



राष्ट्रीय
आवास बैंक
NATIONAL
HOUSING BANK

REFINANCE BOOKLET

for

HOUSING FINANCE COMPANIES

w.e.f. 01-07-2015

PART A

GENERAL TERMS & CONDITIONS

Introduction

- 1.1** The National Housing Bank (NHB) offers refinance assistance to Housing Finance Companies (HFCs) in respect of their housing loans to individuals, and also for their loans to other institutions for housing finance and construction finance.
- 1.2** Loans against property (i.e. loans given against the security of house property but for purposes other than construction / purchase / repairs / upgradation / extension) are not eligible for refinance.
- 1.3** NHB currently has the following refinance schemes in operation for HFCs :

No.	Scheme	
	Full Name	Short Name
1.	Regular Refinance Scheme	RS
2.	Rural Housing Fund	RHF
3.	Urban Housing Fund	UHF
4.	Special Urban Housing Refinance Scheme for Low Income Households	U-LIH
5.	Special Refinance Scheme for Flood Affected Areas of Jammu & Kashmir	J&K Scheme
6.	Refinance Scheme for Construction Finance for Affordable Housing	RCF

- 1.4** It may be noted that the rules and policies mentioned in this booklet apply only to refinance released under these schemes and not to refinance availed by HFCs earlier under any old refinance schemes which continue to be governed by the respective rules and policies.

General Terms & Conditions Applicable to HFCs under All Refinance Schemes of NHB

2. Eligibility Criteria

- 2.1** HFCs fulfilling the following criteria will be eligible to draw refinance from NHB :

- (i) The HFC should be registered with NHB to carry out housing finance activity in the country.
- (ii) The HFC should provide long-term finance for construction / purchase / repair/ upgradation of dwelling units by home-seekers.
- (iii) The HFC should invest at least 75% of capital employed by way of long term finance for housing.

For the purpose of paragraph 2.1(iii) above, "capital employed" means and includes :

- (a) *paid up capital of the company and its free reserves less intangibles;*
- (b) *long term borrowings;*
- (c) *deposits with maturity period of five years and above collected from the public and others, excluding the amount required to be kept or maintained in specified asset as stipulated in section 29B of The National Housing Bank Act, 1987.*

- (iv) The HFC should have Net Owned Fund (NOF) of not less than ₹10 crore. NOF will carry the same meaning as defined in Housing Finance Companies (NHB) Directions, 2010.
- (v) The HFC should comply with the provisions of the National Housing Bank Act, 1987 and Housing Finance Companies (NHB) Directions, 2010, as amended from time to time.
- (vi) The Net Non Performing Assets (NNPA) of the HFC should not be more than 2.50% of the Net Advances. NPA shall carry the same meaning as defined in Housing Finance Companies (NHB) Directions, 2010, as modified upto date. NNPA means 'NPA less provision'. Net Advances shall mean 'Advances less provision'. 'Advances' shall, apart from housing loans, include mortgage loans, lease transactions, hire purchase assets, bills of exchange, inter-corporate deposits and unquoted debentures.
- (vii) The HFC should have completed at least 3 years of operations (i.e. the HFC should be able to furnish 3 years' audited financial statements).

2.2 The requirement of furnishing 3 years' audited financial statements (as laid down in paragraph 2.1(vii) above) can be waived in the following cases :

- (a) New rural HFCs
- (b) Newly established HFCs, subject to the conditions mentioned below (all other terms and conditions except those mentioned in paragraph 2.2(b)(i) to 2.2(b)(ii) below as applicable to housing finance companies availing refinance from NHB continue to be applicable in case of these new HFCs also) :
 - (i) The HFC has been set up by a reputed business group, and is able to furnish either a corporate guarantee or a Letter of Comfort from the parent organization, and
 - (ii) The HFC has individual housing finance portfolio (either purchased from the market, or transferred from other group companies) of not less than ₹100 crore

OR

At least 50% of the outstanding individual housing loan portfolio of the HFC is in the affordable housing segment (housing loans qualifying for classification as priority sector advances). Currently, housing loans upto ₹28 lakhs with overall cost of dwelling unit not exceeding ₹35 lakhs in metropolitan centres (i.e. centres with population of 10 lakh and above), and housing loans upto ₹20 lakhs with overall cost of dwelling unit not exceeding ₹25 lakhs in other centres, qualify under priority sector.

(c) Newly established HFCs, subject to the conditions mentioned below (all other terms and conditions except those mentioned in paragraph 2.2(c)(i) to 2.2(c)(ii) below as applicable to housing finance companies availing refinance from NHB continue to be applicable in case of these new HFCs also) :

- (i) At least 50% of the housing loan portfolio of the HFC should be comprised of loans upto ₹5 lakhs, and
- (ii) The Company's lending policy should have a clear focus on the informal sector and low income and affordable housing.

2.3 The HFC will have to attain the minimum stipulated rating to be eligible for financial assistance from NHB. For this purpose, NHB has developed an internal credit rating model to determine the eligibility for financial assistance for the HFCs.

3. Extent of Refinance

Refinance from NHB will be available to the extent of 100 per cent of housing loans sanctioned and disbursed by the HFCs for acquisition / construction of new housing units and for upgradation / major repairs, in accordance with the provisions of the Scheme.

4. Tenure of Refinance

4.1 The refinance will be available for a period of not less than 1 year and not exceeding 15 years. The HFCs will have the option to choose the repayment period as per their requirements.

4.2 Minimum and maximum tenures under the different refinance schemes will be as laid down under the respective schemes, subject to the tenures mentioned in paragraph 4.1 above.

5. Repayment of Refinance

5.1 Repayment of principal and payment of interest will be on quarterly basis.

5.2 Repayment of principal will start after one clear calendar quarter from the date of disbursement.

5.3 Payment of interest will start from the quarter starting immediately after the disbursement.

5.4 The due dates of payment of interest and principal will be informed to HFCs in the repayment schedule after each release of refinance.

6. Prepayment

6.1 The refinance availed by the HFCs can be prepaid without any prepayment charge subject to the fulfilment of all of the following conditions :

- Such refinance is availed under Rural Housing Fund, Urban Housing Fund, Special Urban Refinance Scheme for Low Income Households, or under Regular Refinance Scheme at concessional rates,
- The HFC has also received the said amount from the ultimate borrowers under these schemes, and
- The prepayment is made not more than once in a quarter after giving two weeks' notice.

6.2 The refinance availed by HFCs can also be prepaid by them without any prepayment charge subject to the following conditions :

- The said refinance has run for at least one year (including the required period of notice), and
- Prior notice of two months is given to NHB, and
- Such prepayment is made not more than once in any half year (January - June or July - December).

6.3 In all other cases, prepayment would be accepted from the HFCs upon payment of prepayment charges as stated below and subject to the HFC giving two months' notice in writing :

Ageing (time elapsed since disbursement)	Prepayment Charges
Upto 1 year	1.0% of amount to be prepaid
More than 1 year	0.5% of amount to be prepaid

7. Security

7.1 Security to be obtained from Individual Beneficiaries

- (i) The HFC should generally obtain mortgage of property as security for the loan advanced by them. Where it is not feasible, the HFC may accept at its discretion, security of adequate value in the form of life insurance policies, promissory notes, shares and debentures, or such other security, as it may deem appropriate to fully secure the loan, with the charge properly created in its favour, unless the obtention of such security / charge is not required under any refinance scheme of NHB.
- (ii) The loan agreement to be entered into between the HFC and its borrowers shall have a provision to the effect that the borrowers shall have no objection to the HFC creating a charge, mortgage or other interest in that security in favour of NHB.
- (iii) The credit risk of the primary loan will be fully borne by the HFC and the refinance sought from NHB would be repayable irrespective of the primary loan account remaining regular or otherwise.

7.2 Security for refinance

- (i) Refinance from NHB may generally be secured by charge on the book debts of the HFC. Additional security such as charge on immovable properties / movable properties, personal guarantee of promoter, corporate guarantee or letter of comfort from promoter institution, etc. may be stipulated at NHB's discretion. The security will be determined on case to case basis. The eligible lending institutions shall furnish to NHB / execute in favour of NHB such documents / undertakings etc. in such form and content as may be prescribed by NHB from time to time.
- (ii) If at any time NHB is of the opinion that the security provided by the HFC has become inadequate to cover the outstanding refinance, it may advise the HFC to provide and furnish, to the satisfaction of NHB, such additional security as may be acceptable to NHB to cover such deficiency.

