

**ANDHRA PRADESH GRAMEENA BANK**

(Scheduled bank owned by Government)

Head Office:: GUNTUR

Department:: CREDIT

Circular No: 186

Reference: Credit/55

Date: 03.09.2025

**APGB Home Loans (Fixed ROI)**

The Andhra Pradesh Grameena Bank (APGB) had earlier issued guidelines on Housing Loans to the general public in the Loan Policy and Guidelines (Limited) formulated at the time of amalgamation of erstwhile RRBs. Subsequently, several modifications and clarifications were issued through multiple circulars to address business requirements and align with regulatory directions.

In order to consolidate all these instructions and provide a uniform framework, the Bank has now revised the scheme under the name "APGB Home Loan," duly approved by the Board vide Resolution No. 217 dated 05.08.2025. The revised scheme incorporates updated eligibility, features, security norms and operational guidelines, and shall serve as the single reference document for sanction and monitoring of Housing Loans henceforth.

In this connection, the detailed guidelines on APGB Home Loan are enclosed herewith for ready reference and uniform adoption across all branches. The guidelines clearly outline the objectives, eligibility criteria, permissible purposes, repayment structure, and procedural aspects to be meticulously followed by the branches.

All functionaries are advised to go through the revised guidelines carefully and ensure strict compliance so as to achieve the intended objectives of the scheme. These guidelines supersede all earlier guidelines/circulars issued with reference to Housing Loans to the general public.

**Kallur Janardhana Rao**  
General Manager



**APGB HOME LOAN****1.1 Purpose**

Loans under the scheme can be availed for any of the following purpose

- Purchase of a new or old residential unit (House, flat, Bungalow etc.).
- Construction of a residential unit.
- Purchase of a non-agricultural plot of land for subsequently constructing a residential unit i.e., a composite project.
- Repair/renovation of an existing residential unit (fixed furnishing, immovable enhancements etc., which add to the value of the residential unit).
- Extension of an existing residential unit e.g. construction of additional floor, rooms etc.
- Completion of under construction residential unit, i.e. loan can be given for a residential unit, which is half completed and the applicants have approached thereafter for a loan.
- Repayment of loan availed from other banks/FIs/NBFCs i.e. takeover of home loan
- Purchase of 3<sup>rd</sup> house onwards, to be classified as Home Loan -CRE.

**Note:**

- Loan can be granted for purchase/construction of a house by a borrower who proposes to let it out on rental basis on account of his posting outside the headquarters or because he has provided accommodation by his employer.
- Loan can be granted to a person who already owns a house in town/village where he resides, for buying/ constructing a second house in the same or other town/ village for the purpose of self-occupation
- Loan for repair / renovation & for purchase of solar power panel can also be extended in respect of residential unit which have an existing housing loan outstanding with our bank. They can also be extended immediately after taking over a home loan from other banks/FIs/NBFCs.
- Loans for construction of farm house, on agricultural land, are not covered under this scheme.
- Reimbursement of cost already incurred the preceding 6 months for purchase of house/flat / construction is allowed subject to:
  - ✦ House /flat should have been purchased /constructed during preceding 6 months.
  - LTV norms as applicable to Home Loan to be adhered and valuation report to be

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obtained from approved valuer of the bank.

- ✚ Reimbursement will not be permitted if the investment in the property is made through borrowings from Banks/HFCs/NBFCs/Other FIs. Such cases shall instead be governed by the norms for takeover of housing loans.
- ✚ Basis to consider reimbursement will be registered sale deed i.e. the value of the property shall be considered as mentioned in the registered sale deed.
- ✚ Property to be in possession of borrower & not necessary to be occupied.
- ✚ Reimbursement in case of outright purchase will be restricted to the investments made by the borrower/s from his/her/their own resources or through borrowings.
- ✚ Reimbursement in case of construction shall be restricted to 75% of the "(funds invested by borrower(s) as on date of application) - (Applicable applicant's margin)".

