

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:227  
ANSWERED ON:25.02.2000  
HOUSING LOAN TO PEOPLE OF GUJARAT  
CHANDRESH PATEL KORDIA

**Will the Minister of FINANCE be pleased to state:**

- (a) the housing loan provided by various Banks and Financial Institutions to the people of Gujarat particularly of Jamnagar district and city during the last three years;
- (b) the terms and conditions for providing such loan;
- (c) whether any target has been fixed for providing loans to the people of above State during the current year; and
- (d) if so, the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATH) :

(a) The details of housing loan sanctioned/disbursed by all public Sector Banks and Financial Institutions for the last three years in Jamnagar District of Gujarat as reported by State Bank of Saurashtra, the Lead Bank for the District of Jamnagar and Dena Bank, the convenor of SLBC for the State of Gujarat are as under :

(Rs.in crores)

S. No.	Name of States (District)	1996-97		1997-98		1998-99	
		No.	Amount	No.	Amount	No.	Amount
1.	Jamnagar	250	3.47	284	4.22	412	6.15
2.	Jamnagar District (Excluding Jamnagar City)	43	0.49	79	1.08	188	2.88

(b) The terms and conditions for housing loan is indicated in enclosed statement.

(c) and (d) No State-wise targets are fixed for housing loans.

**Statement**

**Housing Loan Scheme**

(i) Loan Amount : Up to Rs. 5 lakhs for rural/semi urban, Rs. 10 lakhs for urban/metro for construction of houses Up to Rs. 50,000 for repairs/renovation.

(ii) Interest : For loans up to Rs. 2 lakh Not exceeding Prime Lending Rate (PLR) For loans above Rs. 2 lakh Banks are free to determine rate of interest subject to minimum being PLR.

(iii) Purpose : 1. For construction/purchase of a new residential house/tenement/ flat/duplex etc. The proposed accommodation could be constructed by self, professional builders, cooperative housing society, housing boards etc.

2. The scheme can also be extended for purchase of old/secondhand houses. The house proposed to be purchased should normally not be older than 10 years.

(iv) Eligibility : Any individual having independent source of income i.e. salary, professional income, income from business etc.

adequate enough to meet financial commitment /repay the installments.

(v) Loan Eligibility Maximum loan shall be passed at 36 times the net monthly income/take home pay of the applicant, in which case the repayment works out to be less than 50% of the income.

(vi) Margin Money

(vii) Disbursement.

2. For business, agriculture/allied activities etc. Maximum amount of loan would be restricted to 3 times their net annual income. 20% irrespective of loan amount. Disbursement should be made in phases and should be linked with actual progress made in the construction.

(viii) Security Mortgage of property.