

Housing Finance Allocation for the year 2001-2002

IECD.No.1/03.27.25/2001-02

July 18, 2001

The Chairmen/Chief Executives
of all Commercial Banks

Dear Sir,

Housing Finance Allocation
for the year 2001-2002

Please refer to our circular IECD.No.(HF) 2/03.27.25/2000-2001 dated August 7, 2001 regarding housing finance allocation for the year 2000-2001. It has been decided that for the current financial year i.e. April 2001 to March 2002, each bank should continue to compute its share of the housing finance allocation at 3 per cent of its incremental deposits as on the last reporting Friday of March 2001 over the corresponding figure of the last reporting Friday of March 2000. However, this is the minimum housing finance allocation and there is no objection to banks exceeding this level, having regard to their resources position.

2.The final figures of deposits as on the last reporting Friday of March 2000 and 2001 and the amount of housing finance allocation representing 3 per cent of the increase in deposits during the said one year period applicable to your bank for the year 2001-2002 should be advised to us within a fortnight from the date of receipt of this circular.

3.Banks may deploy their funds under the housing finance allocation in any of the three categories i.e. direct finance, indirect finance or investment in bonds of NHB/HUDCO or combination thereof. The other instructions contained in our Master Circular IECD.No. (HF) 18/03.27.25/2000.01 dated June 21, 2001 on Housing Finance remain unchanged.

4. For the purpose of monitoring the macro level performance of the commercial banks in disbursement of housing finance vis-a-vis their housing finance allocation, banks should continue to submit to us, on a quarterly basis, commencing from the quarter ended June 30, 2001, details of disbursements made by them towards housing finance, as per the format enclosed to our circular under reference (specimen enclosed for ready reference) within 20 days from the close of the respective quarter.

5. Please acknowledge receipt.

Yours faithfully,

(Smt.R.K.Makhija)
General Manager

Encl.1

Financial assistance granted by scheduled commercial banks under the category 'Housing Finance' as at the quarter ended _____

Name of the Bank _____

Amount allocated by the bank for the year April 2001 to March 2002.

(Rs. in lakh)

	(Amount of Housing Finance Disbursed)					Grand Total (1+2+5)
	Amount of Direct Housing Finance	Amount of Indirect Housing Finance	Investment in Guaranteed/Non- guaranteed Bonds of			
			NHB	HUDCO	Total	
			1	2	3	
Total housing finance disbursed till the previous quarter						
Disbursement of housing finance during the current quarter						
Total						