Illustration: Consider a case where a borrower(s) has approached the bank for a home loan for construction of an independent house with an estimate of Rs.100 Lakh, then applicable minimum margin is 10% i.e. Rs.10 Lakh. In this case, if the borrower approaches bank at stage of 50% stage with a request for reimbursement, the same shall be processed as follows

As per the stage of construction mentioned above (50%), the estimate of the work completed is Rs.50 Lakh. Out of the same, customer's entire margin amount of Rs.10 Lakh shall be deducted and the residual value of the completed work is Rs.40 Lakh. Out of the residual value of Rs.40 Lakh, borrower(s) will be eligible for an amount of Rs.30 Lakh (75% of Rs.40 Lakh). In addition to the same, borrower shall be eligible for Rs.50 Lakh which is yet to be constructed. Therefore, total eligible amount in this case is Rs.80 Lakh (Rs.30 Lakh of reimbursement + Rs.50 Lakh towards works yet to be done).

- Extension works i.e. construction of additional floor, rooms, etc. to be considered as regular home; the requisite plan approvals for the same to be held on record.
- No loan should be given in respect of those properties which fall in the category of unauthorized colonies unless and until they have been regularized and development and other charges paid.
- No loan should also be given in respect of properties meant for residential use but which the applicant intends to use for commercial purposes and declares so while applying for loan.

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## 1.2 Eligible individuals (Permitted applicant/co-applicant)

- Resident Indian citizen and non-resident Indians (NRIs) [Persons of Indian Origin (PIOs) and Overseas Citizenship of India (OCI) are to be treated as NRI].
- Individuals may apply singly or jointly with other eligible individuals.
- All the proposed co-owners of the property for which loan is being applied, have to necessarily join as applicants to the loan.
- The following family members are permitted to join as applicants/co-applicants
  - ✚ Spouse
  - ✚ Father
  - ✚ Mother
  - ✚ Son
  - ✚ Daughter in law
  - ✚ Unmarried-daughter
  - ✚ Father-in-law
  - ✚ Mother-in-law
  - ✚ Brother
  - ✚ Brother-in-law
  - ✚ Sister-in-law
- The income of these co-applicants can be considered for the purpose of calculation of eligible loan amount.
- In order to ensure that an individual/s should not join as an applicant to the loan merely by being the proposed owner/co-owner of the property; considering co-applicants other than mentioned above will form a deviation, which can be considered by RCAC.
- Staff members of our bank are eligible for availing loan under APGB Home loan on terms as applicable to general public. This can be over and above the 'Staff Home Loan' scheme.
- Inclusion of HUF as an applicant/co-applicant to the loan, where the income of the HUF is to be considered or the HUF is owner/co-owner of the property will form deviation and to be approved by GCAC. If permitted, all major coparceners have to stand as guarantors to the loan in their individual capacity.

## 1.3 Age Norms for applicants/co-applicants

- Minimum age of borrower should be 18 years.
- Maximum permissible age at end of repayment for both salaried and non-salaried class

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of borrowers is 75 years.

- This is subject to assessment at the time of sanction the adequacy of income to meet repayment obligation till the age of 75 years.
- Thus, for individuals who have regular income only up to say age of 60 years, loans should also be considered only till the age of 60 years.
- The maximum age and tenure norms are to be considered only in respect of those applicants, whose income is being considered for the purpose of repayment of loan.
- For private employees, the superannuation shall be considered as 60 years. In case of NPS/CPS employees, the repayment shall be restricted till the time of his/her superannuation only.

#### 1.4 Quantum of the Loan

- **Minimum:** Not applicable.
- **Maximum:** Rs.500 Lakhs in case of urban/semi-urban properties and Rs.35 Lakhs in case of rural properties.

**Note:**

- For proposals greater than Rs.35 Lakhs in rural areas, deviation approval shall be obtained from RCAC prior to taking up proposal.
- The classification of area in which property is present (Urban/Semi-urban/Rural) shall be based on the Engineer Valuation Report given by our panel engineer.
- Maximum loan amount for repairs/renovation is Rs.30 Lakhs. Branch is to ensure that end use of funds is duly verified.
- The maximum loan amount will be decided based on repayment capacity of the borrowers and the cost of the house/plot/repairs & renovation.

