

Rules governing sanction of Loan Products under Non Farm Sector

House Repair / Development Loans

S. No	Feature	Scheme
1	Purpose	For repairs or development of existing RCC Buildings
2	Applicants	1. Agriculturists 2. Employees 3. Businessmen / Professionals
3	Max. Loan Limit	1. Urban/Municipal /Mandal Head Quarters R. 5,00,000 2. Other areas in the district R. 3,00,000 Note: Subject to max. of 75% of project cost
4	Eligibility Criteria	Basic Applicant must be SB A/c holder & B class member Employees 30% of gross annual income for the leftover length of the service / loan period whichever is less [1/3 rd take home salary must] Agriculturists 40% of gross annual income for the length of the loan period (but the loan installment shall not exceed 30% of income) Businessmen 35% of gross annual income for the length of the loan period as per last 3 years IT returns (but the loan installment shall not exceed 30% of income)
5	Security	Primary Proposed House/Flat [100 % SRA value of undivided site & 60% of the proposed Structure valued by the Bank Engineer as per estimation] <u>For Agriculturists / Businessmen</u> Collateral 2 guarantors of same income group [Municipalities] Collateral 50% of the loan amount [other areas] [100 % SRA value of Agrl land / urban site & 60% of the proposed Structure valued by the Bank Engineer]
6	Mode of Repayment	Employees/Businessmen Equated Monthly Installments Agriculturists Equated Half yearly Installments
7	Repayment Period	Employees Max. of 3 years or attaining the age of retirement whichever is earlier Others Max. of 3 years or attaining the age of 65 years whichever is earlier
8	Moratorium	3 months from the date of release of 1 st installment

S. No	Feature	Scheme				
9	Rate of Interest	<table style="width: 100%; border: none;"> <tr> <td style="text-align: center; width: 50%;"><u>Normal Interest</u></td> <td style="text-align: center; width: 50%;"><u>Penal Interest</u></td> </tr> <tr> <td style="text-align: center;">13%</td> <td style="text-align: center;">2%</td> </tr> </table> <p>Note: Interest Rates may be revised from time to time by ALCO</p>	<u>Normal Interest</u>	<u>Penal Interest</u>	13%	2%
<u>Normal Interest</u>	<u>Penal Interest</u>					
13%	2%					
10	Field Inspection	AGM along with Branch Supervisor				
11	Legal Opinion	The Bank will obtain the opinion on the title of the property offered as security from the Legal Counsel /Panel Advocate of the Bank				
12	Insurance	Insurance coverage up to the loan period for the total cost of the House is compulsory				
13	Share Capital	3% of the loan amount subject to maximum of R 20,000/-shall be collected as share capital before disbursement of loan amount				
14	Processing Fees	0.5% of the loan amount subject to minimum of R 1500/-				
15	Mode of Disbursement	The margin of the applicant's involvement i.e., applicant's contribution should be primarily invested for construction of House. Then only the disbursement of loan is allowed in 2 installments based on the phase wise utilization certificate issued by the Bank Engineer/ Concerned Officer of the Bank				
16	Documentation	<ol style="list-style-type: none"> 1. Duly filled in prescribed Application Form[along with 3Photos] 2. Original Documents of the Site & Collateral Security 3. Link Documents for the past 13 years 4. E.C. showing the entries for the past 13years 5. Approved Bldg Plan by the concerned Authorities along with proceedings 6. Proposed House Site CARD Valuation by SRA 7. Estimation of the proposed Building by the Bank Engineer 8. Passbook/Title Deed of the Agrl. Land [For Collateral Security] 9. Agrl. land/Site CARD valuation by the concerned SRA 10. Latest Property & Water Tax Receipt in original for collateral Security 11. Identity Proof [Aadhar Card, Passport, VoterID, Driving License, PAN Card etc.,] 12. Residence Proof [Aadhar Card, Voter Card, Ration Card etc.,] 				

S. No	Feature	Scheme
	Documentation (Contd...)	<p>13. G-Tree Certificate issued by Concerned Authorities</p> <p>14. Proof of Age certificate for non employed applicants (SSC/Medical Certificate)</p> <p>15. Certified copies of salary certificate in case applicant is Employee</p> <p>16. Letter of undertaking by Employer for deduction of installment</p> <p>17. Income Assessment in detail by the Branch Supervisor duly certified by the Manager in case applicant is Agriculturist</p> <p>18. Copies of License /Registration Certificates issued by the Govt & other competent authorities to undertake business /practice/ profession</p> <p>19. Income Tax Assessment with Audited Financial Statements for last 3 years</p> <p>20. Rental Agreements if any</p>
17	Post Sanction Documentation	<p>The following documents are to be obtained by the Branch Manager from the applicant prior to release of sanctioned loan amount</p> <ol style="list-style-type: none"> 1. Loan Agreement 2. Demand Promissory Note 3. Mortgage Deed 4. Schedule of the Property [to be issued to the Borrower by BM] 5. Any other document / requirement as specified in Loan Sanction Order