

MRO/DOS/DOC/2025/04924
November 20, 2025



राष्ट्रीय
आवास बैंक
NATIONAL
HOUSING BANK

To,
All Registered Housing Finance Companies

Madam/Sir,

Disbursement of housing loan to individuals linked to the stages of construction

In connection to order dated 05.08.2025 of Hon'ble HC of Karnataka in Writ Petition no. 23590 of 2025, the Department of Financial Services, Ministry of Finance, Government of India has sent an advise to NHB to issue an advisory related to the subvention scheme of housing loan.

2. In this regard, all Housing Finance Companies (HFCs) are advised to ensure that disbursement of housing loan is made strictly linked to the stages of construction of the housing projects/houses and upfront disbursal shall not be made in case of incomplete/ under construction/green field housing project/houses. HFCs are advised to ensure strict compliance of the various instructions/guidelines issued by RBI from time to time especially para 87, 88 & 89 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

3. Further, the HFCs are advised, inter-alia, that while introducing any new loan product, they should ensure that all terms and conditions of the product are aligned with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and subsequent circulars issued by RBI for HFCs/NBFCs.

Yours faithfully,

Skril

(Sourav Seal)

General Manager

Department of Supervision

भारत सरकार के अंतर्गत सांविधिक निकाय

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फोर्ट, मुंबई - ४०० ००१ दूरभाष : ०२२-२२८५ १५६०-६२

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Statutory Body under the Government of India

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“बैंक हिन्दी में पत्राचार का स्वागत करता है”