

## 3.1

**Financing Pattern for Government/Public Sector Borrowers**  
(Effective from 16-07-2018)

**Part-A**

Sl. No.	Category	Extent of Max. Finance Upto (%)*	Reference Rate (RR) = 11.00%		***1 Year Fixed rate of interest
			Rol= RR (+/-) **Floating Rate	Rol= RR (+/-) ***Fixed Rate (3 year Fixed rate of interest)	
<b>I</b>	<b>HOUSING PROJECTS</b>				
1	EWS Housing by all borrowers (sanctioned on or after 24.08.2009)	90			
i)	Housing Projects for Widows, SC/ST/OBC, Physically Handicapped, Single Woman above 35 years of age and natural calamities affected areas.				
(a)	Urban		-1.75% <b>(9.25%)</b>	-1.80% <b>(9.20%)</b>	9.15%
(b)	Rural		-1.75% <b>(9.25%)</b>	-1.80% <b>(9.20%)</b>	9.05%
ii)	Others including schemes benefiting EWS family and action plan Projects				
(a)	Urban		-1.50% <b>(9.50%)</b>	-1.55% <b>(9.45%)</b>	9.30%
(b)	Rural		-1.50% <b>(9.50%)</b>	-1.55% <b>(9.45%)</b>	9.20%
2	LIG Housing Projects by all borrowers (sanctioned on or after 24.08.2009)	As per Guidelines	-1.20% <b>(9.80%)</b>	-1.30% <b>(9.70%)</b>	9.55%
3	EWS Housing by all borrowers (sanctioned before 24.08.09)	90			
i)	Housing Projects for Widows, SC/STs, physically handicapped, Single woman above 35 years of age and natural calamities affected areas.		-1.25% <b>(9.75%)</b>	+0.0% <b>(11.00%) ##</b>	
ii)	Others including schemes benefiting EWS family and action plan Projects		-1.00% <b>(10.00%)</b>	+0.25% <b>(11.25%) ##</b>	
4	LIG Housing Projects by all borrowers (sanctioned before 24.08.09)		-0.75% <b>(10.25%)</b>	+0.50% <b>(11.50%) ##</b>	
5	All other Housing covering MIG, HIG, etc. by Govt. and Public Agencies ^ ☒		-0.65% <b>(10.35%)</b>	-0.75% <b>(10.25%)</b>	10.10%
5(i)	Housing by Police Housing Corporation/Agencies and Rental Housing for Employees by Govt. and Public Agencies		-0.65% <b>(10.35%)</b>	-0.75% <b>(10.25%)</b>	9.95%
6	Land Acquisition by Government and Public sector agencies for Housing purposes <b>^(Where security is Government Guarantee and repayment of HUDCO loan is through budgetary provision a rebate of 0.25% in the applicable 1 year fixed rate of interest and 3 year fixed rate of interest only, shall be applicable).</b>		- 0.15% <b>(10.85%)</b>	-0.25% <b>(10.75%)</b>	10.65%

