

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1855
ANSWERED ON:17.07.2009
HOUSING LOAN TO RURAL PEOPLE
Ram Shri Purnmasi

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received complaints regarding non grant of housing loan by banks to rural poor in the country during the last three years;
- (b) if so, the action taken by the Government against the erring banks; and
- (c) the steps being taken by the Government for making housing loan affordable to the rural poor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (c): The need for grant of housing loan by banks to rural poor in the country and difficulties faced by them in accessing such loans is raised in different fora from time to time. Being conscious of this, Government created the Rural Housing Fund (RHF) in 2008-09 to enhance the refinance operations of National Housing Bank for Rural Housing. The NHB has been implementing this Scheme for lending mainly through the HFCs & RRBs to weaker sections in rural areas consisting of small & marginal farmers, beneficiaries of SGSY, SCs/STs etc. Out of Rs. 1760.33 crores received under this fund, the entire amount was utilized during the last financial year. An allocation of Rs.2000 crore has been made under RHF during the current financial year.

As a further incentive to expand housing credit for the rural poor the Govt. has revised the income ceiling and the loan amount for housing under the Differential Rate of Interest (DRI) Scheme. In addition top-up loans can be given by banks upto Rs.20,000 under the Indira Awas Yojana (IAY) to further promote housing for the rural poor.