

**GOVERNMENT OF INDIA  
HOUSING AND URBAN POVERTY ALLEVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:373

ANSWERED ON:22.07.2015

Interest Subsidy for Poor

Adsul Shri Anandrao ;Arunmozhithevan Shri A.;Chautala Shri Dushyant;Gavit Dr. Heena Vijaykumar;Jena Shri Rabindra Kumar;Mahadik Shri Dhananjay Bhimrao;Nayak Shri B.V.;Owaisi Shri Asaduddin;Patil Shri Shivaji Adhalrao;Patil Shri Vijaysinh Mohite;Radhakrishnan Shri T.;Satav Shri Rajeev Shankarrao;Shrirang Shri Chandu Barne;Subbareddy Shri Yerram Venkata;Sule Smt. Supriya Sadanand;Udhayakumar Shri M.

**Will the Minister of HOUSING AND URBAN POVERTY ALLEVIATION be pleased to state:**

Will the minister of housing and urban poverty alleviation be pleased to state:

(a) whether the Government has decided to raise interest subsidy for the poor with a view to enabling all people belonging to the economically weaker sections in urban areas to purchase a house under the public sector housing schemes and if so, the details thereof;

(b) whether the Government is considering to provide an interest subsidy of 6.5 per cent on housing loans availed upto a tenure of 15 years to economically weaker section/lower income group categories and if so, the details thereof;

(c) whether it is a fact that the subsidy pay out on a net present value basis would be about Rs. 2.3 lakh per house for both categories and if so, the details thereof;

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-2-

(d) whether the eligibility criteria was decided long back and the cost of construction and GDP has increased manifold and if so, the details thereof; and

(e) whether the Government is providing sufficient funds for under the scheme and if so, the details thereof and if not, the reasons therefor and further steps taken or being taken by the Government to increase the eligibility criteria and encourage the urban poor to avail the facility to achieve goal of Houses for All?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION  
(SHRI BABUL SUPRIYO)

(a)&(b): Yes, Madam. Under the earlier scheme, the interest subsidy was 5% for a loan amount upto Rs. 5.00 lakh. In the Credit Linked Subsidy Scheme (CLSS) of Housing for All (Urban) Mission, interest subsidy of 6.5% is available on housing loans upto Rs. 6.00 lakh for a tenure of 15 years or actual tenure of loan whichever is earlier, for a carpet area of houses upto 30 square metres and 60 square metres for the beneficiaries belonging to Economically Weaker Section (EWS) and Low Income Group (LIG), respectively.

(c): Yes, Madam.

(d): No, Madam. Earlier, under RRY Scheme, persons belonging to EWS and LIG having an average income upto Rs. 1.00 lakh and Rs. 2.00 lakh, respectively were eligible for interest subsidy which has been now increased upto Rs. 3.00 lakh and Rs. 6.00 lakh, respectively besides increasing interest subsidy and eligible loan amount.

(e): Under the Housing for All Mission, funds to the extent of Rs. 4,000 crore has been provided in BE 2015-16.

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