

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

UNSTARRED QUESTION NO:26  
ANSWERED ON:02.12.2003  
INTEREST RATES ON LOANS BY HUDCO  
KINJARAPU YERRANNAIDU

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

(a) whether the Government of Andhra Pradesh has made a request to HUDCO to reduce the interest rates at par with nationalized commercial banks; and

(b) if so, the action taken thereon?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF URBAN DEVELOPMENT AND POVERTY ALLEVIATION ( SHRI BANDARU DATTATRAYA )

(a): Yes, Sir. Housing & Urban Development Corporation Ltd. (HUDCO) has received request for reduction in rate of interest in respect of loans taken by Hyderabad International Airport, Andhra Pradesh State Police Housing Corporation Ltd., Andhra Pradesh Urban Finance & Infrastructure Development Ltd. and Andhra Pradesh State Housing Corporation.

(b): As per norms of HUDCO, the agencies, which are not in default of HUDCO loan, can avail the option of resetting in interest rate as per applicable financing pattern on payment of applicable resetting charges. HUDCO has offered the option to all the four agencies and the resetting facility can be availed by these agencies if the agencies are not in default of HUDCO loan.