8. Rate of Interest

- 8.1 The interest on refinance will be compounded monthly and payable quarterly.
- 8.2 Refinance assistance will be provided either at **fixed** or **floating** rates of interest, depending upon the provisions of the respective refinance schemes.
- 8.3 The HFC would have the option to choose either floating or fixed interest rate depending on requirement and provisions of the respective refinance schemes.
- 8.4 The interest rate charged to the HFC will be as prevailing on the date of disbursement and will depend on the internal credit rating assigned to it by NHB, and repayment period sought under refinance. The rate of interest is subject to periodic revision by NHB and this will be informed from time to time.

8.5 Conversion of Fixed Rate Loans to Floating Rate Loans and vice versa

In the event an HFC wants to convert the outstanding loans from fixed rate structure to floating or vice versa, the following rules will apply :

- Fixed rate to floating rate
 - There will be a levy of 0.25% of the loan outstanding on conversion from fixed rate to floating rate of interest
 - The applicable interest rate will be the then prevailing floating rate of interest for the term equivalent to the residual repayment period of that loan
- Floating rate to fixed rate
 - There will be a levy of 0.25% of the loan outstanding on conversion from floating rate to fixed rate of interest
 - the applicable interest rate will be the then prevailing fixed rate of interest for the term equivalent to the residual repayment period of that loan

- Conversions will be done only on 1st January, 1st April, 1st July and 1st October of each year. Requests for such conversions should reach NHB one month before the due date for effective conversion.

8.6 Reset of Interest Rate on Fixed Rate Loans

8.6.1 In case of refinance extended at fixed rates of interest, NHB will have the option to reset the rates on outstanding loans on completion of such periods as may be agreed to between NHB and the HFC at the time of disbursement of refinance. The effective date of the reset will be :

- If the reset period is below 3 years - The day on which the reset period gets completed
- If the reset period is 3 years or above - The first day of the quarter immediately succeeding the quarter in which the reset period gets completed

8.6.2 The applicable interest rate will be the then prevailing fixed rate of interest for the term equivalent to the original repayment period of that loan.

8.6.3 At the time of reset, the HFC will have the option to either continue with the outstanding balance on the revised rates or to prepay the same without any notice period.

8.7 Reset of Interest Rate on Floating Rate Loans

8.7.1 In case of refinance extended at floating rates of interest, the effective date of the reset will be :

- If the interest rate is linked to NHB's PLR - The first day of the quarter immediately succeeding the quarter in which the PLR change takes place
- If the interest rate is linked INBMK or some other external benchmark - The day on which the reset period gets completed

9. Procedure for Sanction of Refinance Limit

9.1 Refinance limits are sanctioned to the HFCs for the year (July - June). Limits remaining unutilized at the end of the year (i.e. 30th June) can be carried forward to the next year at the request of the HFC. In case the annual limit is fully utilized before the end of the year, sanction of additional limit can also be considered.

9.2 An HFC desirous of availing refinance should submit to NHB its application in the format **NHB-HFC-01** together with the necessary annexures / enclosures.

9.3 An HFC applying for refinance for the first time will be required to submit, in addition to the above, the following information :

- (a) A brief write-up on the promoters

- (b) Annual report containing Balance Sheet and Profit & Loss Account for the previous three years
- (c) Housing loans sanctioned and disbursed during the previous three years.

10. Procedure for Documentation

- 10.1 Once the limit is sanctioned and conveyed to the HFC through a Sanction Letter, the HFC will be required to complete the documentation for the sanctioned limit.
- 10.2 The documentation required to be executed can be divided into two parts :
 - (i) One time documentation entered into at the time of the first sanction, comprising of :
 - Memorandum of Agreement
 - Power of Attorney
 - (ii) Documentation for each year's annual / additional limit (comprising of such documents as may be required depending upon the security for refinance)
- 10.3 Upon completion of documentation, the HFC can start drawing funds from NHB.

11. Procedure for Disbursement

- 11.1 Application for disbursement of refinance shall be made in the format **NHB-HFC-02**. The application form shall be accompanied by the applicable **Appendix** as per the requirements of the respective refinance scheme.
- 11.2 The application shall be signed by an official of the HFC duly authorized in this regard. The HFC would be required to furnish, for the period from July to June every year, a list of person(s) authorized by the Board of Directors / Chief Executive to sign the forms / statements / letters along with their specimen signatures for NHB's records. If there is any change in the list of authorized signatories during the year, the same shall also be informed to NHB.
- 11.3 The amount of refinance released during one month could be restricted by NHB based on rating obtained by the HFC and the refinance limit sanctioned to it.

12. Mode of Release

The refinance released will be routed through the current account maintained by the HFC in any NEFT enabled bank branch through RTGS. The mode of release and necessary details of the current account along with bank branch details will have to be intimated to NHB in the disbursement application **NHB-HFC-02**.

13. Mode of Repayment

13.1 All payments are to be made under advice to NHB, New Delhi, by way of RTGS favouring National Housing Bank in its account no. 00600350008114 maintained with HDFC Bank Limited, Nanik Motwani Marg Branch, Mumbai, having IFSC Code HDFC0000060.

13.2 Repayment of **principal** shall be made by the HFC to NHB as follows :

- (i) The amount of refinance availed shall be repaid to NHB in a period not exceeding 15 years by way of equal quarterly instalments, as specified by NHB.
- (ii) The due date for the repayments shall be the first day of each calendar quarter (i.e. 1st January, 1st April, 1st July, and 1st October each year).
- (iii) Repayment of principal shall commence after a gap of one clear calendar quarter following the disbursement of refinance and as may be specified by NHB.

For example, if refinance is disbursed on 4th April, 2015 the first instalment of principal will fall due for repayment on 1st October, 2015, i.e. after a gap of calendar quarter July to September, 2015.

13.3 Payment of **interest** by the HFC to NHB shall be made as follows :

- (i) Interest to be paid to NHB on refinance, will be calculated on daily product basis and charged at monthly rests.
- (ii) For calculation of interest, a 'year' will be taken as 365 days, irrespective of whether the year is a leap year or a normal year.
- (iii) Payment of interest shall commence from the first day of the calendar quarter immediately succeeding the date of disbursement of refinance.
For example, if refinance is disbursed on 4th April, 2015 the interest on the refinance will first fall due for payment on 1st July, 2015.
- (iv) The interest on the refinance will begin to accrue in favour of NHB from the date of disbursement.

13.4 If the due date for repayment of principal / payment of interest is a holiday for the Mumbai office of NHB, and the credit in respect of the amounts due is received by NHB within the **first three working days** of the quarter in which the payment is due, additional interest would not be charged. However, the HFC will pay interest on the amount due, at the applicable rates of interest for the additional days upto the day of payment to the Mumbai office of NHB. It may please be noted in this regard, that the Mumbai office of the NHB observes holidays as declared for the State of Maharashtra in terms of the Negotiable Instruments Act, 1949. It may be noted, further, that NHB observes a five-day week and that, accordingly, its offices remain closed on Saturdays and Sundays.

- 13.5** If the repayment of instalment and payment of interest is made before the due date, credit will be given only on the due date.
- 13.6** For any **delay beyond the first three working days** for the Mumbai office of NHB, the HFC will pay additional interest on the amount in default for the total period of delay, at the rate of **two per cent per annum above** the applicable rate.
- 13.7** The HFC shall make payments to NHB promptly on due dates, irrespective of whether or not the amount is actually recovered by it from the borrowers.

14. Periodic Returns to NHB

An HFC availing refinance from NHB will be required to furnish various statements / information to NHB on periodic basis. The HFCs should be prompt and regular in submission of these returns. The statements to be furnished to NHB are as under :

Frequency	Name of Return	Time Period for Submission
Quarterly	NHB-HFC-04 (Quarterly Return)	within one month of the end of the quarter
Half Yearly	NHB-HFC-05 (Adverse Balance certificate) ▪ Annexure I (Statement of Flagged loans)	within two months of the end of the half year
	NHB-HFC-06 (Half Yearly Information on Borrowings to be submitted by HFCs where refinance is secured by a charge on book debts)	within 30 days of the end of the half year
Annual	NHB-HFC-07 (Annual Confirmation of Negative Lien Covenant)	within 15 days of the end of the year
	NHB-HFC-08 (Annual Return)	within two months of the end of the year

15. Other Terms and Conditions

15.1 Prospective Loans

- 15.1.1** The HFCs can avail refinance in respect of prospective loans, subject to the condition that such amounts drawn for prospective loans would be fully backed by individual housing loans within a period of three months from the date of release.

