

National Housing Bank expects to disburse ₹20,000 cr this fiscal

V RISHI KUMAR



Sriram Kalyanaraman, Managing Director, National Housing Bank

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To extend credit linked scheme for weaker sections and LIG houses

Hyderabad, March 6:

National Housing Bank, the central nodal agency for the implementation of Pradhan Mantri Awas Yojana-Credit Linked Subsidy Scheme, said the bank is on course to disbursing about ₹20,000 crore this financial year.

While the credit offtake has been relatively slower this fiscal, the bank expects to close this year by disbursing ₹20,000 crore and enhancing this next fiscal.

Sriram Kalyanaraman, Managing Director and Chief Executive Officer of National Housing Bank, a wholly-owned entity of Reserve Bank of India, said, “NHB has simplified loan application process in collaboration with Indian Banks Association and is now holding regional meetings with various stakeholders to popularise the scheme.”

Speaking on the sidelines of the regional workshop on housing loans for economically weaker sections and lower income groups (EWS/LIG) and efforts to streamline the process of loan disbursals, he said, “We are now in talks with various State governments to popularise the scheme and extend its benefits.”

Micro-finance institutions

“We are awaiting regulatory approvals so that NHB can work with Micro Finance Institutions (MFIs) for refinance and they could in turn provide another channel of housing loans. However, there will be a cap on the amount at ₹1 lakh and of about 15 per cent for the housing loans of their entire loan portfolio,” he told *BusinessLine*.

Earlier this year, the RBI increased its shareholding in NHB by contributing ₹1,000 crore towards the bank’s paid-up capital. Post this infusion, the RBI shareholding has gone up to ₹1,450 crore (₹450 crore was deployed earlier).

On fund-raising moves, he said, “We are exploring various options. These include funding from multilateral agencies, but this will depend on the terms of loans and whether they work out at lower cost. Secondly, we are also considering a Bond Offer, but no decision has been taken on this as yet on the quantum and timeline for the offer.”

NHB is sensitising people about the CLSS, which extends interest subsidy at 6.5 per cent for a maximum tenure of 15 years for a loan up to ₹6 lakh, with the maximum subsidy amount of ₹6 lakh. It has enlisted over 137 Primary Lending Institutions.

Criteria

Under the EWS housing, a beneficiary family is one with a household income of up to ₹3 lakh and those under the LIG household have income of above ₹3 lakh and below ₹6 lakh.

A family should not own a pucca house in the name of any family member in any part of India to be eligible for the scheme. The scheme covers all 4,041 statutory towns as per Census 2011.

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