

GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 1872
TO BE ANSWERED ON JULY 28, 2022
LOANS BY HUDCO

NO. 1872. **Dr. PON GAUTHAM SIGAMANI:**
SHRI KULDEEP RAI SHARMA:
DR. SUBHASH RAMRAO BHAMRE:
DR. DNV SENTHILKUMAR. S.:
SHRI DHANUSH M. KUMAR:
SHRIMATI SUPRIYA SULE:
SHRI C.N. ANNADURAI:
SHRI SELVAM G.:
SHRI SUNIL DATTATRAY TATKARE:
SHRIMATI MANJULATA MANDAL:
SHRI GAJANAN KIRTIKAR:
DR. AMOL RAMSINGH KOLHE:

Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

- (a) the provisions and criteria for providing loans by Housing and Urban Development Corporation Limited (HUDCO) for various schemes;**
- (b) the number of schemes financed by HUDCO during each of the last three years and the current year**
- (c) whether some schemes financed by HUDCO have not been approved by some State Governments during the said period;**
- (d) if so, the details thereof and the steps taken/ being taken by the Government to make HUDCO financed schemes more viable for the States**
- (e) whether a large number of States have demanded assistance from HUDCO for construction of houses and if so, the details thereof and the response of HUDCO thereto; and**
- (f) the other steps taken by the Government to augment the resource base of HUDCO and expand its business during the current fiscal?**

ANSWER

**THE MINISTER OF STATE IN THE
MINISTRY OF HOUSING AND URBAN AFFAIRS
(SHRI KAUSHAL KISHORE)**

(a) Housing and Urban Development Corporation (HUDCO) provides loan assistance for undertaking projects in housing and infrastructure sector as per main objects in Memorandum of Association of the Company. The loan is offered to State Government / agencies based on availability of security and repayment mechanism which may vary depending on the type / nature of the project. HUDCO carries out a detailed appraisal of projects to assess technical feasibility of the projects, legal eligibility of the borrower and financial viability of the project before financing the project.

(b) The number of schemes along with loan amount sanctioned by HUDCO during the last 3 years and current year are as under:

Financial Year	No. of Schemes	Total loan amount sanctioned (Rs in crore)
2019-20	31	13,512.38
2020-21	24	5,166.29
2021-22	40	18,024.58
2022-23 (up to 30.06.2022)	6	463.10

(c) Invariably, the schemes for financial assistance are received only after in-principle approval of the respective State Governments. HUDCO conveys the sanction to the State Government/ agencies through Sanction Letter which encompasses the terms and conditions of loan. The said offer of HUDCO is accepted by the State Government/ agencies and accordingly all necessary Government approvals are obtained as per sanction conditions before disbursement of loan.

(d) Presently, there are around 20 schemes backed by State Government guarantee with a loan amount of Rs. 13,158.76 crore, where compliance of sanction condition(s) is yet to be made by the borrowing agencies.

With regard to viability of schemes, the State Governments generally undertake revision of tariff/ other charges to generate sufficient revenue pool which could be used to meet costs of O&M, repayment of HUDCO dues etc. Since HUDCO financing largely caters to social sector projects such as housing to Economically Weaker Section, core / utility infrastructure projects like water supply, sewerage, roads, and social infrastructure like hospitals, etc., which are non-remunerative and have long gestation period, repayments to HUDCO are supported through state budget resources or with other revenue streams of Government.

(e) Yes, State Government agencies are showing keen interest in seeking financial assistance from HUDCO for implementation of housing scheme under Pradhan Mantri Awas Yojana (Urban /Grameen) and other such programmes primarily benefitting urban / rural poor. The details of housing schemes sanctioned during the last 3 years and current year as follows:

Year	No. of Housing Schemes sanctioned	Total loan amount sanctioned (Rs. In crore)- Net
2019-20	7	3,224.07
2020-21	9	526.90
2021-22	12	1,746.78
2022-23 (as on 30.06.22)	-	-

(f) Ministry of Housing and Urban Affairs supports HUDCO on various aspects as & when required.