- 15.1.2 On availing refinance for prospective loans, the HFC will be required to furnish a certificate of utilization within three months from the date of release of the prospective loan.
- 15.1.3 A penalty on un-utilized portion of refinance availed for prospective disbursements @2% above the applicable interest rate of refinance for the entire period of use would be levied in case the HFC fails to fully utilize the refinance amount within the given time period.
- 15.1.4 The said certificate is required to be submitted in format **NHB-HFC-03** within 14 days of the end of the three month period from the date of release of refinance for prospective loans, confirming that the amount drawn has been fully utilized for advancing individual housing loans under the scheme for which the prospective refinance had been drawn, and also attesting that such loans have been duly flagged against NHB's refinance.

15.2 Adverse Balance

- 15.2.1 Adverse balance is the excess of refinance outstanding over the balance outstanding of loans flagged for refinance, both reckoned on the same date.
- 15.2.2 HFCs availing refinance from NHB shall furnish a certificate as at 31st March and 30th September every year, in the prescribed format **NHB-HFC-05**, duly countersigned by their Statutory Auditors, confirming that the refinance outstanding from NHB does not exceed the total outstanding housing loans, in respect of which refinance has been obtained.
- 15.2.3 In the eventuality of the outstanding refinance due by HFC to NHB exceeding the **aggregate of all outstanding housing loans in respect of which refinance has been availed** by the HFC i.e. adverse balance, the HFC would be required to repay refinance to NHB to the extent of adverse balance. It may be noted that any payment made in advance towards the demand due on the first day of the next quarter should not be adjusted from the outstanding refinance while computing the adverse balance.
- 15.2.4 In case of adverse balance, the HFCs will also be required to place the certificate to their Board of Directors before forwarding the same to NHB.
- 15.2.5 On receipt of the above certificate, NHB will advise the HFC about the amount of refinance to be repaid. The HFC will be required to pay the amount within one month of the date of such advice. Credit will be given for such payments on the date of credit of the amount to NHB's Bank Account. The HFC will be required to furnish a list of refinance releases (i.e. loan accounts relating to each drawal of refinance) in which the adverse balance has arisen, along with the aggregate of outstanding housing loan in respect of each refinance loan account. The amount repaid to NHB will be adjusted accordingly.

15.2.6 In this context, the following may be noted :

- (a) Loan accounts pre-closed due to shifting from fixed interest rate structure to variable rate of interest or for any other reasons and opening a new loan account of the same borrower and with the same housing unit financed as a primary security shall continue to be covered under the flagged housing loans against NHB's refinance, and will not be reckoned for computation of adverse balance.
- (b) Book debts flagged / covered for the purpose of collateral security / additional margin requirements will not be counted for computing the sum aggregate of all outstanding housing loans in respect of which refinance has been availed as on 31st March / 30th September, i.e. additional margin stipulated over and above the security of book debts created out of refinance will not be reckoned for the computation of adverse balance. This additional margin will be for the purpose of collateral security and has to be maintained on the outstanding refinance.
- (c) Loan accounts for which refinance has been taken from NHB should be distinctly identifiable from the records of the HFC and the list of all such accounts should be available with the HFC and continue to be maintained in the records.
- (d) In the case of adverse balance arising due to pre-closure of loans in normal operations of lending and accelerated repayments, the same would get automatically included while computing the adverse balance and may be repaid following the required procedure and on the advice of NHB. Such repayments due to adverse balance shall not attract any levy.
- (e) Funds released towards prospective loans not earlier than 3 months to the half yearly statement will not be included under NHB outstanding while computing the adverse balance in view of the lag time involved in generating housing loans.

15.3 Borrowings from Institutions other than NHB

15.3.1 Borrowings by way of floatation of bonds / debentures

In case of borrowings by way of floatation of bonds / debentures whether unsecured or secured, listed or privately placed, the Company shall apply for a No Objection Certificate (NOC). The following documents are required to be submitted with the application for the NOC :

- Copies of the memorandum / notes placed before the Board of Directors seeking approval for the bond / debenture issue and the resolution passed thereof.
- Certified copy of the prospectus of the bond / debenture issue. In case the prospectus is not finalised, draft prospectus may be sent. However, the HFC shall submit the final prospectus to NHB at the earliest.

15.3.2 Borrowings from banks / financial institutions

- Companies to which refinance has been extended on negative lien basis are not required to seek NOC from NHB for borrowing from banks / financial institutions. However, **Annual Confirmation of Negative Lien Covenant** in the format **NHB-HFC-07** will have to be submitted within 15 days of the end of the year. In addition, **yearly** information on borrowings will have to be furnished every year as on **31st March** in the format **NHB-HFC-06**.
- Companies whose refinance is secured by an exclusive charge over book debts are not required to seek NOC from NHB for borrowing from banks / financial institutions. However, half yearly information on borrowings will have to be furnished every year as on 31st March and 30th September in the format **NHB-HFC-06**.
- Companies whose refinance is secured by a charge over all book debts shared on *pari passu* basis with other lenders, will have to obtain NOC from NHB for their borrowing from banks / financial institutions. Further, half yearly information on borrowings will have to be furnished every year as on 31st March and 30th September in the format **NHB-HFC-06**.
 - The Company shall ensure that the security offered to NHB for its refinance assistance is not infringed upon while entering into agreements / creating charge with / in favour of other banks / financial institutions. The Company will invariably report to the other lenders the current position relating to security / charge offered to NHB under refinance. If any charge is created and registered with ROC by the Company in favour of any lender, NHB shall be informed about the same in the half yearly statement of borrowings.
 - Letter ceding *pari passu* charge in favour of NHB would be obtained from the banks / financial institutions and furnished to NHB wherever necessary. Consent of the concerned bank / financial institution would also be obtained to enter into such agreements with NHB as may be deemed necessary.

15.4 **Loans Eligible for Refinance from NHB**

All housing loans covered under the scheme shall be

- Standard Assets as per the Housing Finance Companies (NHB) Directions, 2010 as amended upto date, and
- unencumbered

at the time of claiming refinance from NHB and during the entire tenure of refinance.

15.5 Flagging of Loans Refinanced by NHB

15.5.1 The HFCs will be required to properly identify all loans for which financial assistance is obtained from NHB and maintain a list of all such loans.

15.5.2 All information pertaining to such accounts shall be kept up-to-date.

15.5.3 Individual housing loans once flagged against NHB's refinance can never be changed without prior sanction of NHB as long as they are in the books of HFC and they should be distinctly identifiable.

15.5.4 A list of such book debts would be submitted to NHB on 31st March and on 30th September every year, and also on demand.

15.6 Inspection

The books of account, registers, and all other relevant records of the HFCs can be inspected by or on behalf of NHB. The expenses in respect of such credit inspection will be borne by the HFC.

15.7 Inspection / Audit Compliance

The HFCs shall take prompt action on any findings of inspection / audit and inform the same to NHB.

15.8 Appraisal and Follow-up of Housing Loans

The HFCs should have proper systems and procedures for appraisal and follow-up of housing loans, as also expert, qualified staff for the purpose and adequate arrangements for training them.

15.9 NHB's Guidelines

Finance provided by the eligible lending institution for housing and covered under the Scheme should conform to Guidelines and Directions issued by NHB from time to time.

15.10 Post Disbursal Discipline

There should be proper post disbursement supervision and follow up of housing loans to ensure proper end use of funds as also timely and regular repayment of the loans.

15.11 Maintenance of Recovery Performance

Continuance of refinance facility from NHB will be subject to maintenance of satisfactory recovery performance by the eligible HFCs from the beneficiaries under various categories i.e. individuals, builders, CFIs etc. and conditions stipulated by NHB from time to time.

15.12 Refinance Assistance at Discretion of NHB

Refinance facility shall be available at the sole discretion of NHB and cannot be claimed as a matter of right.

15.13 Recall of Refinance

NHB reserves the right to recall the refinance in the event of diversion of the relative funds for purposes other than housing or for suppression of any material information by the eligible lending institution or the happening of any such event, which may, in the opinion of NHB, endanger the repayment of financial assistance.

15.14 NHB's Right to Modify the Scheme

NHB may, at its sole discretion, alter / modify the refinance facility either in respect of all eligible lending institutions or in respect of any one or group of eligible lending institutions as regards the procedure, terms and conditions, eligibility criteria and such other related issues.

PART B

REFINANCE SCHEMES

NHB currently has the following refinance schemes in operation for HFCs :

No.	Scheme	
	Full Name	Short Name
1.	Regular Refinance Scheme	RS
2.	Rural Housing Fund	RHF
3.	Urban Housing Fund	UHF
4.	Special Urban Housing Refinance Scheme for Low Income Households	U-LIH
5.	Special Refinance Scheme for Flood Affected Areas of Jammu & Kashmir	J&K Scheme
6.	Refinance Scheme for Construction Finance for Affordable Housing	RCF

Regular Refinance Scheme

1. **Purpose** - To provide refinance assistance in respect of housing loans extended by HFCs for :

- Construction / purchase of dwelling units
- Repairs / renovation / upgradation of dwelling units

2. **Eligible loans**

- **Loan size** - Any
- **Location of property** - Any
- **Ultimate borrowers** - Any

3. **Tenure of refinance** - 1 year to 15 years

4. **Type of interest rate**

- Floating rate, or
- Fixed rate with resets

The interest rate will be determined at the time of disbursement based on market conditions.

