

Refinance Scheme under Affordable Housing Fund

Salient features of Refinance Scheme under AHF are as follows.

○ **Objective**

The AHF shall be utilized for refinancing the individual housing loans sanctioned and disbursed on or after 01-04-2017 falling under rural and urban category based on the demands received from the PLIs.

○ **PLIs eligible for refinance under Affordable Housing Fund**

- Housing Finance Companies (HFCs)
- Scheduled Commercial Banks (SCBs)
- Scheduled Urban Cooperative Banks (UCBs)
- Regional Rural Banks (RRBs)
- Scheduled Cooperative Banks (SCoBs)
- Small Finance Banks (SFBs)
- Apex Cooperative Housing Finance Societies (ACHFS)
- Agricultural & Rural Development Banks (ARDBs)

○ **Areas Covered**

- **Urban** - All areas falling under the Statutory Town definition of Pradhan Mantri Awas Yojana – Urban;
- **Rural** - Any other areas not falling under the Statutory Town definition of Pradhan Mantri Awas Yojana – Urban.

○ **Eligible individual housing loans**

- **Urban** - Annual household income not exceeding ₹6 lakh.
- **Rural** - (i) Weaker Sections as defined in the RBI's priority sector guidelines (as amended from time to time); (ii) Annual household income not exceeding ₹3 lakh; and (iii) Women.

○ **Loan Tenure** – Maximum 7 years

○ **On-lending interest rate Cap :**

The on-lending interest rate cap is MCLR *plus* 100 bps for Scheduled Commercial Banks and NHB Refinance Rate *plus* 350 bps for others. Refinance offered by NHB to PLIs will be presently at a fixed interest rate of 4.93% p.a.

- **Payment of Interest-** Compounded monthly and payable quarterly
- **Repayment of Principal - Quarterly**

- **Others**

Any disbursement made under the AHF will be within the PLI's annual sanction limit approved by the NHB and other terms and conditions applicable under NHB's Regular Refinance Scheme. PLIs are required to submit the category wise eligible individual housing loan accounts list in soft format as well as print outs.