#### 1.5 Margin & LTV norms

Loan Amount	Maximum loan can be lower of A or B as under	
	A	B
Up to & inclusive of ₹30 Lakh	90% of unit cost	90% of NRV
Above ₹30 Lakh and up to & inclusive of ₹75 Lakh		80% of NRV
Above ₹75 Lakh		75% of NRV

NRV - Net Realizable Value

**Note:**

- Margin-10 % of the total cost of the project subject to the maximum home loan amount being restricted to the existing stipulated LTV ratio.

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- LTV to be always calculated on the Net Realizable Value (NRV) of the property.
- In all cases both Margin & LTV to be maintained. No deviation is permitted in Margin & LTV norms under the scheme.
- In case proposal is only for construction purpose where the plot is already owned by customer in such case, LTV shall be calculated including land value. However minimum margin (customer contribution) of 10% to be maintained. Same shall be applicable in composite housing loan also.
- Minimum margin to be 20% of estimated cost of repairs/renovation i.e., loan amount not to exceed 80% of the estimated cost of repairs/renovation. The value of the residential unit at the time of sanction of finance plus estimated cost to be spent for repairs/renovation should be considered for the calculation of total LTV.

### 1.5.1 Components of cost

- The cost of residential property will include the basic cost of house, and only those elements which add towards the value realizable from sale of the property. For example, elements such as car park charges, membership charges (where membership will be transferable to new owner), cost of permanent fixtures, etc. may be considered in arriving at total cost i.e. the cost of residential unit/plot will not include charges like stamp duty, registration charges, documentation charges or any other element which overstates the value realizable from sale of the property.
- However, where cost of the project is up to Rs 10.00 lacs, stamp duty, registration and other charges can be included for the purpose of margin/LTV.
- GST applicable on under construction properties can be added as a part of project cost for evaluating the loan amount. However, it should be ensured that the LTV is maintained.
- In case of purchase of the property, the cost of house shall be lower of agreement value or the NRV as per engineer valuation report.
- In case of purchase of resale building of age 3 years or more, any additions/modifications/ repairs/ renovations shall be considered as part of the unit cost and may not be treated separately as repairs/renovation.

**Note:** In case of staff of our bank availing loan under APGB Home loan as well as 'Staff Housing Loan' scheme, separate margin to be maintained for each loan. In this case, margin under APGB Home Loan scheme should be permitted LTV norms as mentioned above. For staff Loan margin should be as per staff housing loan guidelines.

### 1.6 Repayment tenure

- For all the purposes mentioned above other than repairs/renovation, the maximum repayment tenure is 30 years.
- The maximum repayment tenure for repairs/renovation of an existing residential unit is

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15 years (including moratorium period if any).

- The residual life of the property should be 5 years more than the repayment tenure. In other words, the loan repayment must end at least 5 years before the end of the residual life of the property as per valuation report.

## 1.7 Moratorium Period

- The maximum moratorium period (within the total repayment tenure) permitted for all purposes other than repairs/renovation is 18 months.
- Maximum moratorium period for repairs/renovation should be 12 months.
- For composite home loans i.e. construction of house on the plot purchased by borrower should be commenced within 6 months and completed either within a maximum period of 24 months from the date of first disbursement or up to the period allowed by Development Authority from the date of the purchase of plot, whichever is earlier.
- In case of purchase of completed residential unit, no moratorium is permitted.
- After completion of moratorium period, the borrower has to start repayment of loan, irrespective of status of construction/repairs/renovations/extensions etc. (i.e. even if the work is not complete, the repayment has to begin).
- In case the borrower seeks an extension of the moratorium period, the request may be considered only in exceptional circumstances arising from external factors beyond the borrower's control. Such extension shall be subject to prior approval from the next higher-level authority and may be granted for a maximum period of up to 12 months. However, the overall loan tenure shall remain unchanged. Accordingly, the repayment eligibility may be reworked based on the reduced repayment period available after the extended moratorium.
- Servicing interest during the moratorium period is mandatory.
  - ✚ Interest is to be serviced during moratorium period as and when debited to loan account.
  - ✚ The borrower to undertake to repay the interest amount as and when debited to the loan account.
  - ✚ In case there is any interest remaining unrecovered in the loan account, the same should be recovered in full before release of subsequent disbursement or commencement of EMI, whichever is earlier.