5. **Concessions in interest rate**

Concession in interest rate will be available for refinance in respect of the following loans :

- Loans upto ₹10 lakhs
- Loans in rural areas (*as per 2011 Census*)
- Loans to women (where the woman is owner / co-owner of financed property)
- Loans to persons of 3rd gender (where the beneficiary is owner / co-owner of financed property)
- Loans to disabled or differently abled persons (where the beneficiary is owner / co-owner of financed property)
- Loans to persons belonging to Scheduled Castes / Scheduled Tribes (where the beneficiary is owner / co-owner of financed property)
- Loans for green housing (concession will be available where the loan is for domestic solar equipment, water harvesting, or energy efficient housing certified to save at least 18% under the NHB-KfW assessment model)

Rural Housing Fund

1. **Purpose** - To provide refinance assistance in respect of housing loans extended by HFCs to borrowers belonging to 'weaker sections' for :

- Construction / purchase of dwelling units in rural areas
- Repairs / renovation / upgradation of dwelling units in rural areas

2. **Eligible loans**

- **Loan size** - upto ₹15 lakhs
- **Location of property** - Rural area (as per the 1991 Census)
Rural area for this purpose is defined as the area comprised in any village, including the area comprised in any town, the population of which did not exceed 50,000 as per the 1991 Census.
- **Date of origination** - Loans disbursed on or after 01-04-2008
- **Ultimate borrowers** - Persons belonging to weaker sections
"Weaker section" means and includes :
 - (a) *Small and marginal farmers with land holding of 5 acres and less, and landless labourers, tenant farmers and share croppers;*
 - (b) *Women*
 - (c) *All individuals eligible for loans under Swarnjayanti Gram Swarozgar Yojana (SGSY) and Differential Rate of Interest (DRI) i.e. classified as BPL or marginally above the poverty line.*
 - (d) *Scheduled Castes, Scheduled Tribes and*
 - (e) *Persons from minority communities as may be notified by Government of India from time to time. In States, where one of the minority communities notified is, in fact, in majority, item (e) will cover only other notified minorities. These States / Union Territories are Jammu & Kashmir, Punjab, Sikkim, Mizoram, Nagaland and Lakshadweep.*
 - (f) *rural population with income upto ₹2 lakhs*

3. **Tenure of refinance** - 3 years to 10 years

4. **Type of interest rate**

Refinance under the Scheme will be extended at interest rate which shall remain fixed for the entire tenure of refinance without reset.

The interest rate will be as applicable under the Scheme at the time of disbursement.

5. **On-lending cap**

The interest rates on individual loans covered under refinance under the Scheme should not be more than 2% over and above the interest rate on refinance.

Urban Housing Fund

1. **Purpose** - To provide refinance assistance in respect of housing loans extended by HFCs in urban areas for the following purposes :

- Construction / purchase of dwelling units
- Repairs / renovation / upgradation of dwelling units
- Incremental housing

2. **Eligible loans**

- **Loan size** - upto ₹10 lakhs
- **Location of property** - Urban area (as per the 2011 Census)
- **Date of origination** - Loans disbursed on or after 01-04-2013
- **Dwelling unit** - The carpet area of the dwelling unit in respect of which the individual housing loan is extended should not exceed 60 m²

OR

the cost of the dwelling unit should not exceed ₹16 lakhs

(This condition is applicable only in case of new units)

- **Ultimate borrowers** - The household income should not exceed ₹4 lakhs per annum.

It may be mentioned here that Rajiv Rin Yojana (RRY), a centrally sponsored scheme envisages 5% subsidy to the EWS / LIG borrowers. Inclusion of people marginally above the LIG segment within the scope of UHF would enable them to have better access to the formal housing finance system resulting in more inclusive housing in urban areas. It should however, be ensured that individual should not get the benefit of both UHF refinance scheme and Rajiv Rin Yojana. In this regard, the Housing Finance Companies would follow due diligence in identification of the beneficiaries in terms of eligible income group and ensuring non-inclusion of beneficiaries availing loan under various subsidy schemes of the Government, including Rajiv Rin Yojana, by obtaining necessary documentary evidence, including Aadhaar based identification, etc.

3. **Tenure of refinance** - 3 years to 10 years

4. **Type of interest rate**

- Fixed rate without reset for entire tenure of refinance

The interest rate will be as applicable under the Scheme at the time of disbursement.

5. **On-lending cap**

The interest rates on individual loans covered under refinance under the Scheme should not be more than 2% over and above the interest rate on refinance.

Special Urban Housing Refinance Scheme for Low Income Households

1. **Purpose** - Refinance assistance will be provided under the Scheme to HFCs in respect of their housing loans in the urban areas extended to low income household either directly or through intermediaries like MFIs or SHGs (having proper systems and procedures for appraisal and follow-up of housing loans including qualified staff for handling such loans to the satisfaction of the concerned HFC), for the following purposes :
 - construction / purchase of new dwelling units
 - purchase of existing dwelling units
 - repairs / renovation / extension / up-gradation of existing dwelling units

2. **Eligible loans** - Housing loans satisfying all of the following criteria would be eligible for refinance under the Scheme :
 - To individuals either directly or through intermediaries like MFIs or SHGs
 - Not exceeding ₹ 5 lakhs
 - Annual Household income not exceeding ₹ 2 lakhs
 - Beneficiaries to derive informal income
 - Disbursed on or after 25-02-2013
 - Having loan-to-value (LTV) ratio not exceeding 80%
 - Conforming to prescribed social and environment due diligence requirements (as per the attached guidelines in Annexure I)
 - Extended in respect of dwelling units located in urban areas (*as per the 2011 Census*)

3. **Tenure of refinance** - 5 years to 15 years

4. **Type of interest rate**
 - Fixed rate without reset for entire tenure of refinance

The interest rate will be as applicable under the Scheme at the time of disbursement.

5. Beneficiary

5.1 Income

Persons having annual household income not exceeding ₹2 lakhs.

(Household income for the purpose of this Scheme shall mean the income of all the co-borrowers taken together. Income shall be assessed / verified by the HFCs to their satisfaction and recorded as such in their credit notes / loan files covering parameters like IIR, LTV, etc. assessing credit worthiness and affordability of the borrowers.)

5.2 Informal Income

The beneficiaries under the scheme must derive their income from informal sources.

“Informal Income” for the purpose of grant of housing loan under this Scheme refers to income derived from low income economic activities and that meets one of the following criteria :

- *Income derived from self-employment in any low income business, profession or occupation;*
- *Income earned from casual, temporary, irregular or multiple jobs; and/or*
- *Income derived from employment in the unorganized sector.*

6. Security to be obtained from individual borrowers

The individual housing loans may be secured either by mortgagable title over the land / property or by alternate security to the complete satisfaction of the HFC.

The credit risk of the primary loan will be fully taken by the primary lending institution and the refinance sought from NHB would be repayable irrespective of the primary loan account remaining regular or otherwise. Further, in cases where HFC accepts alternative security for the loans under the Scheme, it is to be ensured that the borrower enjoys a minimum right of tenure in order to avoid legal challenge and loss of loans following the borrower’s eviction from the property.

Special Refinance Scheme for Flood Affected Areas of Jammu & Kashmir

1. **Purpose** - To provide refinance assistance in respect of direct housing loans extended by HFCs in flood affected districts of the state of J&K for the following purposes :

- construction of new dwelling units
- acquisition of existing dwelling units
- repairs / renovation / up-gradation of existing dwelling units

The Scheme is being operated from the Rural Housing Fund (RHF) and the Urban Housing Fund (UHF).

2. **Eligible loans** - Housing loans satisfying all of the following criteria would be eligible for refinance under the Scheme :

- Direct housing loans to individuals
- Not exceeding ₹10 lakhs
- Disbursed on or after 1st October, 2014
- Extended in respect of dwelling units located in flood affected districts of Jammu & Kashmir

3. **Conditions stipulated under the RHF and UHF**

Since the Scheme is being operated under the RHF and the UHF, refinance will be available in respect of those loans where the conditions prescribed under the RHF / UHF (whichever is applicable) are satisfied.

