

Rules governing sanction of Loan Products under Non Farm Sector

Secured Overdraft

S. No	Feature	Scheme						
1	Purpose	To meet the Domestic needs						
2	Applicants	1. Agriculturists 2. Employees 3. Businessmen / Professionals						
3	Max. Loan Limit	<table border="0"> <tr> <td>1. Vijayawada (with in the limits Gollapudi, Nunna Nidamanuru, Penamaluru, Kothuru Tadepalli)</td> <td align="right">R. 30,00,000</td> </tr> <tr> <td>2. Machilipatnam & Gudivada</td> <td align="right">R. 25,00,000</td> </tr> <tr> <td>3. All other areas in the district</td> <td align="right">R. 15,00,000</td> </tr> </table>	1. Vijayawada (with in the limits Gollapudi, Nunna Nidamanuru, Penamaluru, Kothuru Tadepalli)	R. 30,00,000	2. Machilipatnam & Gudivada	R. 25,00,000	3. All other areas in the district	R. 15,00,000
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4	Eligibility Criteria	Applicant must be SB A/c holder & B class member & He/She should have regular & adequate source of income						
5	Security	<table border="0"> <tr> <td><i>In urban Areas i.e.,</i> ☞ <i>Vijayawada,</i> <i>Machilipatnam,</i> <i>Gudivada, Nuzvid,</i> <i>Jaggaihpeta,</i> <i>Pedana</i></td> <td>Proposed urban house property, the age of which shall not exceed 25 years as on date of sanction. 80% of House site SRA valuation & 40% of the structure valuation valued by Bank Engineer shall be taken into consideration for calculating eligible loan amount</td> </tr> <tr> <td><i>In other areas</i> ☞</td> <td>Agriculture Land. 100% of SRA valuation or Rs2,50,000 per acre whichever is less shall be taken into consideration for calculating eligible loan amount</td> </tr> </table>	<i>In urban Areas i.e.,</i> ☞ <i>Vijayawada,</i> <i>Machilipatnam,</i> <i>Gudivada, Nuzvid,</i> <i>Jaggaihpeta,</i> <i>Pedana</i>	Proposed urban house property, the age of which shall not exceed 25 years as on date of sanction. 80% of House site SRA valuation & 40% of the structure valuation valued by Bank Engineer shall be taken into consideration for calculating eligible loan amount	<i>In other areas</i> ☞	Agriculture Land. 100% of SRA valuation or Rs2,50,000 per acre whichever is less shall be taken into consideration for calculating eligible loan amount		
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6	Mode of Repayment	Interest to be paid every Quarter ended with Mar,Jun,Sep & Dec						
7	Repayment Period	1 year [to be renewed every year]						
8	Rate of Interest	<table border="0"> <tr> <td><u>Normal Interest</u></td> <td><u>Penal Interest</u></td> </tr> <tr> <td>12%</td> <td>2%</td> </tr> <tr> <td colspan="2">Note: Interest Rates may be revised from time to time by ALCO</td> </tr> </table>	<u>Normal Interest</u>	<u>Penal Interest</u>	12%	2%	Note: Interest Rates may be revised from time to time by ALCO	
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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	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								
13	Processing Fees	0.5% of the loan amount subject to maximum of R 7500/-at the time of 1 st sanction only								
14	Mode of Disbursement	Loan amount shall be disbursed in single installment								
15	Documentation	<ol style="list-style-type: none"> 1. Duly filled in prescribed Application Form[along with 3Photos] 2. Original Documents of the Site /Agrl. land 3. Pass Book &Title Deed in case of Agrl. land 4. Link Documents for the past 13 years 5. E.C. showing the entries for the past 13years 6. Approved Bldg Plan by the concerned Authorities along with proceedings 7. House Site/Agrl. land CARD Valuation by SRA 8. Valuation of the Bldg by the Bank Engineer to be offered as security 9. Latest Property & Water Tax Receipt in original 10. Identity Proof [Aadhar Card, Passport, VoterID, Driving License, PAN Card etc.,] 11. Residence Proof [Aadhar Card, Voter Card, Ration Card etc.,] 12. G-Tree Certificate issued by Concerned Authorities 13. Income Assessment in detail by the Br. Supervisor duly certified by the Manager in case applicant is Agriculturist/Businessmen 								

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	Documentation (Contd...)	<p>14. Copies of License /Registration Certificates issued by the Govt & other competent authorities to undertake business /practice/ profession if any</p> <p>15. Income Tax Assessment with Audited Financial Statements for last 3 years if any</p> <p>16. Rental Agreements if any</p>
16	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 & EC having entry of mortgage in favour of Bank 4. Schedule of the Property [to be issued to the Borrower by BM] 5. Letter of Lien [if necessary] 6. Any other document / requirement as specified in Loan Sanction Order
17	Others	<ol style="list-style-type: none"> 1. For renewal of this SOD, it is to be assured that the total receipts & payments in the SOD account shall be at least 2 times of the limit sanctioned during previous year and the total interest is to be paid before due date 2. Renewal application to be obtained before the expiry of validity period processed and decision to be taken in time to ensure continuity in operations i.e., atleast one month before.