## 1.8 Rate of Interest (ROI)

CIBIL Score	ROI (Fixed)
>=800	8.00% p.a.
>=750 & <800	8.25% p.a.
>=700 & <750, New to Credit (-1/ 100 to 200/ 1 to 5)	8.50% p.a.
>=650 & <700	9.00% p.a.
Others	9.50% p.a.



- The ROI shall remain fixed for a tenure of 5 years. After completion of 5 years from the date of disbursement, the interest rate shall be changed to ROI as applicable for fixed home loan rate as on date of reset.
- In case where the borrower has opted for fixed ROI home loan, the clause shall be invariably mentioned in the sanction letter that *"The Rate of Interest (ROI) mentioned above shall remain fixed for a period of five years from the date of first disbursement. Upon completion of this five-year period, the ROI shall be revised in accordance with the applicable fixed rate of interest for home loans as prevailing on that date. The applicable interest rates may be referred from the Bank's official website (www.apgb.bank)"*
- ROI shall be charged on all home loans at monthly rests.
- In case of joint applicants, CIBIL score of only those applicants will be considered whose income is taken into account for arriving at eligible loan amount. For the purpose of pricing, the highest CIC score of these applicants shall be considered.
- ROI for CRE- RH for 3rd house will be 0.25% & 4th house 0.75% over and above applicable ROI on home loan.

### 1.9 Loan for purchase of Plots & subsequent construction thereon (composite scheme)

- In case of plot purchase & subsequent construction thereon, the loan amount towards plot shall be lower of the below
  - ✚ 50% of the loan amount.
  - ✚ 50% of the project cost.
  - ✚ As per applicable LTV based on the agreement value for purchase of plot.
- The loan shall be initially sanctioned considering the estimated cost of construction, based on the abstract plan approval provided by the Bank's empaneled engineer.
- After the plot is purchased, the borrower shall obtain building plan approval from the relevant local authority (Municipal Corporation, Municipality, Panchayat, etc.).
  - ✚ If the approved plan differs from the abstract plan initially submitted, the borrower must submit revised cost estimates certified by the panel engineer.
  - ✚ The eligible loan amount shall be recalculated accordingly, based on the revised estimates and applicable norms.
  - ✚ If the recalculated eligible loan amount is lower than the originally sanctioned amount, the loan amount shall be reduced proportionately.
- The entire extent of the land shall be mortgaged in favor of the Bank at the time of disbursement for plot purchase.
- In cases where the local body (Municipal Corporation, Municipality, Panchayat, or other competent authority) mandates that a portion of the land or constructed area be gifted or mortgaged to them for public use (such as for road expansion, common facilities, or

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open space), the following shall apply:

- A No Objection Certificate (NOC) may be issued by the sanctioning authority for such gifting or transfer.
- The Loan-to-Value (LTV) ratio shall be recalculated based on the net realizable value of the remaining extent of land/construction after excluding the area gifted/ mortgaged to the local body.
- The revised LTV must remain within the permissible limits, and if necessary, the loan amount shall be reduced accordingly to maintain compliance.
- Proper documentation of the gifted/mortgaged portion and its valuation shall be maintained in the loan file.
- Construction of house on the plot should commence before 6 months & be completed within a period of 24 months from the date of first disbursement or up to the period allowed by Development Authority from the date of purchase of plot whichever is earlier.
- If the construction has not commenced within 6 months or not completed within 24 months from the date of first disbursement, then ROI as applicable for APGB Mortgage loan shall be charged from the date of first disbursement.
- If no construction work is undertaken for a period of 6 months from the date of first disbursement or up to the period allowed by Development Authority from the date of purchase of plot whichever is earlier, the loan is to be recalled and ROI as applicable to APGB Mortgage loan shall be applicable from the date of first disbursement.
- In case the competent authority accords an extension of the moratorium period, the aforementioned timelines shall stand revised in accordance with the approved extension.
- Margin for the plot and construction to be maintained separately. If the borrower has contributed more than the margin required for purchase of plot or if it has been purchased by the applicant entirely from own sources, the amount in excess of required margin, can be considered as margin towards construction. Thus, in such cases, loan amount higher than "Loan for construction", as calculated above, may also be disbursed towards construction. However, vice versa is not allowed.
- The built-up area in the plot purchase under the composite scheme should be at least 30% of total area of the plot/land. In case approved plan for construction happens to be less than 30%, ROI as applicable to APGB Mortgage loan shall be applicable from the date of first disbursement.