3.1 Rural Housing Fund

- **Location of property** - Rural area (as per the 2011 Census)
- **Ultimate borrowers** - Persons belonging to weaker sections

"Weaker section" means and includes :

- (a) *Small and marginal farmers with land holding of 5 acres and less, and landless labourers, tenant farmers and share croppers;*
- (b) *Women*
- (c) *All individuals eligible for loans under Swarnjayanti Gram Swarozgar Yojana (SGSY) and Differential Rate of Interest (DRI) i.e. classified as BPL or marginally above the poverty line.*
- (d) *Scheduled Castes, Scheduled Tribes and*
- (e) *Persons from minority communities as may be notified by Government of India from time to time. In States, where one of the minority communities notified is, in fact, in majority, item (e) will cover only other notified minorities. These States / Union Territories are Jammu & Kashmir, Punjab, Sikkim, Mizoram, Nagaland and Lakshadweep.*
- (f) *rural population with income upto ₹2 lakhs*

3.2 Urban Housing Fund

- **Dwelling unit** - The carpet area of the dwelling unit in respect of which the individual housing loan is extended should not exceed 60 m²
OR
the cost of the dwelling unit should not exceed ₹16 lakhs
(This condition is applicable only in case of new units)
- **Location of property** - Urban area *(as per the 2011 Census)*

4. **Tenure of refinance** - 3 years to 10 years

5. **Interest rate**

- Rate of interest on refinance - 6.50% p.a. fixed for entire tenure without reset
- On-lending interest rates - The interest rates on loans covered under the Scheme should not exceed 8.50% p.a.

Refinance Scheme for Construction Finance for Affordable Housing

1. **Purpose** - To provide refinance assistance in respect of loans extended by HFCs to public agencies, private agencies / developers / builders for their affordable housing projects.

2. **Eligible Projects**

Projects with at least 60% of the permissible FSI for units of carpet area upto 60 m² and cost of the unit (having carpet area upto 60 m²) not exceeding ₹30 lakhs per unit;

OR

Slum improvement / rehabilitation projects conforming to the parameters to be set by the Central Sanctioning and Monitoring Committee of the Affordable Housing in Partnership Scheme (AHP) constituted under the Chairmanship of Secretary, HUPA

3. **Eligible Developers**

Public agencies viz. Housing Boards, Development Authorities, Slum Improvement / Clearance Board, Improvement Trust etc.

OR

Private Developers/Builders etc. conforming to the following criteria :

- Developers / builders undertaking low cost affordable housing projects should be a company registered under the Companies Act, 1956
- Such developers / builders should have minimum 3 years' experience in undertaking residential projects, and should have good track record in terms of quality and delivery
- The developers / builders should not have defaulted in any of their financial commitments to banks / financial institutions or any other agencies
- The project should not be a matter of litigation
- The project should be in conformity with the provisions of master plan / development plan of the area. The layout should conform to the land use stipulated by the town and country planning department for housing projects
- All necessary clearances from various bodies including Revenue Department with respect to land usage / environment clearance, etc. are available on record

4. **Extent of Refinance** - Refinance under the Scheme will be available only in respect of that portion of the project which conforms to eligibility criteria laid down in 2 above. The refinance would be available to the extent of project cost apportioned for affordable housing viz. in terms of proportion of the sum of carpet area for units having individual carpet area not exceeding 60 m² to total carpet area under the project.

5. **Tenure of refinance** - The tenure of the refinance under the Scheme will be co-terminus with the HFC's loan to the agency subject to maximum tenure of 5 years. In the event of the agency prepaying the loan to the HFC at any point of time, the refinance outstanding in respect of that loan will also have to be prepaid to NHB.
6. **Type of interest rate**
 - Floating rate, or
 - Fixed rate with resets

The interest rate will be determined at the time of disbursement based on market conditions.

PART C

FORMATS

NHB-HFC-01
Application for Refinance Limit

Deputy General Manager
Refinance Operations
National Housing Bank
New Delhi - 110003

Sir,

We hereby apply for sanction of refinance limit of ₹_____ crore. The details are as under :

1.	Date		
2.	Name of Institution		
3.	Refinance Limit <i>(tick as applicable)</i>	Annual	
		Additional	
		Carry Forward	
4.	Year		
5.	Amount Applied for	₹_____ crore	

We attach the following information :

(please tick if applicable)

1.	Annual Report for the year ended 31 st March, 20__ <i>(containing audited accounts, Auditors' Report, Directors' Report)</i>	
2.	Certificate that at least 75% of the long term capital is employed for housing (Annexure I)	
3.	Latest quarterly / half yearly results (if applicable)	
4.	Latest credit rating (if available)	
5.	Annexure II	
6.	Annexure III <i>(to be submitted only in case the HFC is a new client for NHB)</i>	

We certify that the information furnished in this application is true and correct.

(Authorized signatory)

Annexure I to NHB-HFC-01

Compliance with Guidelines for Extending Refinance Support to HFCs

As on _____

(i) Amount of capital employed (₹ crore)		
Paid up capital	_____	
<i>Add</i> Reserves	_____	
<i>Add</i> Long term borrowings	_____	
<i>Add</i> Deposits above 5 years	_____	
Sub Total	_____	
<i>Less</i> Intangibles	_____	
<i>Less</i> Amount invested in specified asset as stipulated in sec. 29B of NHB Act, 1987	_____	
Capital Employed		_____
(ii) Long term Housing Loans		
Individuals	_____	
Builders	_____	
Others	_____	
Total		_____
(iii) Housing loans as a percentage of capital employed <i>(In case the percentage is less than 75%, suitable remarks may be furnished as an enclosure)</i>		_____ %

(Authorized signatory)

Dated :

Annexure II to NHB-HFC-01

Information to be Furnished with Application for Refinance Limit

1. Details of Loans

(₹ crore)

Particulars	Individual Housing Loans	Other Housing Loans	Non-housing Loans	Total
Sanctioned during the year (previous completed year)				
Disbursed during the year (previous completed year)				
Outstanding as on 31 st March, 20__				

2. Rural Urban Break-up of Disbursements

(₹ crore)

Particulars	Individual Housing Loans	Other Housing Loans	Total
Rural			
Urban			

3. Asset Classification of Housing Loans as on 31st March, 20__

(₹ crore)

Particulars	Individual Housing Loans	Other Housing Loans	Total
Standard			
Substandard			
Doubtful			
Loss			
Total			

4. Movement of NPAs for the year ended 31st March, 20__

Particulars	₹ crore
Opening Balance as on 1 st April, 20__	
Add : Fresh NPAs during the year	
Less : NPAs recovered during the year	
Less : NPAs written off during the year	
Closing Balance as on 31 st March, 20__	

5. Movement of Provision for NPAs for the year ended 31st March, 20__

Particulars	₹ crore
Opening Balance as on 1 st April, 20__	
<i>Add</i> : Provision made during the year	
<i>Less</i> : Provision reversed during the year	
Closing Balance as on 31 st March, 20__	

6. Capital Adequacy Ratio as on 31st March, 20__

7. Dividend declared for the year ended 31st March, 20__

8. Shareholding pattern as on 31st March, 20__, and also as on date.

[Information at (4), (5), (6) and (7), if available in Annual Report, need not be furnished separately].

Annexure III to NHB-HFC-01

Additional Information to be Furnished in case the HFC is a New Client for NHB

1. Annual Reports for the last **three** years
2. Details of loans [as in (1) of Annexure II], rural urban break-up of disbursements [as in (2) of Annexure II], asset classification of housing loans [as in (3) of Annexure II], for the last **three** years
3. Copy of Memorandum of Association and Articles of Association
4. In case the Company is seeking any exemption in terms of **paragraph 2.2** (requirement of submission of three years' audited accounts), write-up, data and figures in support of the same.
5. Profiles of Directors and Senior Management
6. Details of loans from other institutions

Name of Lender	Amount Sanctioned	Amount Availed	Amount outstd. as on _____	Security

Please attach copies of sanction letters

7. Business plan and projections
8. List of authorized signatories

NHB-HFC-02
Application for Disbursement of Refinance

Deputy General Manager
Refinance Operations
National Housing Bank
New Delhi - 110003

Sir,

Refinance may kindly be disbursed in respect of individual housing loans as per the details furnished below. The details required under the specific refinance scheme(s) under which refinance is sought are furnished in the Appendix ____.

