

## CHAPTER III

### INSTITUTIONAL FRAMEWORK FOR HOUSING FINANCE: BANKS

One of the significant aspects of budding housing finance business in India in the last 2-3 years has been the increasing participation of the commercial banks. In the year 2002-03, the return on assets of the banking sector witnessed a marked improvement driven by increases in all major income categories. The spurt in the retail and housing segments mainly boosted both lending and fee incomes. According to the reports of the Reserve Bank of India, fiscal 2002-03 witnessed a sharp pickup in housing loans, which witnessed a quantum rise to 6.1 per cent of non-food gross bank credit as at end-March 2003, up from 4.6 per cent as at end-March 2002, reflecting several policy initiatives in this regard. In fact, banks have consistently exceeded the targets prescribed for providing housing loans during the last few years. The details of housing finance allocation (i.e. stipulated 3% of the incremental deposits) and achievement by the commercial banks during the last 4 years in given below:

**Table 3.1 Housing Finance by Commercial Banks**

(Amount in Rs. crore)

	1999-2000	2000-2001	2001-2002	2002-2003
<b>Allocation</b>	3051.52	3409.95	5159.22	8574.10
<b>Achievement</b>	9911.35	9787.24	14744.85	33840.53

Source: IECD, RBI (Achievement includes direct & indirect housing finance and investment in NHB/HUDCO bonds)

The overall exposure of scheduled commercial banks (SCBs) to sensitive sectors comprising capital market, real estate and commodities, underwent a compositional shift during 2002-03. Owing to a major increase in housing finance the overall exposure to sensitive sectors of most bank groups has gone up. The public sector banks (PSBs) continued to account for about two-thirds of the total exposure of SCBs to sensitive sectors.

**Table 3.2 Lending to Sensitive Sectors by Scheduled Commercial Banks**

(Amount in Rs. Crore)

Advances to	Outstanding as at end March		Per cent to total	
	2002	2003	31.03.2002	31.03.2003
Capital market	3,082	2,504	14.8	10.5
Real estate	9,012	12,464	43.3	52.0
Commodities	8,727	8,979	41.9	37.5
<b>TOTAL</b>	<b>20,821</b>	<b>23,947</b>	<b>100.0</b>	<b>100.0</b>

Source: Trend & Progress of Banking in India, 2003

As per the RBI reports, most bank groups, excluding the foreign bank category, unwound their exposure to the capital market during 2002-03, partly on account of the subdued performance of the capital market with limited activity being witnessed during 2002-03 and partly on account of the new growth driver: housing finance. Most commercial banks are engaged in offering retail credit for housing on highly competitive prices and customer-friendly terms, supported by strong marketing efforts to enhance their customer appeal. Consequently, real estate lending by most bank groups experienced moderate to significant increases, a decline being evidenced only in case of old private banks which, in fact, experienced a cutback in their overall lending to sensitive sectors.

The spurt in housing finance by banking sector can be attributed to the facilitating role of the Reserve Bank of India through various policy pronouncements in pursuance of National Housing Policy of Central Government, which helped augmenting the flow of credit to housing sector. During last two years, the housing sector has emerged as one of the sectors attracting a large quantum of bank finance. The current focus of RBI's regulation is to ensure orderly growth of housing loan portfolio of banks.

#### **A. Direct Housing Finance**

As per the RBI, direct housing finance refers to the finance provided to individuals or groups of individuals including co-operative societies. Regarding direct housing finance, the banks are free to evolve their own guidelines with the approval of their Boards on aspects such as security, margin, age of dwelling units, repayment schedule, etc. The RBI, however, stipulates that the following types of bank finance may be included under direct housing finance:

- *Bank finance extended to a person who already owns a house in town/village where he resides, for buying/ constructing a second house in the same or other town/ village for the purpose of self occupation.*
- *Bank finance extended for purchase of a house by a borrower who proposes to let it out on rental basis on account of his posting outside the headquarters or because he has been provided accommodation by his employer.*
- *Bank finance extended to a person who proposes to buy an old house where he is presently residing as a tenant.*
- *Bank finance granted only for purchase of a plot, provided a declaration is obtained from the borrower that he intends to construct a house on the said plot, with the help of bank finance or otherwise, within a period of two years from the availment of the said finance.*

#### **Supplementary finance**

The RBI guidelines stipulate that banks are free to consider requests for additional finance within the overall ceiling for carrying out alterations/ additions/repairs to the house/flat already financed by them. In the case of individuals who might

have raised funds for construction/ acquisition of accommodation from other sources and need supplementary finance, banks may extend such finance after obtaining *pari passu* or second mortgage charge over the property mortgaged in favour of other lenders and/or against such other security, as they may deem appropriate.

Under direct housing finance, loans up to Rs. 10 lakh in rural, semi-urban, urban and metropolitan areas for construction of houses by individuals and loans up to Rs.1 lakh in rural and semi urban areas and Rs. 2 lakhs in urban areas for repairs to damaged houses by individuals will be considered as part of priority sector lending by banks provided such lending has the approval of their Boards.

**Table 3.3 Bank-group-wise direct housing finance disbursal**

(Amount in Rs. Crore)

	1999-2000	2000-2001	2001-2002	2002-2003
SBI & Associates	1205.06	1950.09	2636.34	4782.88
Nationalised Banks	1710.10	2800.90	4963.62	9129.47
Indian Pvt. Banks	522.30	645.06	696.79	8864.03
Foreign Banks	159.94	157.06	269.66	776.99
<b>TOTAL</b>	<b>3597.40</b>	<b>5553.11</b>	<b>8566.41</b>	<b>23553.37</b>

Source: IECD, RBI

The above table indicates the steady growth of direct housing finance disbursal by all categories of banks during the last four years. However, the quantum increase in 2002-03 as compared to 2001-02 is largely on account of huge disbursal by private sector banks, which accounted for 37.63% of total direct housing finance of the banking sector in 2002-03 as compared to 8.13% share in 2001-02.

### **B. Indirect Housing Finance**

The RBI stipulates that banks should ensure that their indirect housing finance is channelled by way of term loans to housing finance institutions, housing boards, other public housing agencies, etc., primarily for augmenting the supply of serviced land and constructed units. It should also be ensured that the supply of plots/ houses is time bound and public agencies do not utilise the bank loans merely for acquisition of land. Similarly, serviced plots should be sold by these agencies to co-operative societies, professional developers and individuals with a stipulation that the houses should be constructed thereon within a reasonable time, not exceeding three years. For this purpose, the banks may take advantage of various guidelines issued by NHB for augmenting the supply of serviced land and constructed units.

### ***Lending to Housing Intermediary Agencies: Housing Finance Institutions***

Banks are allowed to grant term loans to housing finance institutions taking in to account (long-term) debt-equity ratio, track record, recovery performance and other relevant factors. In terms of NHB guidelines, housing finance companies' total borrowings, whether by way of deposits, issue of debentures/ bonds, loans and advances from banks or from financial institutions including any loans obtained from NHB, should not exceed 16 times of their net owned funds (i.e. paid-up capital and free reserves less accumulated balance of loss, /deferred revenue expenditure and intangible assets).

### ***Lending to Housing Intermediary Agencies: Housing Boards and Other Agencies***

Banks are also free to extend term loans to state level housing boards and other public agencies. However, the RBI prescribes that in order to develop a healthy housing finance system, while doing so, the banks must not only keep in view the past performance of these agencies in the matter of recovery from the beneficiaries but they should also stipulate that the Boards will ensure prompt and regular recovery of loan installments from the beneficiaries

### ***Financing of Land Acquisition***

In view of the need to increase the availability of land and house sites for increasing the housing stock in the country, the RBI permits that banks may extend finance to public agencies for acquisition and development of land, provided it is a part of the complete project, including development of infrastructure such as water systems, drainage, roads, provision of electricity, etc. Such credit may be extended by way of term loans. The project should be completed as early as possible and, in any case, within three years, so as to ensure quick re-cycling of bank funds for optimum results. If the project covers construction of houses, credit extended therefore in respect of individual beneficiaries should be on the same terms and conditions as stipulated for direct finance.