#### 1.10 Reckoning of Income for calculation of quantum of the loan

- Income of any of the permitted applicants/co-applicants can be considered for arriving at eligible loan amount, provided it is a regular source of income.
- Income from capital gains, speculation income, one-time bulk receipts etc. cannot be considered for arriving at eligible loan amount as they are not of regular nature.

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- All the individuals, whose income is being considered for arriving at the eligible loan amount, have to necessarily join in as applicants/co-applicants to the loan irrespective of whether they are co-owners of the property or not.

#### 1.10.1 For salaried individuals:

- Income to be taken as per the latest salary slip / latest ITR/Form 16 for arriving at eligible loan amount/repayment capacity.
- ITR/Form 16 of last 2 years and the salary slip for the immediately preceding three months may also be obtained for corroborating the income as per the latest ITR/Form 16/salary slip. Justification for any abnormal increase in income to be duly documented.
- Deviation approval shall be obtained from RCAC prior to taking up proposals where the applicant doesn't have ITRs/Form 16 for last 2 years due to reasons like not being in employment during any or all of 2 years. These approvals shall be given strictly only in case of borrowers working in State Government/Central Government/Quasi Government/PSUs/PSBs/reputed MNCs such as TCS, Infosys, Wipro, Deloitte, Accenture, E&Y, IBM, Microsoft, Apple, Google, HP etc.
- Latest six months salary credited bank statement to be mandatorily obtained.
- Regular income (salary/pension) only to be considered for arriving at the eligible loan amount. However, other income which is either appearing in the Salary slip/ Form -16 / IT Return such as bonus, variable pay, performance / production linked incentives, other allowances etc. may be included in the salary income on the basis of average of last two year's Form -16/ IT Return for the purpose of calculation of eligible loan amount.
- Any other regular source of income such as rent, agricultural income etc. can be considered provided the same is reflected in ITR. In case such income is from the current financial year, then the same to be duly supported by documents and bank credits.

#### 1.10.2 For self-employed individuals:

- ITR for the last three years to be obtained and scrutinized to ascertain the regularity/stability of income level. If the variation in year-on-year income is less than 25% then Latest income as per ITR of immediately preceding year to be considered for arriving at eligible loan amount/repayment capacity.
- However, if the variation in year-on-year income is more than 25% then average of income as per ITR of immediately preceding three years to be considered for arriving at eligible loan amount/repayment capacity.
- Supporting documents like the P&L, Balance Sheet, and Computation of Income etc. also to be obtained for assessment.
- Wherever necessary sanctioning authority may permit adding back of depreciation for computation of eligible loan amount / repayment capacity in case of a proprietor of

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proprietorship firm subject to following conditions:

- ✚ To ensure verification of the asset on which depreciation amount is being claimed by the borrower during the pre-sanction inspection process and the same to be incorporated in the note.
- ✚ Deprecation amount to be calculated based on the average of last 2 years balance sheet of the business or current year's depreciation whichever is lower.
- ✚ The repayment obligation on account of loan availed against/ for the fixed assets to be deducted while arriving at the eligible loan amount/ repayment capacity.
- All liabilities of the proprietor be considered while arriving at eligibility.
- Gap between dates of filing of two ITRs shall be a minimum of six months. In case of any deviation, the same shall be governed by matrix as defined in Cir. No: 107 dated: 03.07.2025.
- In case the borrower(s) is having last two years ITRs and is not having ITR for preceding three years, loan can be processed based on the latest ITR. However, deviation approval shall be obtained from RCAC. In cases where the proposal falls under discretion of HCAC, GCAC & CCAC, prior approval shall be obtained from respective sanctioning authority instead of RCAC.
- Any other regular source of income such as rent, agricultural income etc. can be considered provided the same is reflected in ITR. In case such income is from the current financial year, then the same to be duly supported by documents and bank credits.
- For loan amount up to & inclusive Rs.7.50 Lakh where applicant hasn't filed ITR, the same may be processed based on income declaration of the borrower. The Branch Manager shall conduct a physical verification of the applicant's business activity to ensure that the declared income is consistent with the actual scale and nature of operations. A brief Income Assessment Report along with the Field Visit Report shall be recorded and placed on record before sanction.
- For loan amount greater than Rs.7.50 Lakh and up to & inclusive of Rs.10 Lakh where applicant hasn't filed ITR, the same may be processed as per the above-mentioned point. However, a document such as Bank statement/ GST returns/shop license etc. shall be submitted to the branch for at least last six months showing the business turnover that corresponds with declared income.
- The declaration for income obtained from borrower in above two cases shall contain income of at least last two preceding financial years.
- The sanctioning authority for borrowers not having ITRs shall be with CPC only. No other authority shall have discretion to sanction such loans.

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### 1.10.3 Agriculturists

- In case of agricultural income is not reflecting in ITR or ITR is not filed, a certificate issued by the MRO can be considered as proof of income and accordingly the income may be considered for arriving at eligible loan amount/repayment capacity.
- In case applicant is filing ITRs for the agricultural income, assessment shall be done as applicable for Self-employed individuals.

Note:

- Applicants may propose to rent out one or more of the residential units they own, including the unit proposed to be purchased or constructed under the loan. Anticipated rental income from such units may be considered while assessing the eligible loan amount and repayment capacity.
- Income of any of the permitted applicants/co-applicants can be considered irrespective of them being the owner of the property.
- In the case of applicants filing Income Tax Returns (ITR), any additional income or income from other sources shall be considered only if it is reflected in the ITR. However, if the income has commenced in the current financial year, it may be considered subject to submission of valid proof.

### 1.11 Repayment Methods

- Loan repayment shall be made in Equated Monthly Installments (EMI). However, for loans extended to individuals engaged in agriculture or allied activities, Equated Quarterly Installment/Equated Half Yearly/Equated Yearly may be permitted. In addition to the same, fixed principal repayment in Quarterly/Half Yearly/Yearly also may be permitted to individuals engaged in agriculture or allied activities.
- If the borrower makes a lump-sum repayment during the loan tenure from verifiable own sources, the repayment schedule may be revised based on the borrower's option—either by reducing the installment amount or by reducing the loan tenure.
- Repayment for housing loans should be from primary account of borrower. Primary account for different categories of customers will be as per below mentioned table

S.No	Category of the customer	Primary Account
1	Salaried Customer	Salary account
2	Self Employed individuals	Current account which is used for business related transactions
3	Agriculturists	Savings account which is used for transactions related to agriculture and where borrower gets DBT credits



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4	NRI Customers	NRE/NRO account
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- Repayment shall be mandatorily received from below mentioned mode only

S.No	Bank with which customer is having primary account	Mode of debit
1	With our Bank	Standing Instruction
2	With other bank	NACH Mandate

- No cash repayment shall be accepted in the account except in case of recovery to overdue customer.
- In case of NACH mandate, branch to ensure that the same have been registered prior to disbursement. In cases where CPA is mandatory as per CMRD policy, the same shall be checked by the concerned official at the time of CPA.

### 1.12 Sustenance Norms

- In order to calculate the eligible loan amount/repayment capacity based on income of the applicant, an amount is to be set aside for the purpose of regular sustenance of the borrower and his/her family.
- The same shall be arrived as under
- ↓ Amount for sustenance = Sustenance percentage X Income net of taxes
- Where, income net of taxes = (Gross income - Taxes paid)
- Sustenance percentage is to be arrived as per the following table depending on the gross income level of all borrowers put together

Annual Gross Income (Rs.)	Sustenance Percentage
Up to 3 lakhs	45%
> 3 lakhs to 5 lakhs	40%
> 5 lakhs to 8 lakhs	35%
> 8 lakhs to 12 lakhs	30%
> Above 12 lakhs	Lower of the two 25% or Rs.2.00 Lacs monthly

- In case of applicants staying together, combined sustenance may be taken if the repayment tenor is within the permissible age of the applicants; else sustenance to be calculated separately for the borrowers.
- If combined sustenance is to be taken for the applicants, then sustenance slabs to be selected putting the income of all applicants together. If combined sustenance is not to be taken, then sustenance slab to be individual income.

