

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2403

ANSWERED ON:10.03.2000

HOUSING LOAN

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

- (a) the State-wise amount as housing loan disbursed by various banks during the last three years and under the Golden Jubilee Rural Housing Finance Scheme;
- (b) whether the Government propose to make changes or provide more relaxations in the existing rules for providing loans through banks for housing development; and
- (c) if so, the details thereof ?

**Answer**

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

(a) As per the information furnished by the Reserve Bank of India, the State-wise outstanding Housing Loans of Scheduled Commercial Banks to various States under Priority Sector including those under the Golden Jubilee Rural Housing Finance Scheme (GJRHF) and the total housing loans advanced by Scheduled Commercial Banks under GJRHF Scheme as reported by National Housing Bank for the last three years (as available) are given in Statement I and II respectively.

(b) and (c) Government has taken various steps from time to time to boost housing sector development. Even in the Budget Speech for the year 2000-2001 some announcements have been made in this regard. Some of the steps taken are :-

Each Bank should compute its share of the housing finance allocation at 3 percent of its incremental deposits. There is no objection to banks exceeding this level having regard to their resources position.

Under Golden Jubilee Rural Housing Finance Scheme the target of dwelling units has been raised from 1.25 lakhs to 1.50 lakhs. For families with an annual income of below Rs. 32,000 per annum, assistance will be provided for construction of 1 lakh houses under credit-cum-subsidy Scheme. To further improve the availability of housing finance in rural areas, Government have decided to provide equity support of Rs. 350 crore to HUDCO during the Ninth Plan period. Of this, Rs.200 crore have already been released and it is proposed to release a further amount of Rs. 100 crore in the next year. The cooperative sector and voluntary agencies etc. will support the construction of another 1.5 lakh houses. The rebates of tax under section 88 would now be available for repayment of housing loan up to Rs. 20 000 per year as against Rs. 10,000 per year earlier. The exemption from tax on long term capital gains has been allowed for investment in a new house even if the taxpayer already owns a house. Under priority Sector the housing loan limit has been raised from Rs. 5 lakhs to Rs. 10 lakhs.