### ***Terms and Conditions for Lending to Housing Intermediary Agencies***

In order to enhance the flow of resources to housing sector, term loans may be granted by banks to housing intermediary agencies against the direct loans sanctioned/ proposed to be sanctioned by the latter, irrespective of the per borrower size of the loan extended by these agencies and such term loans would be reckoned for the purpose of achievement of their housing finance allocation.

Banks can grant term loans to eligible housing intermediary agencies against the direct loans sanctioned/proposed to be sanctioned by them to Non-Resident Indians (NRIs) also. However, such finance granted by banks to housing finance intermediary agencies against their on-lending to NRIs will not be treated as housing finance for the purpose of yearly allocation of housing finance applicable to banks. Banks have freedom to charge interest rates to housing intermediary agencies without reference to Prime Lending Rate (PLR).

### ***Term Loans to Private Builders***

In view of the important role played by professional builders as providers of construction services in the housing field, especially where land is acquired and developed by State Housing Boards and other public agencies, commercial banks may extend credit to private builders of repute on commercial terms by way of loans linked to each specific project. It should be ensured, through close monitoring, that no part of such funds is used for any speculation in land.

Under indirect housing finance assistance given to any governmental agency for construction of houses, or for slum clearance and rehabilitation of slum dwellers, subject to a ceiling of Rs. 5 lakh of loan amount per housing unit and assistance given to a non-governmental agency approved by the National Housing Bank for the purpose of refinance for construction of houses or for slum clearance and rehabilitation of slum dwellers, subject to a ceiling of Rs. 5 lakh of loan amount per housing unit will be considered eligible to qualify as priority sector lending.

**Table 3.4 Bank-group-wise indirect housing finance disbursal**

*(Amount in Rs. Crore)*

	<b>1999-2000</b>	<b>2000-2001</b>	<b>2001-2002</b>	<b>2002-2003</b>
SBI & Associates	128.78	91.20	174.40	152.00
Nationalised Banks	2975.97	1815.77	3838.60	4916.63
Indian Pvt. Banks	805.96	859.87	1192.85	1159.73
Foreign Banks	135.73	105.01	494.42	568.12
<b>TOTAL</b>	<b>4046.44</b>	<b>2871.85</b>	<b>5700.27</b>	<b>6796.48</b>

Source: IECD, RBI

### C. Investments in Bonds

Investment by banks in bonds issued by NHB/HUDCO exclusively for financing of housing, irrespective of the loan size per dwelling unit will be reckoned for inclusion under priority sector advances.

**Table 3.5 Bank-group-wise disbursal in NHB/HUDCO bonds**

(Amount in Rs. Crore)

	1999-2000	2000-2001	2001-2002	2002-2003
SBI & Associates	49.63	46.54	40.80	0.00
Nationalised Banks	1294.98	665.79	112.67	1224.46
Indian Pvt. Banks	881.04	556.54	263.10	2184.77
Foreign Banks	41.86	93.41	61.60	81.45
<b>TOTAL</b>	<b>2267.51</b>	<b>1362.28</b>	<b>478.17</b>	<b>3490.68</b>

Source: IECD, RBI

A close analysis of Table 3.3-3.5 would reveal the gradual increase in direct housing finance portfolio of all categories of banks over the last 3-4 years. This indicates the growing concentration of banks in retail housing finance and also throws lights on increased magnitude of competition that such huge foray by banks would entail. Among the different bank-groups, SBI and Associates show maximum concentration for direct housing finance.