**Illustration:** If a father & son have jointly applied for a home loan with an income (net of taxes) of Rs.70,000/- and Rs.50,000/-. If as per declaration from borrowers



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father & son are staying together and sanctioning authority has satisfied that both father & son are staying together, then considering that the total income as Rs.1,20,000/- sustenance percentage shall be 25%.

However, in the same scenario if both father & son are staying separately, then since father's annual income falls under bracket of Rs.8,40,000/- and sons' annual income falls under bracket of Rs.6,00,000/- the sustenance percentage to be considered for the father is 30% and that of son is 35%. Hence, the net income available for repayment shall be calculated separately.

### 1.13 Calculation of eligible loan amount

Borrower's eligible loan amount to be worked out based on the repayment capacity as shown below

Sr.	Particulars	Amount in Rs lakh
A	Self-employed: Latest/Average of gross annual income as per income tax return (ITR) of immediately preceding three years (Refer Para 1.10.2 for details)	
	Salaried: Income as per latest salary slip/pension x 12 or income as per latest income tax return (ITR)	
	Wherever applicable, sanctioning authority may also include 50% of bonus component (annual) and 100% of any other regular source of income (Refer Para 1.10.1 for details)	
	Anticipated rental income may also be included, for both salaried and self-employed, as deemed fit by the sanctioning authority	
B	Self-employed: Latest/Average of annual tax paid	
	Salaried: Tax as per latest salary slip (as used in A) x 12 or tax as per latest income tax return (ITR)	
C	Income net of taxes (Net of taxes only i.e. A - B )	
D	Total of all the latest instalments (including principal & interest) for other loans from our bank/other institutions/banks etc.	
E	Other deductions reflecting in the pay slip in case of salaried (excluding the tax deduction)	
F	Amount for sustenance (as per Para 1.12 - percentage of C)	
G	Maximum annual surplus available for repayment of proposed loan [C - (D+E+F)]	
H	Maximum EMI allowed for the proposed loan = G/12	
<b>Working of eligible quantum of loan</b>		
I	Loan amount in Rs. lakh for the maximum EMI allowed in H = (Value in H) / (EMI per lakh for given tenure and applicable interest rate)	





J	Cost of property proposed to be purchased less margin	
K	Loan amount requested by the borrower	
Eligible loan quantum = Lower of I, J and K		

### 1.13.1 Calculation of eligible loan amount in case of more than one applicant

For cases where there are more than one applicant and age of the applicants/ co- applicants are not same, the total eligible loan amount is to be calculated as under:

**Total eligible loan quantum = Sum of eligible loan quantum of each applicant/co-applicant for the maximum possible tenures as per their respective ages**

The Installment schedule for such loans will be as under:

- ✚ For the lower of the tenures amongst all applicants/co-applicants, Installment of the loan = Sum of Installments corresponding to the eligible loan amount for each applicants/co-applicant.
- ✚ For the remaining period, it will be the sum of Installments corresponding to the eligible loan amounts for the remaining applicants till the last applicant/co-applicant.

**Illustration:** A father and son wish to avail a home loan for a tenure of 20 years. Let us assume the age of father and son as 50 and 25 respectively. Father has a salary of Rs.70,000/- per month and his job is a non-pensionable job with retirement age as 60. Son has a salary of Rs.50,000/- per month. Since the retirement age of the father is 60 without any pension income, the eligibility considering both incomes of father and son can be calculated for 10 years and eligibility for remaining period of 10 years should be arrived considering only income of son.

