

## 1. Special Urban Housing Refinance Scheme for Low Income Households- CLSS

Preface																							
<p>☐ Prime Minister of India envisioned Housing for All by 2022 when the Nation completes 75 years of its Independence. In order to achieve this objective, Ministry of Housing &amp; Urban Poverty Alleviation (MHUP), GOI has launched a comprehensive mission “Housing for All by 2022 (HFA)” under Pradhan Mantri AwasYojna.</p> <p>☐ The mission seeks to address the housing requirement of urban poor including slum dwellers through following program verticals:</p> <ul style="list-style-type: none"> <li>✓ Slum rehabilitation of Slum Dwellers with participation of private developers using land as a resource</li> <li>✓ Promotion of Affordable Housing for weaker section through Credit Linked Subsidy Scheme (CLSS)</li> <li>✓ Affordable Housing in Partnership with Public &amp; Private sectors</li> <li>✓ Subsidy for beneficiary-led individual house construction</li> </ul> <p>☐ Under CLSS scheme, Housing and Urban Development Corporation (HUDCO) and National Housing Bank (NHB) have been identified as Central Nodal Agencies (CNAs) to channelize this subsidy to the lending institutions and for monitoring the progress of this component.</p> <p>☐ Primary Lending Institutions (PLIs) can register only with one CNA by signing MoU</p> <p>☐ As a PLI, we have entered into MOU with NHB on September 22, 2015 to partner in this mission under the program vertical- “Promotion of Affordable Housing for weaker section through Credit Linked Subsidy (CLSS)” for EWs &amp; LIG. In addition to the earlier EWS &amp; LIG Scheme, the Government of India has launched CLSS for Mid- Income Group (MIG I &amp; MIG II) Category on January 01, 2017. Accordingly, we have entered into MOU with the NHB on March 22, 2017 to partner for CLSS – MIG Scheme. CLSS for MIG will be implemented initially in 2017 for a period of 1 yr w.e.f January 01, 2017.</p>																							
CLSS Scheme Guidelines – Key Features																							
<p><b><u>Economically Weaker Section and Low Income Group</u></b></p> <ul style="list-style-type: none"> <li>▪ Only for Purchase of new residential property or for Construction on existing plot</li> <li>▪ Plot loans and Plot &amp; Construction Loans are not eligible for subsidy as per the internal policy of the Company.</li> <li>▪ Borrower to submit Affidavit cum Undertaking as per approved format for below 2 eligibility conditions: <ul style="list-style-type: none"> <li>✓ Only such customers who have NOT been benefitted from any of the schemes under Housing for ALL by 2022.</li> <li>✓ The borrower family should not own a pucca house (an all weather dwelling unit) either in his/her name or in the name of any member of his/her family in any part of India.</li> </ul> </li> <li>▪ Only such customer whose household income is not exceeding Rupees 6 lacs per annum. Household means Husband, Wife and unmarried children.</li> <li>▪ In case of purchase of property, ownership of property to be in the name of adult Female member of the household either singly or jointly with other members in the family. In cases when there is no adult female member in the family; the house can be in the name of male member of the household.</li> <li>▪ In case of construction on existing plot, female ownership of property is not mandatory.</li> <li>▪ Demolition of Kuchha House and construction of Pucca House on same land would be covered under Construction.</li> </ul> <p>Applicable for Balance Transfer cases where the first time availed loan was sanctioned and disbursed by previous lender(s) on or after June 17, 2015</p> <ul style="list-style-type: none"> <li>✓ Such borrower(s), who has already availed the Scheme and applies for Balance Transfer, will not be eligible for claiming interest subvention again.</li> </ul>	<p><b><u>Middle Income Group</u></b></p> <ul style="list-style-type: none"> <li>▪ Middle Income Group are defined as below:- <ul style="list-style-type: none"> <li>✓ MIG-1 ☐ Borrowers having annual household income between Rs 600001/- upto Rs 1200000/-</li> <li>✓ MIG-2 ☐ Borrowers having annual household income between Rs 1200001/- upto Rs 1800000/-</li> </ul> </li> <li>▪ Only for Purchase of new residential property or for Construction on existing plot</li> <li>▪ Plot loans and Plot &amp; Construction Loans are not eligible for subsidy as per the internal policy of the Company.</li> <li>▪ Scheme Details:</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Particulars</th> <th style="width: 20%;">MIG 1</th> <th style="width: 20%;">MIG 2</th> </tr> </thead> <tbody> <tr> <td>Maximum Household Income (Lacs PA)</td> <td>12</td> <td>18</td> </tr> <tr> <td>Interest Subsidy (%ge)</td> <td>4%</td> <td>3%</td> </tr> <tr> <td>Maximum Loan Tenure (Yrs)</td> <td>20</td> <td>20</td> </tr> <tr> <td>Maximum Eligible Amount for Subsidy (Lacs)</td> <td>9</td> <td>12</td> </tr> <tr> <td>Maximum Dwelling Area (Sq. Meter)</td> <td>90</td> <td>110</td> </tr> <tr> <td>Discounting %ge</td> <td>9%</td> <td>9%</td> </tr> </tbody> </table>	Particulars	MIG 1	MIG 2	Maximum Household Income (Lacs PA)	12	18	Interest Subsidy (%ge)	4%	3%	Maximum Loan Tenure (Yrs)	20	20	Maximum Eligible Amount for Subsidy (Lacs)	9	12	Maximum Dwelling Area (Sq. Meter)	90	110	Discounting %ge	9%	9%	