Banks are, however, not allowed to grant finance for construction of buildings meant purely for Government/Semi-Government offices, including Municipal and Panchayat offices. However, banks may grant loans for activities, which will be refinanced by institutions like the National Bank for Agriculture and Rural Development (NABARD). Projects undertaken by public sector entities which are not corporate bodies and not run on commercial lines may not be financed by banks.

#### ***Opening of Specialised Housing Finance Branches***

In view of the priority accorded to the development of housing as also to achieve greater professionalism, the Reserve Bank opined that there was a need for establishment of specialised branches at certain centres exclusively to cater to housing finance. It has been the intention of RBI that over time a housing finance branch should be established in each district through policies and perceptions for greater involvement of commercial banks in the housing sector.

Since the housing finance is a new concept to banks, initially the opening of such specialised branches would be restricted to semi-urban/urban areas and the number of such branches to be allowed would depend on the size and spread of the bank.

In this regard, banks are also advised by RBI to consider opening a specialised branch in districts where they have a large presence and avoid opening such housing finance branches at metropolitan centres which are served by quite a few specialised housing finance companies and give preference to smaller urban and semi-urban centres where there is enough potential for opening of such branches. They should also propose to cover all the states to ensure a wider geographical dispersion of housing finance branches.

The RBI also advises NHB to be prepared to take up the task of training the staff to be posted in the specialised housing finance branches so that they are equipped with the necessary skills for the work.

### ***Risk Weight on Housing Finance***

With a view to further improving the flow of credit to the housing sector the RBI decided to liberalise the prudential requirement on risk weight for housing finance by banks and encourage investments by banks in Mortgage Backed Securities (MBS) of housing finance companies which are registered and supervised by NHB. Accordingly, banks extending housing loans to individuals against the mortgage of residential housing properties are permitted to assign risk weight of 50% instead of the existing 100%. Loans against the security of commercial real estate would continue to attract 100% risk weight as hitherto. The investments in MBS of residential assets of HFCs are eligible for risk weight of 50% for the purpose of Capital Adequacy.

### ***Terms and Conditions for Banks' Investment in Mortgage Backed Securities (MBS)***

The RBI has stipulated that banks' investments in MBS should satisfy the following terms and conditions:

- *The right, title, and interest of an HFC in securitised housing loans and receivables there under should irrevocably be assigned in favour of a Special Purpose Vehicle (SPV) / Trust.*
- *Mortgaged securities underlying the securitised housing loans should be held exclusively on behalf of and for the benefit of the investors by the SPV/Trust.*
- *The SPV or Trust should be entitled to the receivables under the securitised loans with an arrangement for distribution of the same to the investors as per the terms of the issue of MBS. Such an arrangement may provide for appointment of the originating HFC as the servicing and paying agent.*

However, the originating HFC participating in a securitisation transaction as a seller, manager, servicer or provider of credit enhancement of liquidity facilities shall not

- *Own any share capital in the SPV or be the beneficiary of the Trust used as a vehicle for the purchase and securitisation of assets. Share capital for this purpose shall include all classes of common and preferred share capital.*
- *Name the SPV in such manner as to imply any connection with the originator.*
- *Have any directors, officers, or employees on the board of the SPV unless the board is made of at least three members and where there is a majority of independent directors. In addition, the official (s) representing the originator will not have veto powers.*
- *Support any losses arising from the securitisation transaction or by investors involved in it or bear any of the recurring expenses of the transaction.*

Besides,

- *The loans to be securitised should be loans advanced to individuals for acquiring / constructing residential houses which should have been mortgaged to the HFC by way of exclusive first charge.*
- *The loans to be securitised should be accorded an investment grade credit rating by any of the credit rating agencies at the time of assignment to the SPV.*
- *The investors should be entitled to call upon the issuer-SPV-to take steps for recovery in the event of default and distribute the net proceeds to the investors as per the terms of issue of MBS.*
- *The SPV undertaking the issue of MBS should not be engaged in any business other than the business of issue and administration of MBS of individual housing loans.*
- *The SPV or Trustees appointed to manage the issue of MBS should have to be governed by the provisions of Indian Trust Act, 1882.*

If the issue of MBS is in accordance with the above terms and conditions stated includes irrevocable transfer of risk and reward of housing loan assets to the Special Purpose Vehicle (SPV) / Trust, investment in such MBS by any bank would not be reckoned as an exposure on the HFC originating the securitised housing loan. However, it would be treated as an exposure on the underlying assets of the SPV/ Trust.