II	INFRASTRUCTURE PROJECTS by Government/Public Agencies				
1	Core Infrastructure covering Water Supply, Sewerage, Drainage, Solid Waste Management, Urban/City Roads, Social Infrastructure ^		-0.65% <b>(10.35%)</b>	-0.75% <b>(10.25%)</b>	10.10%
2	All other Infrastructure other than Core Infrastructure (as in II-1), excluding Power Projects ^ <b>(Where security is Government Guarantee and repayment of HUDCO loan is through budgetary provision a rebate of 0.25% in the applicable 1 year fixed rate of interest and 3 year fixed rate of interest only, shall be applicable).</b>		-0.25% <b>(10.75%)</b>	-0.35% <b>(10.65%)</b>	10.45%
3	<b>State Govt. PSUs/ State Govt. Agencies for Power Projects</b>				
i)	Standalone/Co-financing		+1.25% <b>(12.25%)</b>	+0.75% <b>(11.75%)</b>	
ii)	Agencies making profits in last three years (at least two years audited figures) ^		+0.75% <b>(11.75%)</b>	+0.50% <b>(11.50%)</b>	
iii)	Transmission Projects by Agencies making profits in last three years (at least two years audited figures)		+0.50% <b>(11.50%)</b>	+0.25% <b>(11.25%)</b>	
iv)	Non-conventional Generation / Renewable energy projects^ (No project below BBB rating would be considered).		-0.30% <b>(10.70%)</b>	-0.55% <b>(10.45%)</b>	
v)	Consortium Projects		As per lead lender rate or rate as given at II-3(i) above, whichever is higher.		
vi)	Land Acquisition by Government and Public sector agencies for all power projects <b>(Where security is Government Guarantee and repayment of HUDCO loan is through budgetary provision a rebate of 0.25% in the applicable 1 year fixed rate of interest and 3 year fixed rate of interest only, shall be applicable).</b>		+1.25% <b>(12.25%)</b>	+1.15% <b>(12.15%)</b>	
4	<b>Metro Rail Projects^ \$:</b>				
i)	<b>With Equity Participation by Govt. of India^</b>		-0.30% <b>(10.70%)</b>	-0.40% <b>(10.60%)</b>	10.35%
ii)	<b>All other metro projects other than (4-i) above^</b>		-0.15% <b>(10.85%)</b>	-0.25% <b>(10.75%)</b>	10.50%
5	Land Acquisition by Government and Public sector agencies for all other purposes(other than power projects) such as for industrial development, SEZ development, etc. <b>^(Where security is Government Guarantee and repayment of HUDCO loan is through budgetary provision a rebate of 0.25% in the applicable 1 year fixed rate of interest and 3 year fixed rate of interest only, shall be applicable).</b>		-0.20% <b>(10.80%)</b>	-0.25% <b>(10.75%)</b>	10.65%
6	Integrated Township Development Schemes ^		-0.20% <b>(10.80%)</b>	-0.25% <b>(10.75%)</b>	10.50%
III	<b>Central PSUs \$</b>				
1.	Maha-ratna/ Nava-Ratna CPSUs \$				
i)	Direct Borrowings for all Projects		-0.30% <b>(10.70%)</b>	-0.40% <b>(10.60%)</b>	10.35%
ii)	SPVs/Subsidiaries/JVs of Maha-ratna/ Nava-Ratna CPSUs with more than 50% Equity.		-0.15% <b>(10.85%)</b>	-0.25% <b>(10.75%)</b>	10.50%

iii)	SPVs/Subsidiaries/JVs of Maha-Ratna/Nav-Ratna CPSUs with Equity of Maha-Ratna/Nav-Ratna being more than 26%, subject to the total equity held by Govt./Public Agencies being more than 50%.		+0.25% <b>(11.25%)</b>	0.15% <b>(11.15%)</b>	10.90%
2.	<b>Mini-ratna and Other CPSUs \$</b>				
i)	Housing & Core Infrastructure (Direct Borrowing)		-0.15% <b>(10.85%)</b>	-0.25% <b>(10.75%)</b>	10.50%
ii)	All Projects (other than Housing & Core Infrastructure) including Power, etc. (Direct Borrowing)		+0.50% <b>(11.50%)</b>	+0.40% <b>(11.40%)</b>	11.15%