1.	Date of application			
2.	Name of institution			
3.	Year			
4.	Refinance limit for current year (tick as applicable)	Particulars	<i>Tick as applicable</i>	(₹crore)
		Annual		
		Additional		
		Carry Forward		
		Limit Utilized		
	Balance Limit			
5.	Amount requested for disbursement			
6.	Scheme under which disbursement is sought	<i>Tick as applicable</i>	(₹crore)	Attach Details
	Regular Refinance Scheme			Appendix 1
	Rural Housing Fund			Appendix 2
	Urban Housing Fund			Appendix 3
	Special Urban Housing Refinance Scheme for Low Income Households			Appendix 4
	Special Refinance Scheme for Flood Affected Areas of Jammu & Kashmir			Appendix 5
	Refinance Scheme for Construction Finance for Affordable Housing			Appendix 6
	Total			
7.	Total individual housing loans outstanding in the books of the HFC as on 31 st March, 20__			

8. We agree and undertake that :

- (i) No refinance / finance has been taken against these loans from NHB or any other institution and these loan accounts would remain unencumbered during the pendency of refinance.
- (ii) The refinance sought is in respect of housing loans granted as per the eligibility criteria prescribed under the respective scheme and the proposal conforms to the general policy and principles laid down and communicated to us from time to time, by NHB.

- (iii) The loans for which refinance is being sought are existing loans in the books of the Bank and conform to the details furnished in this form.
 - (iv) The housing loans granted to the constituents have been utilized by them for the purpose for which the loans have been granted.
 - (v) The housing loans covered under NHB refinance are classified as Standard Assets as defined by the National Housing Bank.
 - (vi) We will properly identify all loans for which financial assistance is obtained from NHB and maintain a list of all such loans. All information pertaining to such accounts will be kept readily available with us. Individual housing loans once flagged against NHB's refinance will be changed only with prior approval of NHB and will remain in the books of the Company and distinctly identifiable. We undertake to provide a list of such book debts to NHB on demand. Further, the branches will be having the list of NHB refinanced loans at their end for easy identification during inspection.
 - (vii) All information/statements as may be required by NHB from time to time shall be submitted promptly.
9. The refinance amount may be credited into our account no. _____ having IFSC Code _____ maintained with _____ (Name of the Bank / Branch / Place).
10. The interest on refinance will be compounded monthly and paid quarterly.
11. We undertake to repay the refinance as per the repayment schedule furnished by NHB.

(Authorized Signatory)

Appendix 1 to NHB-HFC-02

Details of Claim under Regular Refinance Scheme

1.	Scheme under which refinance claimed	Regular Refinance Scheme			
2.	Amount claimed (₹crore)	<<in figures>>			
		<<in words>>			
3.	Tenure for which refinance claimed (1 year to 15 years)	<<years and months>>			
4.	Type of interest rate	Interest Rate Type		<i>Tick as applicable</i>	
		Fixed			
		Floating			
5.	Concessions, if any <i>Attach Appendix 1 (a)</i>	Type of Loan		<i>Tick as applicable</i>	
		Loans upto ₹10 lakhs			
		Loans in rural areas			
		Loans to women			
		Loans to persons of 3 rd gender			
		Loans to disabled or differently abled persons			
		Loans for green housing			
6.	Size-wise break-up of housing loans included in refinance claim	Loan Size		No. of Units	
				Amount (₹crore)	
		Upto ₹2 lakhs			
		₹2 lakhs to ₹5 lakhs			
		₹5 lakhs to ₹10 lakhs			
		₹10 lakhs to ₹15 lakhs			
		₹15 lakhs to ₹20 lakhs			
		₹20 lakhs to ₹25 lakhs			
		Above ₹25 lakhs			
Total					
7.	Annual income-wise break-up of borrowers included in refinance claim	Annual Income		No. of Units	
				Amount (₹crore)	
		Upto ₹1 lakh			
		₹1 lakh to ₹2 lakh			
		₹2 lakh to ₹3 lakh			
		₹3 lakh to ₹4 lakh			
		₹4 lakh to ₹5 lakh			
		Above ₹5 lakh			
Total					

We certify that the information furnished in this application is true and correct and may be verified from our books.

(Authorized signatory)

Appendix 1 (a) to NHB-HFC-02

Details of Claim under Regular Refinance Scheme

1.	Type of loans for which concession sought		Units	Amount (₹ crore)
		Loans upto ₹10 lakhs		
		Loans in rural areas		
		Loans to women		
		Loans to persons of 3 rd gender		
		Loans to disabled or differently abled persons		
		Loans to persons belonging to Scheduled Cates / Scheduled Tribes		
		Loans for green housing <ul style="list-style-type: none"> ▪ domestic solar equipment ▪ water harvesting ▪ energy efficient housing certified to save at least 18% under the NHB-KfW assessment model) 		

We certify that :

- (i) where concession has been sought on account of the beneficiary being a women / person of 3rd gender / disabled or differently abled, person belonging to Scheduled Caste / Scheduled Tribe, the beneficiary is the owner / co-owner of the property financed.

(Authorized signatory)

Appendix 2 to NHB-HFC-02

Details of Claim under Rural Housing Fund

1.	Scheme under which refinance claimed	Rural Housing Fund									
2.	Amount claimed (₹crore)	<<in figures>>									
		<<in words>>									
3.	Tenure for which refinance claimed (3 years to 10 years)	<<years and months>>									
4.	Type of interest rate	Fixed									
5.	Size-wise break-up of housing loans included in refinance claim	Loan Size		No. of Units		Amount (₹crore)					
		Upto ₹2 lakhs									
		₹2 lakhs to ₹5 lakhs									
		₹5 lakhs to ₹10 lakhs									
		₹10 lakhs to ₹15 lakhs									
		Total									
6.	Annual income-wise break-up of borrowers included in refinance claim	Annual Income		No. of Units		Amount (₹crore)					
		Upto ₹1 lakh									
		₹1 lakh to ₹2 lakh									
		₹2 lakh to ₹3 lakh									
		₹3 lakh to ₹4 lakh									
		₹4 lakh to ₹5 lakh									
		Above ₹5 lakh									
Total											
7.	Beneficiary classification-wise break-up of loans included in refinance claim										
No.	State	Marginal Farmers		Women		SCs / STs		Minorities		Others	
		No.	Amount (₹crore)	No.	Amount (₹crore)	No.	Amount (₹crore)	No.	Amount (₹crore)	No.	Amount (₹crore)
(i)											
(ii)											
(iii)											
	Total										

We certify that :

- (i) the information furnished in this application is true and correct and may be verified from our books;
- (ii) the loans included in this claim have been disbursed on or after 1st April, 2008;
- (iii) the loans disbursed in rural areas for which refinance is being sought under the Rural Housing Fund have been properly classified and the location of the dwelling units is as per the 1991 census;

- (iv) the loans disbursed in rural areas for which refinance is being sought under the Rural Housing Fund have been properly classified and have been given to persons belonging to weaker section, as defined under the Rural Housing Fund refinance scheme.
- (v) where the loan has been classified as advanced to 'weaker section' by virtue of one of the co-borrowers being a woman, only those cases have been included under the claim where the women so included are co-owner(s) of the property
- (vi) only those loans have been included in this claim which satisfy the criterion of on-lending cap prescribed by the National Housing Bank under the Rural Housing Fund.

(Authorized signatory)

Appendix 3 to NHB-HFC-02

Details of Claim under Urban Housing Fund

1.	Scheme under which refinance claimed	Urban Housing Fund		
2.	Amount claimed (₹crore)	<<in figures>>		
		<<in words>>		
3.	Tenure for which refinance claimed (3 years to 10 years)	<<years and months>>		
4.	Type of interest rate	Fixed		
5.	Size-wise break-up of housing loans included in refinance claim	Loan Size	No. of Units	Amount (₹crore)
		Upto ₹2 lakhs		
		₹2 lakhs to ₹5 lakhs		
		₹5 lakhs to ₹10 lakhs		
		Total		
6.	Annual income-wise break-up of borrowers included in refinance claim	Annual Income	No. of Units	Amount (₹crore)
		Upto ₹1 lakh		
		₹1 lakh to ₹2 lakh		
		₹2 lakh to ₹3 lakh		
		₹3 lakh to ₹4 lakh		
		Total		

We certify that :

- (i) the information furnished in this application is true and correct and may be verified from our books;
- (ii) the loans included in this claim have been disbursed on or after 01-04-2013;
- (iii) the loans disbursed in urban areas for which refinance is being sought under the Urban Housing Fund have been properly classified and the location of the dwelling units is as per the 2011 census;
- (iv) the loans disbursed in urban areas for which refinance is being sought under the Urban Housing Fund have been disbursed to borrowers having annual household income not exceeding ₹4 lakhs;
- (v) the loans disbursed in urban areas for new units for which refinance is being sought under the Urban Housing Fund do not exceed ₹10 lakhs and have been disbursed in respect of dwelling units whose cost does not exceed ₹16 lakhs;
- (vi) only those loans have been included in this claim which satisfy the criterion of on-lending cap prescribed by National Housing Bank under Urban Housing Fund;
- (vii) the loans disbursed in urban areas for which refinance is being sought under the Urban Housing Fund have been disbursed to beneficiaries who have not availed loans under any other subsidy scheme of the Government.