The details of region-wise classification, size-wise classification and population & bank group wise classification of outstanding housing loans of scheduled commercial banks are given below:

**Table 3.6: Region-wise classification of Outstanding Housing Loans of Scheduled Commercial Banks as on March 31**

(Rs. in crore)

Region/State/UT	2001		2002		2003	
	No. of A/cs	Amount outstanding	No. of A/cs	Amount outstanding	No. of A/cs	Amount outstanding
<b>Northern Region</b>						
Haryana	55668	585.48	42965	672.20	47339	1140.20
Himachal Pradesh	21885	199.58	14863	198.79	17880	291.91
Jammu & Kashmir	18737	168.13	18367	218.46	19797	268.76
Punjab	98732	868.14	83064	1191.16	92254	1713.71
Rajasthan	105365	1095.39	83060	1342.50	87617	1768.72
Chandigarh	9380	135.69	7147	160.46	7703	280.59
Delhi	54524	1468.33	42908	1720.92	52155	3383.53
<b>Region Total</b>	<b>364291</b>	<b>4520.74</b> <b>(34.11)</b>	<b>292374</b>	<b>5504.49</b> <b>(21.76)</b>	<b>324745</b>	<b>8847.42</b> <b>(60.73)</b>
<b>North-Eastern Region</b>						
Arunachal Pradesh	145	2.95	299	10.02	193	6.43
Assam	22307	242.67	18535	314.91	42811	703.51
Manipur	1441	12.14	1028	18.41	1255	26.54
Meghalaya	1235	15.28	1152	25.48	1226	29.95
Mizoram	2203	21.91	1618	34.18	2982	64.41
Nagaland	484	5.24	344	5.63	379	6.40
Tripura	2848	20.23	1841	26.52	2322	35.59
<b>Region Total</b>	<b>30663</b>	<b>320.42</b> <b>(32.89)</b>	<b>24817</b>	<b>435.15</b> <b>(35.81)</b>	<b>51168</b>	<b>872.83</b> <b>(101.00)</b>
<b>Eastern Region</b>						
Bihar	58222	493.07	37270	499.12	52919	708.78
Jharkhand	24534	202.24	17184	270.40	20478	371.81
Orissa	67628	539.74	87950	1018.92	140319	1320.32
Sikkim	1494	14.56	1260	25.20	1756	35.49
West Bengal	171963	1352.29	118175	1889.65	135074	2714.59
Andaman & Nicobar Islands	323	4.67	308	7.46	335	9.09
<b>Region Total</b>	<b>324164</b>	<b>2606.57</b> <b>(32.16)</b>	<b>262147</b>	<b>3710.75</b> <b>(42.36)</b>	<b>350881</b>	<b>5160.08</b> <b>(39.06)</b>