**Notes:**

- **In respect of schemes where special rates of interest have been offered/applied the same shall be dealt separately.**
- ^ State Government borrowings/ rated Government agencies ('AA' & above or equivalent rating by SEBI and RBI registered Credit Rating Agencies) would get a reduction in the interest rate by 0.25 per cent. Agencies rated as 'A' and above but below 'AA' or equivalent rating by SEBI and RBI registered Credit Rating Agencies, a fixed rebate would get a reduction in the interest rate by 0.15 per cent. Agencies rated as 'BBB' and above but below 'A' or equivalent rating by SEBI and RBI registered Credit Rating Agencies; a fixed rebate would get a reduction in the interest rate by 0.10 per cent. This is subject to borrower maintaining the specified rating during entire tenure of loan. However, the rebate in interest rate as per specified norms shall be available during the validity of rating i.e., from the date of rating or date of release of loan whichever is later, and upto validity of rating. The borrower shall also submit annual rating before end of each financial year. Further, in case of subsequent downgrading of rating below the specified rating or non-submission of annual rating before end of financial year, interest rates applicable to 'Not rated' borrowers shall become applicable from first day of next billing date for the period rating remains downgraded/not submitted.
- **A rebate of 0.10% in the applicable floating and fixed rates may be extended for projects exclusively for women police personnel under project lending. Such projects should be independently/exclusively formulated for women police personnel, and should not be part of a composite/general scheme meant for all police personnel.**
- \$ For Government Sector Consortium financed projects, where HUDCO is the lead lender, the rate of interest will be the applicable rate of interest of HUDCO. If HUDCO is not the lead lender, the applicable rate of interest will be either HUDCO rate of interest or consortium lead lender's rate, whichever is higher.
- \* Extent of Finance is maximum available. However, actual loan will be based on Debt Equity Ratio, Means of Financing as per DPR, extent of security requirement or Maximum Extent of Finance, whichever is less.
- \*\* HUDCO reserves the right to review and revise the Floating Rate including the factor of plus (+)/minus(-) over the reference rate for each category.
- \*\*\* Loan sanctioned/released at fixed rate (FR) shall be automatically reset upon expiry of every 1/3/5 years at then prevailing fixed rate (FR) to make the revision in interest to be effective from the date on which the respective releases complete 1/3/5 years, i.e. from the date of release plus 1/3/5 years respectively. Necessary provision in the agreement will be necessary stating that "Borrower is agreeable for automatic reset upon expiry of 1/3/5 years at then applicable fixed rates (FR) and shall execute a supplementary agreement to this effect in case of resetting of loan on fixed rates (FR) as per this circular. However, borrowers are given an option to prepay the loan without prepayment charges after 1/3/5 years as an alternative to automatic reset."
- ## For Categories under **I-3 (i & ii) and I-4** the fixed rate is 1.25% more than the floating rate.
- Base Rate for existing Consortium schemes sanctioned prior to removal of Base rate system is as follows:

Category	Base Rate from 01.02.2014
EWS/LIG Housing by all borrowers	14.75%
Govt. Sector Borrowing / PSU's etc.	15.25%
Govt. Sector Borrowing /PSU's - Power projects	14.50%
Other Borrowers	15.25%

**Financing Pattern for Individuals/ Group of Individuals/Bulk Loan under HUDCO Niwas  
(Effective from 01-04-2018)**

No.	Category	Loan Amount	Floating Rate	Fixed <sup>^</sup>
1.	Individual/Group of Individuals for construction/ purchase/Composite loan/ Purchase of Plot/ Improvement max. upto 25 years. (For loan eligibility refer to HN-OM-23-2014 dated 18.11.2014).	Upto Rs.8.00 lacs (covered by CRGF).	9.25%	9.35%
		Upto Rs.8.00 lacs (not covered by CRGF).	9.25%	9.35%
		More than 8.00 lakh-upto 50.00 lakh.	9.25%	9.35%
		More than 50.00 lakh upto 100.00 lakh.	9.25%	9.35%
2.	<b>For Loans sanctioned after 20/05/2016 (floating Rate of Interest for this category will be reset once a year on 1<sup>st</sup> of April each year and fixed rate of interest will be reset after 3 years in this category).</b>			
a.	Government Employees			
(i)	Income upto Rs. 6.00 lakh p.a. (applicant and co-applicant) and spouse to be co-applicant if married.	Upto Rs. 20.00 lakh	8.55%	8.75%
(ii)	Income above Rs. 6.00 lakh p.a.	Upto 100.00 lakh.	8.65%	8.85%
b.	Other Borrowers	Upto Rs. 50.00 lakh	9.25%	9.35%
3.	<b>Bulk loan-HBA</b>			
(i)	Bulk loans for Govt./ Public agencies for providing HBA	As per existing guidelines loan sanctioned upto 10.10.2016	9.40%	9.50%
(ii)	Bulk loans for Govt./ Public agencies for providing HBA	As per existing guidelines loan sanctioned after 10.10.2016.		8.95% # ( Fixed for 1 year)
4.	<b>Bulk loans to Housing Finance Companies of Govt. Banks/ Public Agencies/Govt. FIs for further lending to individuals.</b>			
	Exclusively for EWS Category: Widows, SC/ST/OBC, Physically handicapped, Single Women above 35 years of age and natural calamities affected areas.	As per existing guidelines	8.80%	9.00%
	Others including schemes benefiting EWS families and action plan projects.		9.00%	9.20%
	ii) Exclusively for LIG borrowers	As per existing guidelines.	9.25%	9.45%
	iii) Other than above. (The rates will be net of as the proposals are accepted from agencies having AA rating or above for their resource mobilization programme as per guidelines and in any other case, specific waiver is obtained	As per existing guidelines.		9.00% # ( Fixed for 1 year)

	from the Board with due justification)			
5.	'Rent-to-Own' Scheme ☒	As per existing guidelines.	10.45%	10.65%

