Dated**:** 03-02-2014

To All Housing Finance Companies,

Sir,

Refinance Circular No. 09/2013-14
Rural Housing Fund - Interest Rates

1. The interest rates on refinance extended under the Rural Housing Fund (RHF) have been revised with effect from February 1, 2014. The revised rate and on-lending cap, which shall be applicable on all refinance disbursements made under the Rural Housing Fund on or after February 1, 2014, are as under **:**

Loan Size	Interest Rate on Refinance	On-lending Cap
Upto ₹15 lakhs	7.35%	9.35%

Accordingly, the Housing Finance Companies are advised to ensure that for all refinance claims made under the Rural Housing Fund on or after February 1, 2014, only those loans are included where the on-lending rate to the borrower(s) does not exceed 2% over and above the refinance rate (i.e. the on-lending rate should not exceed 9.35%).

2. All other terms and conditions under the Rural Housing Fund refinance scheme as applicable to Housing Finance Companies as communicated from time to time shall continue to be applicable.

Kindly acknowledge receipt.

Yours faithfully,

Sd/-
(A.P. Saxena)
Deputy General Manager
Refinance Operations