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<ul style="list-style-type: none"> <li>▪ Borrower(s) should not have availed any such benefit under any of the schemes introduced by the central government.</li> <li>▪ Only Individual borrowers (including Proprietorship).</li> <li>▪ All 4315 statutory towns as per Census 2011 along with adjacent planning area.</li> <li>▪ As a PLI, we shall link borrower's identification to Aadhaar Card to avoid duplication.</li> <li>▪ Since borrower would be belonging to the EWS/ LIG segment where formal income documents may not be available always, Borrower(s) to submit self- certificate/ affidavit as proof of income (HFC Affidavit)</li> <li>▪ Subsidy @6.5% to be made available to the borrower received from NHB on loan amount upto Rs 6 lacs.NPV to be calculated @9% for 20 years/actual tenor whichever is lower.</li> <li>▪ NHB will release the subsidy amount based on the claims submitted on the total loans disbursed. Subsidy will be released by NHB in maximum of four installments i.e. for APF cases under CLP, even if the loan tranches are on higher side, NHB will release the subsidy in four tranches or Rs 6 lacs whichever is earlier.</li> <li>▪ We will not charge any PF from borrowers. In lieu of it, NHB will pay Rs. 3000 (inclusive of TDS) per disbursed loan. However, actual expenses with respect to CERSAI, Legal, Technical &amp; other verifications can be taken from the borrower(s).</li> <li>▪ We have to provide utilization/end use certificate to the NHB on a quarterly basis, on demand and also the certificate in relation to the physical progress of the construction leading up to the completion of the housing unit financed under the Scheme. We shall submit a consolidated utilization certificate on completion of the housing unit within one year period from the completion of construction or a maximum of 36 months from the date of the disbursement of the 1st instalment/tranche of the loan amount, if required by the NHB.</li> <li>▪ In case of default by borrower and loan becoming NPA, amount of recoveries will be charged proportionately to the subsidy amount and refunded back to NHB after completion of final recovery.</li> <li>▪ Statement to be provided to each borrower having impact of Subsidy on EMI and how subsidy has been adjusted towards principal repayment</li> </ul> <p>PLI to disclose in the application form, the scheme eligibility and ascertain willingness &amp; eligibility of applicants under CLSS for EWS/LIG</p>	<ul style="list-style-type: none"> <li>✓ Only such customer who have NOT been benefited from any of the schemes under Housing for ALL by 2022.</li> <li>✓ The borrower family should not own a pucca house (an all weather dwelling unit) either in his/her name or in the name of any member of his/her family in any part of India.</li> </ul> <p><i>Household means Husband/ Wife and unmarried children (A borrower family will comprise husband, wife and unmarried children). However, an adult earning member can be treated as a separate household provided that he/she does not own a pucca (all weather dwelling unit) house in his/her name in any part of India and/or has not availed central assistance under any Housing Scheme from Government of India. Further, in case of married couple, either of the spouses or both together in joint ownership will be eligible for a single house, subject to income eligibility of the household under the scheme.</i></p> <ul style="list-style-type: none"> <li>▪ In case of purchase of property, ownership of property to be preferably in the name of Female member of the household either singly or jointly with other members in the family.</li> <li>▪ Demolition of Kuchha House and construction of Pucca House on same land would be covered under Construction.</li> <li>▪ Such borrower, who has already availed the Scheme and applies for Balance Transfer, will not be eligible for claiming interest subvention again.</li> <li>▪ Only Individual borrowers (including Proprietorship).</li> <li>▪ All 4315 statutory towns as per Census 2011 along with planning area around these towns</li> <li>▪ As a PLI, we shall link borrower's identification to Aadhaar Card only to avoid duplication.</li> <li>▪ Borrower's Income to be considered as per the documents submitted.</li> <li>▪ NHB will release the subsidy amount based on the claims submitted on the total loans disbursed. Subsidy will be released by NHB in maximum of four instalments i.e. for APF cases under CLP, even if the loan tranches are on higher side, NHB will release the subsidy in four tranches or Rs 9 lacs/12 lacs whichever is earlier.</li> <li>▪ We will not charge any PF from borrowers. In lieu of it, NHB will pay Rs. 2000 (inclusive of TDS) per disbursed loan. However, actual expenses with respect to CERSAI, Legal, Technical &amp; other verifications can be taken.</li> </ul> <p>We have to provide utilization/end use certificate to the NHB on a quarterly basis, on demand and also the certificate in relation to the physical progress of the construction leading up to the completion of the</p>
