee opined that there is merit in suggestion and suggested that CNAs to write to MoHUA so that suitable directions may be issued.

*(Action: NHB, PMAY(U), MoHUA, DFS)*

The meeting ended with a Vote of Thanks to the Co-Chairs.

## Annexure I

**List of Participants**

Sl.	Name and Designation	Organisation
	<b>Ministry</b>	
1.	Sh. D. S. Mishra, Secretary (HUA)	MoHUA, in Co-Chair
2.	Sh. Rajiv Kumar, Secretary (DFS)	DFS, in Co-Chair
3.	Sh. Debasish Panda, Addl. Secretary (DFS)	DFS
4.	Sh. Pankaj Jain, Joint Secretary (DFS)	DFS
5.	Sh. Amrit Abhijat, JS and MD (HFA)	MoHUA
6.	Dr. Chandramani Sharma, Director (HFA-4)	MoHUA
7.	Sh. Rahul Mahna, Under Secretary (HFA-4)	MoHUA
	<b>Central Nodal Agencies</b>	
8.	Dr. Ravikant M, CMD	HUDCO
9.	Sh. Sriram Kalyanaraman, MD & CEO	NHB
10.	Sh. Jayapal P, Sr. ED	HUDCO
11.	Sh. Suresh HT, ED	HUDCO
12.	Sh. V. Rajan, General Manager	NHB
13.	Sh. Ashish Jain, Manager	NHB
	<b>Project Management Unit, M/o HUA</b>	
14.	Sh. Manikandan KP, Lead Housing Finance Specialist	PMU, HFA, MoHUA
15.	Ms. Pooja Gupta, Lead MIS Expert	PMU, HFA, MoHUA
16.	Ms. Dipti Singh, MIS Expert	PMU, HFA, MoHUA

**Annexure – II: Proposed Targets for PMAY-CLSS for 2018-19 to Select Banks**

Proposed indicative targets for the year 2018-19 for select Banks (based on last year CLSS performance, disbursement of individual housing loan units in FY 2017-18 and potential capacity) are as follows –

PMAY-CLSS Target 2018-19	5,10,000 units			
	Targets	Assumptions	EWS/LIG	MIG
<b>Public Sector Banks</b>	<b>2,35,000 units</b>		<b>Ratio</b>	
			<b>40%</b>	<b>60%</b>
State Bank of India	100,000	5% of PY Disbursements	40,000	60,000
Punjab National Bank	10,000	10% of PY Disbursements	4,000	6,000
Bank of Baroda	10,000	10% of PY Disbursements	4,000	6,000
Bank of India	10,000	10% of PY Disbursements	4,000	6,000
Canara Bank	10,000	10% of PY Disbursements	4,000	6,000
Vijaya Bank	12,500	25% of PY Disbursements	5,000	7,500
Central Bank of India	12,500	25% of PY Disbursements	5,000	7,500
Other PSBs (14)	70,000	@5,000*14		
<b>Private Sector Banks</b>	<b>50,000 units</b>		<b>Ratio</b>	
			<b>60%</b>	<b>40%</b>
ICICI Bank Ltd.	22,000	2X Last Yr. CLSS	13,200	8,800
Axis Bank Ltd.	18,000	2X Last Yr. CLSS	10,800	7,200
Other Pvt. Sector Banks	10,000		6,000	4,000
<b>Housing Finance Companies</b>	<b>1,90,000 units</b>		<b>114,000</b>	<b>76,000</b>
<b>Others PLIs</b>	<b>35,000 units</b>			

**Annexure – III : List of PLIs for Meeting on PMAY-CLSS**

<b>S.No</b>	<b>PLI Name</b>
	<b>Public Sector Banks</b>
1.	State Bank of India
2.	Punjab National Bank
3.	Bank of Baroda
4.	Bank of India
5.	Canara Bank
6.	Central Bank of India
	<b>Private Sector Banks</b>
7.	ICICI Bank Ltd.
8.	Axis Bank Ltd.
	<b>Housing Finance Companies</b>
9.	HDFC Ltd.
10.	IIFL Home Loans
11.	LIC Housing Finance Ltd.
12.	Gruh Finance Ltd.
13.	Dewan Housing Finance Ltd.
14.	Indiabulls Home Finance Ltd.
15.	PNB Housing Finance Ltd.