

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

UNSTARRED QUESTION NO:1482
ANSWERED ON:04.08.2006
TAX FREE BONDS FOR HUDCO
Maadam Shri Vikrambhai Arjanbhai

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

- (a) whether HUDCO proposes to issue Tax Free Bonds;
- (b) if so, the details thereof; and
- (c) if not, the manner in which the HUDCO is likely to arrange funds for housing projects?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOUSING & URBAN POVERTY ALLEVIATION (KUMARI SELJA)

(a): During the last three years, HUDCO has not received approval for raising money through Tax Free Bonds. Hence, there is no proposal to issue tax free bonds by HUDCO.

(b): Does not arise in view of (a) above.

(c): HUDCO is likely to arrange funds for financing housing and infrastructure projects mainly from the following sources:

1. Term loans from banks, financial institutions.
2. Public deposit scheme under the guidelines of National Housing bank.
3. Bilateral or multilateral International lending whenever approved.
4. Capital market borrowing through taxable non-convertible long term and short term bonds issued under the guidelines of Securities Exchange Board of India (SEBI).