<b>Central Region</b>						
Chhatisgarh	24323	176.99	14534	235.48	29566	412.10
Madhya Pradesh	118825	994.67	81737	1131.74	114243	1610.60
Uttar Pradesh	194461	1383.04	123446	2012.95	153108	2848.90
Uttaranchal	22822	178.28	16123	247.69	30911	437.12
<b>Region Total</b>	<b>360431</b>	<b>2732.98</b> <b>(29.28)</b>	<b>235840</b>	<b>3627.86</b> <b>(32.74)</b>	<b>327828</b>	<b>5308.72</b> <b>(46.33)</b>
<b>Western Region</b>						
Goa	9548	105.13	5781	109.30	10315	199.66
Gujarat	157055	1225.62	100943	1298.33	98876	1663.45
Maharashtra	323287	4299.68	209787	5772.99	305979	8180.36
Dadra & Nagar Haveli	83	0.91	167	2.88	309	6.24
Daman & Diu	283	1.95	185	2.52	252	3.73
<b>Region Total</b>	<b>490256</b>	<b>5633.29</b> <b>(48.94)</b>	<b>316863</b>	<b>7186.02</b> <b>(27.56)</b>	<b>415731</b>	<b>10053.44</b> <b>(39.90)</b>
<b>Southern Region</b>						
Andhra Pradesh	228431	2194.03	163476	2814.56	294235	4746.90
Karnataka	196310	2425.59	163726	3204.43	223695	5294.18
Kerala	269673	1948.01	173325	2473.00	195958	3402.46
Tamil Nadu	214050	2995.12	180539	3821.58	257529	5304.67
Lakshadweep	17	0.17	19	0.39	16	0.23
Pondicherry	4511	35.50	3189	47.69	4295	75.98
<b>Region Total</b>	<b>912992</b>	<b>9598.42</b> <b>(36.26)</b>	<b>684274</b>	<b>12361.65</b> <b>(28.79)</b>	<b>975728</b>	<b>18824.42</b> <b>(52.28)</b>
<b>Total All India</b>	<b>2482797</b>	<b>25412.42</b> <b>(37.18)</b>	<b>1816315</b>	<b>32825.92</b> <b>(29.17)</b>	<b>2446081</b>	<b>49066.91</b> <b>(49.48)</b>

Source: Basic Statistical Returns, RBI (figures in parenthesis indicate percentage growth)

The year 2002-03 witnessed remarkable growth in the housing loan segment of the commercial banks which is also reflected in more than 49% growth in the outstanding housing loans during the year. All regions except the eastern region witnessed higher growth rate in 2002-03 as compared to 2001-02. Most significantly, the north-eastern region also witnessed a more than 100% growth during 2002-03.

**Table 3.7: Size-wise classification of Outstanding Housing Loans of Scheduled Commercial Banks as on March 31**

(Rs. in crore)

Loan Slab	2001		2002		2003	
	No. of A/cs	Amount	No. of A/cs	Amount	No. of A/cs	Amount
Rs.25,000 and Below	536572	552.09	244376	280.10	442944	555.62
Above Rs.25,000 and Upto Rs.2 Lakh	1620279	9543.99	1133744	10840.76	1316608	12874.06
Above Rs.2 Lakh and Upto Rs.5Lakh	285328	9232.89	350284	10979.69	513798	15973.65
Above Rs.5 Lakh and Upto Rs.10 Lakh	30933	1996.41	67146	4305.70	127959	8242.24
Above Rs. 10 Lakh and Upto Rs.25 Lakh	7639	1053.29	16870	2197.86	36202	4624.93
Above Rs. 25 Lakh and Upto Rs.50 Lakh	1278	322.53	2773	772.71	5466	1384.91
Above Rs. 50 Lakh and Upto Rs.1Crore	380	208.27	610	314.19	1414	605.42
Above Rs. 1 Crore and Upto Rs. 4 Crore	252	432.40	344	482.56	1163	630.34
Above Rs. 4 Crore and Upto Rs. 6 Crore	49	198.42	55	182.28	226	274.69
Above Rs. 6 Crore and Upto Rs.10 Crore	25	183.60	40	219.55	132	404.75
Above Rs. 10 Crore and Upto Rs. 25 Crore	41	642.79	37	496.48	111	844.39
Above Rs. 25 Crore	21	1045.74	36	1754.04	58	2651.91
<b>Total</b>	<b>2482797</b>	<b>25412.42</b>	<b>1816315</b>	<b>32825.92</b>	<b>2446081</b>	<b>49066.91</b>

Source: Basic Statistical Returns, RBI

While the outstanding housing loans increased across the slabs, the growth rates were most significant in case of the slab Rs. 5 lakhs to Rs.10 lakhs (91.43%) and in the slab above Rs.10 lakhs and up to Rs.25 lakhs (110.00%).

