

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

UNSTARRED QUESTION NO:3123
ANSWERED ON:15.03.2011
FUNDS FOR FINANCIAL INSTITUTIONS
Natarajan Shri P.R.

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

- (a) whether the Housing and Urban Development Corporation Ltd. borrows funds for housing purpose through scheduled commercial banks and financial institutions;
- (b) if so, the details of funds borrowed by the company and disbursed directly to the end users (including priority sector lending) during each of the last three years;
- (c) whether such mobilization and utilization of funds comply with the instructions / guidelines of the Reserve Bank of India;
- (d) if not, the reasons therefor;
- (e) whether any mechanism is available with the company to monitor the mobilization and utilization of funds; and
- (f) if so, the details thereof?

Answer

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

- (a): Yes, Madam. HUDCO raises its resources through a mix of long term & short term loans instruments including loans from scheduled commercial banks / financial institutions.
- (b): The details of funds borrowed by HUDCO and disbursements made during the last three years is as per annexure.
- (c): HUDCO is a housing finance company registered with National Housing Bank and is governed by directions/guidelines issued by NHB. As a part of loan agreement executed with Banks/lenders, HUDCO is required to comply with RBI guidelines.
- (d): Does not arise.
- (e) & (f): Yes, Madam. HUDCO draws up a Resource Plan at the beginning of the year on the basis of which Loans are tied up with commercial Banks. HUDCO releases the funds as per the stipulations of the terms and conditions agreed with the borrowing agencies, which is monitored on a regular basis by HUDCO.