

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 1638
ANSWERED ON 04/08/2025**

IMPACT OF INFLATION ON HOUSING CONSTRUCTION UNDER PMAY(U)

1638. SHRI A.A. RAHIM:

Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

- (a) amount allocated for a house under PMAY(U) in 2015, and the amount being allocated in 2025;
- (b) whether Government has conducted or commissioned any study to assess impact of rising construction material costs due to inflation on the progress and affordability of housing under PMAY(U), if so, the details thereof;
- (c) recommendations or findings that have emerged on financial viability of completing houses within the current assistance norms; and
- (d) whether Central Government is ready to increase unit cost or financial assistance in light of the inflationary burden on beneficiaries and implementing agencies?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF HOUSING AND URBAN AFFAIRS
(SHRI TOKHAN SAHU)**

- (a) to (d): Ministry of Housing and Urban Affairs (MoHUA) has been implementing Pradhan Mantri Awas Yojana - Urban (PMAY-U) since 25.06.2015 with an aim to provide all weather pucca houses with basic civic amenities to eligible urban beneficiaries across the country. The scheme was implemented through four verticals i.e., Beneficiary Led Construction (BLC), Affordable Housing in Partnership (AHP), In-Situ Slum Redevelopment (ISSR) and Credit Linked Subsidy Scheme (CLSS). Government of India provides its fixed share as Central Assistance of ₹1.0 lakh under ISSR, ₹1.5 lakh for AHP and BLC verticals of PMAY-U. Under CLSS vertical of PMAY-U, an interest subsidy was provided for beneficiaries of Economically Weaker Sections (EWS)/Low Income Group (LIG) and Middle Income Group (MIG) category on home loan through Central Nodal Agencies (CNAs). The remaining cost of the house as per DPR is shared by States/UTs/Urban Local Bodies (ULBs)/Beneficiaries. Under PMAY-U, the State share was not mandatory however, States were providing their share as per their State policies.

Based on the learnings from the experiences of implementation of PMAY-U, MoHUA has revamped the scheme and launched PMAY-U 2.0 'Housing for All' Mission with effect from 01.09.2024 for implementation in urban areas across the country to support 1 crore additional eligible beneficiaries in next five years. PMAY-U 2.0 is implemented through four verticals i.e., Beneficiary Led Construction (BLC), Affordable Housing in Partnership (AHP), Affordable Rental Housing (ARH) and Interest Subsidy Scheme (ISS).

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The scheme guidelines of PMAY-U 2.0 have been prepared after a series of consultations with States/UTs and a large number of other stakeholders. As per the scheme guidelines of PMAY-U 2.0, the fund required for purchase/construction of houses under the scheme is shared between the Central Government, State/UT Government/ ULBs/Implementing agencies and the beneficiaries. The funding under PMAY-U 2.0 is to provide a nudge to the beneficiaries and enable them to construct their houses by arranging funds from other sources as well. A fixed amount of Central Assistance is provided by Government of India under different verticals and mandatory State share has been provisioned under the scheme as under:

S. No.	States/UTs	PMAY-U 2.0 Verticals		
		BLC & AHP	ARH	ISS
1.	Assam, Arunachal Pradesh, Meghalaya, Manipur, Mizoram, Nagaland, Tripura, Sikkim, Himachal Pradesh, Uttarakhand, UTs of Jammu and Kashmir, Puducherry & Delhi	Central Govt. - ₹2.25 lakh per unit State Govt. - Min. ₹0.25 lakh per unit	Technology Innovation Grant GoI: ₹3,000/Sqm. per unit State Share: ₹2,000/Sqm. per unit	Home Loan Subsidy – up to ₹1.80 lakh (Actual Release) per unit by Government of India as Central Sector Scheme
2.	All other UTs	Central Govt. - ₹2.50 lakh per unit		
3.	All other States	Central Govt. - ₹1.50 lakh per unit State Govt. - Min. ₹1.00 lakh per unit		

However, States/UTs may provide their enhanced share as per PMAY-U 2.0 guidelines to reduce the burden on beneficiaries. The remaining cost of the house as per DPR is shared by ULBs, implementing agencies and beneficiaries. There is no proposal to increase the per dwelling unit Central Assistance under the scheme.
