

NATIONAL HOUSING BANK
New Delhi, the 9th October, 2015

Notification No. NHB.HFC.DIR.17/MD&CEO/2015 - In exercise of the powers conferred by sections 30A and 31 of the National Housing Bank Act, 1987 (53 of 1987) and of all the powers enabling it in this behalf, the National Housing Bank, having considered it necessary in the public interest, and on being satisfied that for the purpose of enabling it to regulate the housing finance system of the country to its advantage, it is necessary so to do, hereby directs that the Housing Finance Companies (NHB) Directions, 2010 (hereinafter referred to as the principal Directions) shall, with immediate effect, be amended in the following manner, namely -

1. Amendment to Paragraph 27A

In paragraph 27A of the principal Directions, clause (a) and (b) of sub-paragraph (1) shall be substituted by the following, namely:-

- “(a) upto Rs.30 lakhs with LTV ratio exceeding 90%,
(b) above Rs.30 lakhs and up to Rs.75 lakhs with LTV ratio exceeding 80%,
and,”

2. Amendment to Paragraph 30

In paragraph 30 of the principal Directions, in the Explanation (1), in sub-explanation (3)-

(i) Item b) shall be substituted by the following, namely:-

	<i>Weighted risk assets - On balance Sheet items</i>	<i>% Weight</i>
“b)	(b)(i) Housing loans sanctioned to individuals up to Rs.30 lakhs secured by mortgage of immovable property, which are classified as standard assets with LTV Ratio is $\leq 80\%$	35
	(b)(ii) Housing loans sanctioned to individuals up to Rs.30 lakhs secured by mortgage of immovable property, which are classified as standard assets with LTV Ratio is > 80 and $\leq 90\%$	50
	(b)(iii) Housing loans sanctioned to individuals above Rs.30 lakhs and upto Rs.75 lakhs secured by mortgage of immovable property which are classified as standard assets with LTV ratio is $\leq 75\%$	35
	(b)(iv) Housing loans sanctioned to individuals above Rs.30 lakhs and upto Rs.75 lakhs secured by mortgage of immovable property which are classified as standard assets with LTV ratio is $> 75\%$ and $\leq 80\%$	50

	(b)(v) Housing loans sanctioned to individuals above Rs.75 lakhs secured by mortgage of immoveable property which are classified as standard assets with LTV ratio is $\leq 75\%$	75
	(b)(vi) Loans given for the purpose of insurance of the property /borrower in case of individual housing loans	Same as applicable to the respective housing loan"

(ii) Item cb) shall be substituted by the following, namely:-

	<i>Weighted risk assets - On balance Sheet items</i>	<i>% Weight</i>
"c)	cb) Any portion of housing loans referred to in item (b)(b)(i), (b)(b)(ii) and (c) and guaranteed by Credit Risk Guarantee Fund Trust	0"

3. Amendment of Schedule II

In Schedule II of the principal Directions, in Part D-

(i) Item III (f) shall be substituted by the following, namely:-

Item description	Item Code	Book Value	Risk Weight	Adjusted Value
"f(i) Housing / Project Loans guaranteed by Central / State Government (Refer Note 4 below)	237(i)		0	
f(ii) Housing loans sanctioned to individuals up to Rs.30 lakhs secured by mortgage of immovable property, which are classified as standard assets with LTV Ratio is $\leq 80\%$	237(ii)		35	
f(iii) Housing loans sanctioned to individuals up to Rs.30 lakhs secured by mortgage of immovable property, which are classified as standard assets with LTV Ratio is > 80 and $\leq 90\%$	237(iii)		50	
f(iv) Housing loans sanctioned to individuals above Rs.30 lakhs and upto Rs.75 lakhs secured by mortgage of immoveable property which are classified as standard assets with LTV ratio is $\leq 75\%$	237(iv)		35	

f(v) Housing loans sanctioned to individuals above Rs.30 lakhs and upto Rs.75 lakhs secured by mortgage of immoveable property which are classified as standard assets with LTV ratio is $> 75\%$ and $\leq 80\%$	237(v)		50	
f(vi) Housing loans sanctioned to individuals above Rs.75 lakhs secured by mortgage of immoveable property, which are classified as standard assets with LTV ratio is $\leq 75\%$	237(vi)		75	
f(vii) Loans given for the purpose of insurance of the property / borrower in case of individual housing loans	237(vii)		As applicable to respective housing loan"	

- (ii) In Items III (ga) description, for the words "(f)(ii) to (f)(iv)" the words "(f)(ii) to (f)(vi)" shall be substituted.
- (iii) In Items III (gb) description, for the words "(f)(ii) and (g) the words "(f)(ii), (f)(iii) and (g)" shall be substituted.
- (iv) In Note 5 description, for the words "(f)(ii) to (f)(iv)" the words "(f)(ii) to (f)(vi)" shall be substituted.
- (v) In Note 6 description, for the words "(f)(ii) and (g)" the words "(f)(ii), (f)(iii) and (g)" shall be substituted.

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