

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5076
ANSWERED ON:25.08.2000
MERGER OF HUDCO WITH NHB
AMBATI BRAHMANAIAH

Will the Minister of FINANCE be pleased to state:

- (a) the action plan prepared by the National Housing Bank to expand its activities during 2000-2001;
- (b) whether there is also a proposal to merge the HUDCO with National Housing Bank;and
- (c) if so, the details thereof?

Answer

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

(a) The National Housing Bank(NHB) has reported that it continues with its initiatives in various segments of housing finance system for sound and orderly growth. These initiatives inter-alia include resource mobilisation & deployment, institution building and regulation. The National Housing Bank (Amendment) Act has recently been amended to pave the way for the bank to introduce mortgage securitisation, creation of a market for secondary mortgage, safeguarding the depositors' interest and introduction of a procedure for speedy recovery. NHB has also been permitted to mobilize short-term borrowings by way of Term Deposit & Certificate of deposit NHB has budgeted Rs. 1000 crore as refinance for loans to individual beneficiaries and Rs. 100 crore as direct loans for projects for the year 2000-2001. NHB has devised a special scheme known as 'Golden Jubilee Rural Housing Finance Scheme' under which refinance is made available for housing loans in rural areas at concessional rates of interest and a target of financing 1,50,000 dwelling units during 2000-2001 has been fixed.

(b) and (c) Government has no proposal at present to merge Housing & Urban Development Corporation Ltd. (HUDCO) with the-NHB.