(Authorized signatory)

Appendix 4 to NHB-HFC-02

Details of Claim under Special Urban Housing Refinance Scheme for Low Income Households

1.	Scheme under which refinance claimed	Special Urban Housing Refinance Scheme for Low Income Households		
2.	Amount claimed (₹crore)	<<in figures>>		
		<<in words>>		
3.	Tenure for which refinance claimed (5 years to 15 years)	<<years and months>>		
4.	Type of interest rate	Fixed		
5.	Number of units being financed	Security		
		Income	Mortgage	Alternatively Secured
		Formal		
		Informal		
6.	Size-wise break-up of housing loans included in refinance claim	Loan Size	No. of Units	Amount (₹crore)
		Upto ₹2 lakhs		
		₹2 lakhs to ₹5 lakhs		
		Total		
7.	Annual income-wise break-up of borrowers included in refinance claim	Annual Income	No. of Units	Amount (₹crore)
		Upto ₹1 lakh		
		₹1 lakh to ₹2 lakh		
		Total		

We certify that :

- (i) the information furnished in this application is true and correct and may be verified from our books;
- (ii) the loans included in this claim have been disbursed on or after 25-02-2013;
- (iii) the loans included in this claim have been disbursed in respect of dwelling units located in the urban areas;
- (iv) The loans are disbursed to beneficiaries deriving informal income;
- (v) The loan to value ratio of the loans is less than equal to 80%;
- (vi) The loans fulfil the environment and social due diligence criteria set out in the project;
- (vii) the loans disbursed in urban areas for which refinance is being sought have been disbursed to borrowers having annual household income not exceeding ₹2 lakhs;
- (viii) the loans disbursed in urban areas for which refinance is being sought under scheme for loan size less than ₹5 lakhs;

(Authorized signatory)

Appendix 5 to NHB-HFC-02

Details of Claim under Special Refinance Scheme for Flood Affected Areas of Jammu & Kashmir

1.	Scheme under which refinance claimed	Special Refinance Scheme for Flood Affected Areas of Jammu & Kashmir									
2.	Amount claimed (₹crore)	<<in figures>>									
		<<in words>>									
3.	Tenure for which refinance claimed (3 years to 7 years)	<<years and months>>									
4.	Type of interest rate	Fixed									
5.	Size-wise break-up of housing loans included in refinance claim	Loan Size				No. of Units		Amount (₹crore)			
		Upto ₹2 lakhs									
		₹2 lakhs to ₹5 lakhs									
		₹5 lakhs to ₹10 lakhs									
		Total									
6.	Annual income-wise break-up of borrowers included in refinance claim	Annual Income				No. of Units		Amount (₹crore)			
		Upto ₹1 lakh									
		₹1 lakh to ₹2 lakh									
		₹2 lakh to ₹3 lakh									
		₹3 lakh to ₹4 lakh									
		₹4 lakh to ₹5 lakh									
		Above ₹5 lakh									
Total											
7.	Refinance sought under (tick whichever is applicable)	Rural Housing Fund									
		Urban Housing Fund									
7.	Beneficiary classification-wise break-up of loans included in refinance claim										
No.	State	Marginal Farmers		Women		SCs/ STs		Minorities		Others	
		No.	Amount (₹crore)	No.	Amount (₹crore)	No.	Amount (₹crore)	No.	Amount (₹crore)	No.	Amount (₹crore)
(i)											
(ii)											
(iii)											
	Total										

We certify that :

- (i) the information furnished in this application is true and correct and may be verified from our books;
- (ii) the loans included in this claim have been disbursed on or after 01-10-2014;
- (iii) the loans included in this claim have been disbursed in respect of dwelling units located in the flood affected districts of Jammu & Kashmir, as notified by the competent authority;

- (iv) the loans disbursed in rural areas for which refinance is being sought under the Rural Housing Fund have been properly classified and the location of the dwelling units is as per the 1991 census;
- (v) the loans disbursed in rural areas for which refinance is being sought under the Rural Housing Fund have been properly classified and have been given to persons belonging to weaker section, as defined under the Rural Housing Fund refinance scheme;
- (vi) where the loan has been classified as advanced to 'weaker section' by virtue of one of the co-borrowers being a woman, only those cases have been included under the claim where the women so included are co-owner(s) of the property;
- (vii) the loans disbursed in urban areas for which refinance is being sought under the Urban Housing Fund have been properly classified and the location of the dwelling units is as per the 2011 census;
- (viii) the loans disbursed in urban areas for new units for which refinance is being sought under the Urban Housing Fund have been disbursed in respect of dwelling units whose cost does not exceed ₹16 lakhs or whose carpet area does not exceed 60 m²;
- (ix) only those loans have been included in this claim where the rate rate charged from the ultimate beneficiaries does not exceed 8.50% p.a.

(Authorized signatory)

Appendix 6 to NHB-HFC-02

Details of Claim under Refinance Scheme for Construction Finance for Affordable Housing

1.	Scheme under which refinance claimed	Refinance Scheme for Construction Finance for Affordable Housing			
2.	Amount claimed (₹crore)	<<in figures>>			
		<<in words>>			
3.	Tenure for which refinance claimed	<<years and months>>			
4.	Type of interest rate	Fixed			
5.	Amount requested for disbursement				
7.	Total construction finance loans outstanding in the books of the PLI as on 31 st March, 20__	No. of Projects	Amount Sanctioned	Amount Disbursed	Outstd. as on date
8.	Details of construction finance loan in respect of which refinance is being sought	Parameters		Details	
		Name & Address of Public Agency / Private Agency			
		Name & Address of Project			
		Total Project Cost			
		% of the total cost apportioned to affordable housing (*)			
		Total Loan Amount (all lenders)			
		Amount Sanctioned by PLI			
		Amount Disbursed by PLI			
		PLI's Loan Outstd.			

(*) Total cost apportioned into % of sum of carpet area for units (upto 60 m²) to total carpet area.

We certify that :

- (i) the information furnished in this application is true and correct and may be verified from our books;
- (ii) no refinance / finance has been taken against these loans from NHB or any other institution and these loan accounts would remain unencumbered during the pendency of refinance;
- (iii) the project loans in respect of which refinance is being sought conform to the eligibility criteria prescribed under the scheme and the proposal conforms to the general policy and principles laid down and communicated to us from time to time, by NHB;

- (iv) the agencies to whom construction finance loans have been extended and in respect of which refinance is being sought conform to the eligibility criteria laid down under the scheme;
- (v) the loans for which refinance is being sought are existing loans in our books and conform to the details furnished in this form;
- (vi) the loans granted to the agencies have been utilized by them for the purpose for which the loans have been granted;
- (vii) the loans covered under NHB refinance are classified as Standard Assets as defined by the National Housing Bank;

(Authorized Signatory)

NHB-HFC-03
Utilization Certificate in respect of
Refinance for Prospective Lending

Deputy General Manager
 Refinance Operations
 National Housing Bank
 New Delhi - 110003

Sir,

_____ (Name of HFC) had claimed the following refinance for prospective loans :

Date of Release	Amount released under prospective loans (₹crore)	Scheme Code under which refinance claimed

At the time of release, we had undertaken that all refinance drawn by us under the said claim will be backed by individual housing loans within a period of three months from the date of disbursement by NHB.

We now confirm and certify that the above amount of ₹_____ has been fully utilized for advancing individual housing loans, as per the details furnished below :

Scheme Code under which refinance claimed	Amount (₹crore)	No. of individual loan accounts

These housing loans have been duly flagged for NHB refinance and can be identified from our records. The details of these loans will be included in the statement of book debts which will be submitted to NHB as on 30th September and 31st March every year as per the format _____.

Yours faithfully,

Authorized Signatory

Date :

Note : This certificate must be sent to NHB within 14 days of the end of three month period from the date of release of refinance for prospective loans.