**Table 3.8: Population-group and Bank-group wise classification of Outstanding Housing Loans of Scheduled Commercial Banks as on March 31**

(Rs. in crore)

	2001		2002		2003	
	No. of A/cs	Amount	No. of A/cs	Amount	No. of A/cs	Amount
<b>RURAL</b>						
- SBI & Associates	87817	681.09	76727	1079.28	234852	2388.75
-Nationalised Banks	193457	1405.43	137200	1480.97	146284	2123.52
-Foreign Banks	7	0.26	79	4.54	117	4.56
-RRBs	70941	274.24	63566	430.77	75060	586.98
-Other SCBs	20152	172.81	14634	164.31	15177	282.96
<b>TOTAL</b>	<b>372374</b>	<b>2533.83</b>	<b>292206</b>	<b>3159.87</b>	<b>471490</b>	<b>5386.77</b>
<b>SEMI-URBAN</b>						
- SBI & Associates	266044	2298.08	199183	3124.50	393938	4800.25
-Nationalised Banks	266158	2289.99	191234	2523.65	218241	3582.15
-Foreign Banks	0	0	0	0	0	0
-RRBs	64334	279.54	42065	364.21	37151	419.37
-Other SCBs	102965	638.56	47815	681.86	45922	768.57
<b>TOTAL</b>	<b>699501</b>	<b>5506.17</b>	<b>480297</b>	<b>6694.22</b>	<b>695252</b>	<b>9570.34</b>
<b>URBAN</b>						
- SBI & Associates	298573	3000.58	213726	4105.66	320200	5810.74
-Nationalised Banks	390640	3738.76	290572	4840.53	339196	7217.38
-Foreign Banks	576	32.01	452	27.45	2085	110.17
-RRBs	58126	257.50	48762	313.67	34390	336.74
-Other SCBs	47014	397.01	35129	503.10	33934	689.61
<b>TOTAL</b>	<b>794929</b>	<b>7425.86</b>	<b>588641</b>	<b>9790.41</b>	<b>729805</b>	<b>14164.64</b>
<b>METROPOLITAN</b>						
- SBI & Associates	155555	1999.05	110507	2833.09	174095	4650.70
-Nationalised Banks	386982	5250.45	272989	6618.93	296487	9455.62
-Foreign Banks	34793	1979.67	38221	2886.44	49544	4120.71
-RRBs	795	13.45	1211	19.65	1537	21.92
-Other SCBs	37868	703.94	32243	823.31	27871	1696.21
<b>TOTAL</b>	<b>615993</b>	<b>9946.56</b>	<b>455171</b>	<b>13181.42</b>	<b>549534</b>	<b>19945.16</b>

<b>All-INDIA</b>						
- SBI & Associates	807989	7978.80	600143	11142.53	1123085	17650.44
-Nationalised Banks	1237237	12684.63	891995	15464.08	1000208	22378.67
-Foreign Banks	35376	2011.94	38752	2918.43	51746	4235.44
-RRBs	194196	824.73	155604	1128.30	148138	1365.01
-Other SCBs	207999	1912.32	129821	2172.58	122904	3437.35
<b>TOTAL</b>	<b>2482797</b>	<b>25412.42</b>	<b>1816315</b>	<b>32825.92</b>	<b>2446081</b>	<b>49066.91</b>

*Source: Basic Statistical Returns, RBI*

The SBI & Associated surpassed the nationalized banks in the rural segment during 2002-03, and grew significantly in other areas as well. At the all-India level, SBI & Associated showed a growth of 58.41%, the nationalized banks 44.71%, foreign banks 45.13%, RRBs 21.00% and other SCBs 58.22%.