**Notes**

- **EWS/ LIG beneficiaries qualifying under CLSS (Credit Linked Subsidy Scheme) guidelines of MoHUA can also avail interest subsidy @ 6.5% p.a. on loan upto Rs.6.00 lakh. Loan amount beyond Rs.6 lakh will be at applicable rate of interest.**
- ^ Fixed rate of interest will be reset after every 3 years except at sl. no. 3 (ii) and 4(iii) where a provision for change of rate of interest after 1 year is also provided.
- ☒ A rebate of 0.10% in the applicable floating and fixed rates may be extended for projects exclusively for women police personnel under the rent-to-own scheme. Such projects should be independently/exclusively formulated for women police personnel, and should not be part of a composite/general scheme meant for all police personnel.
- # Rate would be higher by 0.10% in case of EQI instead of EMI.

**Financing Pattern for Other Borrowers other than Government/Public Sector Borrowers and  
Individuals/ Group of Individuals/Bulk Loan under HUDCO Niwas.**  
(Effective from 25-04-2018)

Sl No.	Category	Extent of Max. Finance Upto (%)*	Reference Rate (RR) = 11.00%		***1 Year Fixed rate of interest
			RoI= RR (+/-) **Floating Rate	RoI= RR (+/-) ***Fixed Rate (3 year Fixed rate of interest)	
	<b>OTHER BORROWERS</b>				
1.	Power sector Consortium projects from Private Sector		+2.50% <b>(13.50%)</b> or consortium leader, whichever is higher (except PFC/REC, in which case HUDCO would follow the lead lenders rate subject to the rate not being less than the highest interest rate charged by HUDCO for Govt. projects)	+3.50% <b>(14.50%)</b>	
2.	(i) Private Sector Transport Projects incl. Roads & Ports, Airport, etc. (Non- Consortium) @@		+2.50% <b>(13.50%)</b>	+3.50% <b>(14.50%)</b>	
	(ii) Private Sector Transport Projects incl. Roads, Ports, Airport, etc. on Annuity Basis (Non- Consortium)@@		+2.25% <b>(13.25%)</b>	+3.25% <b>(14.25%)</b>	
	(iii) Consortium projects of Transport sector from Private Sector, incl. Roads & Ports@@		+1.00% <b>(12.00%)</b> or the lead lenders rate, whichever is higher. In any case, the applicable lending rate under this category will	+2.00% <b>(13.00%)</b>	

			not be less than the applicable highest rate for Govt. sector non-power sector projects.		
3.	Joint Venture/SPV projects with 40% or more share of State Govt./Central Govt./Central Profit making PSUs with management control of Govt.	70	-0.25% <b>(10.75%)</b>	-0.35% <b>(10.65%)</b>	10.40%
4.	Other borrowers@	70			
i.	Not rated				
	Residential		+4.25% <b>(15.25%)</b>	+5.25% <b>(16.25%)</b>	
	Real Estate Projects (i.e. Malls, Market Complex, Office Complex, IT Parks, Hotels, Resorts, Entertainment, SEZ, SPA, Health Club, Wellness Centres constructed along with multiplexes)		+5.25% <b>(16.25%)</b>	+6.25% <b>(17.25%)</b>	
	Exclusive hotel projects and projects where Government extends duty concession / exemption such as SEZ (approved by the Government)		+4.75% <b>(15.75%)</b>	+5.75% <b>(16.75%)</b>	
	Private Sector Consortium financed projects (other than power and real estate- Commercial and residential)		+2.50% or consortium leader rate, whichever is higher	+3.50% or consortium leader rate, whichever is higher	
	'Others, covering sectors such as Social Infrastructure including medical and educational infrastructure, and stand alone power projects based on bio-mass'		+4.50% <b>(15.50%)</b>	+5.50% <b>(16.50%)</b>	
ii.	Rated Private Companies		A fixed rebate of 0.25 per cent shall be applicable to rated private sector agencies ( <b>'AA' and above</b> or equivalent rating by SEBI and RBI registered Credit Rating Agencies) on their eligible fixed or floating base rate as per the option of the borrower. Private sector agencies rated as <b>'A' and above but below 'AA'</b> or equivalent rating by SEBI and RBI registered Credit Rating Agencies would get a reduction in the interest rate by 0.15 per cent. Agencies rated as <b>'BBB' and above but below 'A'</b> or equivalent rating by SEBI and RBI registered Credit Rating Agencies would get a reduction in the interest		