NHB-HFC-04
Quarterly Return

(to be submitted within 1 month of the end of the quarter)

1.	Name of Institution			
2.	Return for the quarter ended			
3.	Date of submission			
4.	Loans sanctioned during the quarter (₹crore)	Housing	Non Housing	Total
5.	Total loans sanctioned during the current year (₹crore)	Housing	Non Housing	Total
6.	Loans disbursed during the quarter (₹crore)	Housing	Non Housing	Total
7.	Total loans disbursed during the current year (₹crore)	Housing	Non Housing	Total
8.	Borrowings as on the last day of the quarter (₹crore)	Category of Lender	Opening Balance of the Quarter	Closing Balance of the Quarter
		Secured ▪ Banks / FIs ▪ NHB ▪ Bonds / debentures ▪ Others		
		Unsecured ▪ Public deposits ▪ Bonds / debentures ▪ ICDs ▪ Others		
		Total		
9.	Loans and Investments as on the last day of the quarter (₹crore)	Category of Borrower	Opening Balance of the Quarter	Closing Balance of the Quarter
		Housing Loans ▪ Individuals ▪ Builders / projects ▪ Corporate		
		Non Housing Loans		
		Investments		
		Total		
10.	Asset classification of all loans as on the last day of the quarter (₹crore)	Classification	Outstanding balance	Provisions, if any
		Standard		
		Sub-standard		
		Doubtful		
		Loss		
Total				

11.	Asset classification of housing loans flagged for NHB refinance as on the last day of the quarter (₹crore)	Classification		Outstanding balance	Provisions, if any
		Standard			
		Sub-standard			
		Doubtful			
		Loss			
		Total			
12.	Age-wise <u>overdues</u> in individual housing loans as on the last day of the quarter	Age-wise overdue debtors	No. of Accounts	Aggregate Principal Outstd. (₹crore)	As % of total indiv. housing loans outstd. (principal)
		1 - 3 months			
		3 - 6 months			
		6 - 12 months			
		12 - 24 months			
		>24 months			
		Total			

We certify that the information furnished in this return is true and correct and may be verified from our books.

(Authorized signatory)

NHB-HFC-05
Half Yearly Certificate of Adverse Balance Return
(to be submitted within 2 months of the end of the half year)

Table I

(₹ crore)

1.	Name of Institution						
2.	Adverse balance certificate for the half year ended						
3.	Date of submission						
4.	Computation of Adverse Balance	Refinance Scheme(s)					Total
(a)	Sum aggregate of all outstanding housing loans in respect of which refinance has been availed as on 31 st March, 20__ / 30 th Sept, 20__						
(b)	Outstanding refinance due to NHB as on 31 st March, 20__ / 30 th Sept, 20__						
(c)	(Adverse Balance) / Positive Balance [(b) - (a)]						

In case of adverse balance, the following refinance account-wise information may be furnished :

Table II

No.	Refinance Account No.	Refinance Scheme	Refinance Outstanding as on 31 st March, 20__ / 30 th Sept, 20__	Sum aggregate of outstanding housing loans	Adverse Balance

Table III - Details of additional loans flagged for the purpose of collateral security / margin
(to be furnished by companies where the refinance security structure envisages margin / collateral security)
 (₹ crore)

No.	Refinance Scheme Code	Housing loans flagged as margin (outstanding balance as on 31 st March, 20__ / 30 th Sept, 20__)	Refinance Outstanding as on 31 st March, 20__ / 30 th Sept, 20__ (after adjusting adverse balance)	(B) as percentage of (C)
	(A)	(B)	(C)	(D)

We certify that :

- (i) The information furnished in this return is true and correct and may be verified from our books;
- (ii) The loan accounts that were pre-closed due to shifting from fixed interest rate structure to variable rate of interest or for any other reasons and opening a new loan account of the same borrower and with the same housing unit financed as a primary security continue to be covered under the outstanding refinance from NHB. Such accounts have not been excluded while arriving at 4(c) in Table I above;
- (iii) The outstanding refinance as on 31st March / 30th September does not show lesser balance due to repayment made in advance in the last week of March / September for the demand due on 1st April / 1st October of the ensuing quarter
- (iv) The loan accounts for which refinance has been taken from NHB can be distinctly identified from the records of the Company. A list of all such accounts is enclosed in the format prescribed in **Annexure I** to **NHB-HFC-05**.
- (v) This certificate has been placed before the ___ meeting of our Board of Directors held on _____ and they have taken note of the same vide their resolution as under : _____

(Authorized signatory)

(Statutory Auditor of the Company)

Dated :

Annexure I to NHB-HFC-05

Statement of Flagged Loans
(to be submitted with the Adverse Balance Certificate)

Table I

No.	Refinance Account No.	Refinance Scheme	Branch of the Company	File No.	Name & Address of Constituent	Address of Property	Date of Mortgage / Pledge	Loan outstanding as on 31 st March, 20__ / 30 th Sept, 20__

Table II - Statement of additional loans flagged towards margin

No.	Refinance Account No.	Refinance Scheme	Branch of the Company	File No.	Name & Address of Constituent	Address of Property	Date of Mortgage / Pledge	Loan outstanding as on 31 st March, 20__ / 30 th Sept, 20__

Note

- (i) This statement of flagged book debts is to be submitted along with the half yearly adverse balance certificate
- (ii) Where the refinance is secured by *pari passu* charge over all the book debts, a statement as on 31st March each year in the format laid down in Table I will have to be furnished in respect of all book debts.

NHB-HFC-06
Half Yearly Information on Borrowings
(to be submitted within 30 days of the end of the half year)

1.	Name of Institution									
2.	Information on borrowings for the half year ended									
3.	Date of submission									
4.	Incremental borrowings made during the reporting half-year	Lender	Nature of Facility	Sanctioned Amount (₹ crore)	Rate of Interest	Tenure	Outstd. as on last day of reporting half year	Overdue	Security	Whether charge registered with ROC
5.	Cumulative borrowings outstanding on the last day of the reporting half-year	Lender	Nature of Facility	Sanctioned Amount (₹ crore)	Rate of Interest	Tenure	Outstd. as on last day of reporting half year	Overdue	Security	Whether charge registered with ROC

We certify that the information furnished in this return is true and correct and may be verified from our books.

(Authorized signatory)

NHB-HFC-07

Annual confirmation of Negative Lien Covenant
(to be submitted within 15 days of the end of the financial year)

1.	Name of Institution	
2.	Return for the year ended	
3.	Date of submission	
4.	Refinance Outstanding as on 31 st March, 20__	

We confirm that no charge of any nature has been created on any of our assets as on 31st March, 20__, in respect of any of our borrowings outstanding in our books as on the said date.

Hence, we confirm that the “negative lien” covenant entered into with National Housing Bank (NHB) in respect of the refinance assistance availed from NHB has been fully complied with.

(***)

Managing Director / Authorized signatory
(name & designation)

Dated :

(*** Qualifications, if any, should be mentioned clearly)

[This statement is to be submitted only by those Housing Finance Companies which have entered into negative lien covenant with NHB for securing of refinance.

It is not be submitted by those Housing Finance companies whose refinance is secured by a charge over book debts.]

NHB-HFC-08
Annual Return

(to be submitted within 2 months of the end of the financial year)

1.	Name of Institution				
2.	Return for the year ended				
3.	Date of submission				
4.	Compliance with guidelines for availing refinance support from NHB and information regarding repayment track record	Particulars	<i>Tick as applicable</i>		
			Yes	No	
		Whether housing loans as percentage of capital employed is 75% or more <i>(in case percentage is less than 75%, suitable remarks may be furnished as enclosure)</i>			
		Whether the Company has defaulted in meeting its commitment towards financial institutions, investors or depositors <i>(if yes, details to be furnished separately indicating amount, date, name of institution / investor / depositor and reason therefor)</i>			
	Whether the Company has paid all statutory dues, advance tax, etc. <i>(in case of any exception, details to be furnished separately indicating amount, date and reasons therefor)</i>				
5.	Movement of Gross NPAs during the year ended 31 st March, 20__	Particulars	Housing	Non Housing	Total
		Opening Balance as on 1 st April, 20__			
		Less : NPAs recovered during the year			
		Add : Fresh NPAs during the year			
		Less : NPAs written off during the year			
		Closing Balance as on 31 st March, 20__			
6.	Asset classification of <u>individual</u> housing loans flagged for NHB refinance as on the last day of the year (₹crore)	Classification	Outstanding balance	Provisions, if any	
		Standard			
		Sub-standard			
		Doubtful			
		Loss			
		Total			

7.	Investments in <u>shares</u> of associate / group companies / concerns	Name of Company		Amount (₹crore)	Holding (%)
8.	Investments and loans & advances <u>to</u> associate / group companies / concerns	Name of Company	Amount (₹crore)	As % of NOF of HFC	As % of NOF of associate / group company
9.	Investments and loans & advances <u>from</u> associate / group companies / concerns	Name of Company	Amount (₹crore)	As % of NOF of HFC	As % of NOF of associate / group company
10.	Shareholding of directors in the Company	Name of Director			Holding (%)
11.	Top 10 <u>individual</u> shareholders in the Company	Name of Shareholder			Holding (%)
12.	Top 10 <u>corporate</u> shareholders in the Company	Name of Shareholder			Holding (%)

We certify that the information furnished in this return is true and correct and may be verified from our books.

(Authorized signatory)