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<b>Additional HFC Norms for CLSS loans</b>	
<p><b><u>Economically Weaker Section and Low Income Group</u></b></p> <ul style="list-style-type: none"> <li>▪ Eligibility norms as described under Key Features</li> <li>▪ In case of Proprietorship firms, Proprietor to be applicant/ co-applicant and the firm is not required to be taken on loan structure.</li> <li>▪ Where income considered of Partnership firms/ Pvt Ltd Companies, same to be taken as Corporate Guarantor. Where income of such business entities not considered, it is not required to take entity as Guarantor.</li> <li>▪ Maximum loan amount to be 28 lacs.</li> <li>▪ Plot loans and Plot + Construction Loans not eligible. However, Plot + Construction loans are eligible if the property is APF.</li> <li>▪ No HL/LAP loans on residential built up property to be running with borrower as verified from income documents and CIBIL/CRIF.</li> <li>▪ All income programs eligible. U/T from borrower confirming the Household income to be documented (as per approved draft)</li> <li>▪ CLSS to be selected on decision screen for all cases where it is applicable. Adhar Card is mandatory KYC document under this Scheme. Only this will help borrower(s) to claim subsidy. To expedite the process of claim from NHB, Aadhar should be documented for all borrowers on the loan along with dependants aged 18 and above.</li> <li>▪ Standard underwriting norms. Under this Scheme, borrower is not benefitted by way of higher loan amount but by way of reduced EMI/PEMI outflow. Impact of subsidy shall not be given on tenor in any case.</li> <li>▪ Insurance Mandatory with no waivers</li> <li>▪ Additional Sanction Conditions: <ul style="list-style-type: none"> <li>▪ Affidavit cum Undertaking from all borrowers confirming applicability under CLSS scheme has to be obtained and uploaded in our LOS/IL systems.</li> <li>✓ Technical Report to mention the Carpet Area, the property is located in CLSS approved location and basic civic infrastructure like water, toilet, sanitation,</li> </ul> </li> </ul>	<p><b><u>Middle Income Group</u></b></p> <ul style="list-style-type: none"> <li>▪ Eligibility norms as described under Key Features</li> <li>▪ ONLY APF PROPERTY</li> <li>▪ ONLY SALARIED AND SENP ELIGIBLE UNDER NORMAL INCOME PROGRAM</li> <li>▪ Maximum Loan amount to be Rs 50 lacs</li> <li>▪ In case of Proprietorship firms, Proprietor to be applicant/ co-applicant and the firm is not required to be taken on loan structure.</li> <li>▪ Where income considered of Partnership firms/ Pvt Ltd Companies, same to be taken as Corporate Guarantor. Where income of such business entities not considered, it is not required to take entity as Guarantor.</li> <li>▪ Plot loans and Plot + Construction Loans not eligible. However, Plot + Construction loans are eligible if the property is APF.</li> <li>▪ No HL/LAP loans on residential built up property to be running with borrower as verified from income documents and CIBIL/CRIF.</li> <li>▪ All income programs eligible. U/T from borrower confirming the Household income to be documented (as per approved draft)</li> <li>▪ CLSS to be selected on decision screen for all cases where it is applicable.</li> <li>▪ Adhar Card is mandatory KYC document under this Scheme. Only Aadhar will help borrower to claim his subsidy. To expedite the process of claim from NHB, Aadhar should be documented for all borrowers on the loan along with dependents aged 18 and above.</li> <li>▪ Standard underwriting norms. Under this Scheme, borrower is not benefitted by way of higher loan amount but by way of reduced EMI/PEMI outflow. The impact of subsidy shall not be given on tenor in any case.</li> </ul> <p>Insurance Mandatory with no waivers</p> <ul style="list-style-type: none"> <li>▪ Additional Sanction Conditions:</li> </ul>

<p>sewerage, road, electricity etc.. Approved list of 4315 towns attached.</p> <p>Nil PF to be collected. However, Admin Charges of Rs 2500/- against the vendor expenses incurred to be collected. Borrower to be intimated by email/courier/SMS about the credit of the interest subsidy, post receipt of interest subsidy amount from NHB by OPS Team.</p>	<ul style="list-style-type: none"> <li>✓ Affidavit cum Undertaking from all borrowers confirming applicability under CLSS scheme</li> <li>✓ Technical Report to mention the Carpet Area, the property is located in CLSS approved location and basic civic infrastructure like water, toilet, sanitation, sewerage, road, electricity etc.. Approved list of 4315 towns attached.</li> </ul> <p>Nil PF to be collected. However Admin Charges of Rs 0.25% for salaried borrower and 0.50% for SE borrowers against the vendor expenses incurred to be collected. Borrower to be intimated by email/courier/SMS about the credit of the interest subsidy post receipt of interest subsidy amount from NHB by OPS Team.</p>
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