			rate by 0.10 per cent.	
			Subject to borrower maintaining the specified rating during entire tenure of loan. However, the rebate in interest rate as per specified norms shall be available during the validity of rating i.e., from the date of rating or date of release of loan whichever is later, and up to validity of rating. The borrower shall also submit annual rating before end of each financial year. Further, in case of subsequent downgrading of rating below the specified rating or non-submission of annual rating before end of financial year, interest rates applicable to 'Not rated' borrowers shall become applicable from first day of next billing date for the period rating remains downgraded/not submitted.	
iii.	Financing of affordable housing projects by private developers/builders reintroduced. For new projects under this category , interest rates are as follows			
	Sale Price of the Dwelling Unit up to Rs. 4.25 lakh	HUDCO's EWS/LIG interest rates		
	<b>Sale Price of the Dwelling Unit above Rs. 4.25 lakh and upto Rs. 12 lakh</b>	13.50%	14.50%	
	<b>Sale Price of the Dwelling Unit above Rs. 12 lakh and upto Rs. 25 lakh</b>	14.50%	15.50%	
	Sale Price of the Dwelling Unit is above Rs. 25 lakh	15.25%	16.25%	
	For already sanctioned schemes (prior to 15/7/2011), the interest rate would be as per RMC A No. 14/DF/2011 dated 28 <sup>th</sup> June 2011, maintaining the spread as per current reference rate (i.e. 11.00%)			
iv.	Co-operative Group Housing Societies			
	Government Sector agencies	Applicable interest rate under Govt. Sector		
	Private Sector agencies	+3.50% (14.50%)	+4.50% (15.50%)	
	<b>INTEREST RATE REBATES AVAILABLE FOR ALL LOANS</b>			
	Loan secured by Bank guarantee alone		0.25%	

**Notes:**

- In respect of schemes where special rates of interest have been offered/applied the same shall be dealt separately.



- @ For Real Estate Housing & Commercial Consortium Projects for private sector, the rate of interest will be the applicable rate for private sector housing and commercial sectors.
- \* Extent of Finance is maximum available. However, actual loan will be based on Debt Equity Ratio, Means of Financing as per DPR, extent of security requirement or Maximum Extent of Finance, whichever is less.
- \*\* HUDCO reserves the right to review and revise the Floating Rate including the factor of plus (+)/minus(-) over the reference rate for each category.
- \*\*\* Loan sanctioned/released at fixed rate (FR) shall be automatically reset upon expiry of every 1/3/5 years at then prevailing fixed rate (FR) to make the revision in interest to be effective from the date on which the respective releases complete 1/3/5 years, i.e. from the date of release plus 1/3/5 years respectively. Necessary provision in the agreement will be necessary stating that “Borrower is agreeable for automatic reset upon expiry of 1/3/5 years at then applicable fixed rates (FR) and shall execute a supplementary agreement to this effect in case of resetting of loan on fixed rates (FR) as per this circular. However, borrowers are given an option to prepay the loan without prepayment charges after 1/3/5 years as an alternative to automatic reset.”

@@ *The projects should be undertaken through competitive bidding and should be duly approved by NHAI/State Highway Authority/ DEA, Ministry of Finance/Maritime Board/Tariff Authority for Major Ports, etc. as the case may be.*

➤ Base Rate for existing Consortium schemes sanctioned prior to removal of Base rate system is as follows:

Category	Base Rate from 01.02.2014
EWS/LIG Housing by all borrowers	14.75%
Govt. Sector Borrowing / PSU's etc.	15.25%
Govt. Sector Borrowing /PSU's - Power projects	14.50%
Other Borrowers	15.25%