Let us assume that, income available for repayment of the loan post considering the minimum sustenance requirement for the father is Rs.49,000/- and for son is Rs.32,500/-. Considering a ROI of 8%, EMI per lakh for 10 years will be Rs.1,213/- and 20 years will be Rs.836/-. Therefore, father will be eligible for an amount of Rs.40.39 Lakhs and son will be eligible for an amount of Rs.38.87 Lakhs. Hence, the total eligibility of applicants shall be Rs.79.26 Lakhs.

### 1.13.2 In case of considering income beyond retirement

For cases where loan is being considered for age beyond retirement using pension income or other income which is at an income level different from the initial income level, the following method for calculating eligible loan amount to be used:

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Eligible loan quantum =

Eligible loan amount at an income level, which is lower amongst the two income levels, for full tenure.

+

Eligible loan amount at difference between higher and lower level of income i.e. (Higher income level - lower income level) for tenure for which higher income is considered.

**Illustration:** A borrower wishes to avail tenure of 10 years at the age of 55 years wherein current income is Rs70,000/- per month and expected pension income after the age of 60 is Rs.30,000/-. Thus, in this case:

*Eligible loan quantum* = Eligible loan amount at an income level of Rs.30,000/- (lower income level) for 10 years (full tenure) + Eligible loan amount at an income level of Rs.40,000/- (difference between higher and lower level of income (i.e. Rs.70,000 - Rs.30,000) for tenure of 5 years (i.e. time till which income of Rs.70,000 is expected which is up to 60 years).

### 1.14 Fees/Charges

Processing charges	<ul style="list-style-type: none"> <li>Processing charges are 0.50% of loan amount subject to a maximum of Rs.15,000 plus GST.</li> <li>Same to be collected before disbursement of the loan.</li> <li>Where the customer opts for obtaining sanction in two stages viz. first an 'In-principle' sanction and then a final sanction, half of the applicable processing charges are to be collected while delivering the 'In-principle' sanction and the remaining half before disbursement of the loan.</li> </ul>
Prepayment/foreclosure charges	No prepayment/foreclosure charges to be levied
Penal Charges	2% p.a. on the overdue amount. However, penal charges shall not be capitalized.
Administrative & Inspection charges	Applicable as per the service charges mentioned in Loan Policy and Guidelines (Limited).

### 1.15 Security

- The security shall be located within the notified area of the bank i.e. within the state of Andhra Pradesh.
- The loan is to be secured through simple or equitable mortgage of the immovable residential property for which the loan is being granted. Charge shall be mandatorily registered with CERSAI within 15 days of the charge creation by the way of mortgage.
- No loan shall be sanctioned in respect of properties meant for residential usage but which the borrower intends to use for commercial purpose and declares so while



applying for loan. An affidavit-cum-undertaking must be obtained from borrower declaring that he/she shall be using the property strictly for residential purpose and not for any other commercial purpose.

- The title deeds/sale agreement of the property being financed to be examined by the bank's empaneled lawyer. The seller's title to the property must be clear and transferable. Also, on transfer of title to the borrower, it must be possible for bank to create a valid enforceable mortgage.
- The age of the property shall be as per below mentioned table

S.No	Nature of house	Age Ceiling of the construction at the time of loan sanction	Minimum Residual Age of the loan after housing loan closure
1	Residential Flat	20 years	5 years
2	Residential Building	25 Years	5 years

#### 1.15.1 Interim Security

- Interim security (in the form of another immovable property or any liquid assets) equivalent to the loan amount (or loan amount including interest, where interest is not being serviced) is to be obtained in cases where the proposed residential unit is under construction and a valid enforceable mortgage cannot be created on this under construction property before disbursement of entire loan amount.
- This security is required till the time of creation of valid enforceable mortgage on the property proposed to be financed by our bank.

#### 1.15.2 Exposure in a single project

The maximum number of units that can be financed in a single project is restricted to either 10 units or 30% of the total units whichever is lower. For proposals exceeding these limits, branches must obtain prior approval as per below mentioned matrix

Category Based on No. of units	RCAC	HCAC	GCAC	CCAC
Up to 10 units in a single project	Lower of 4 units or 50% of units	Lower of 5 units or 60% of units	Lower of 7 units or 70% of units	Lower of 8 units or 80% of units
11 to 25 units in a single project	Lower of 10 units or 40% of units	Lower of 10 units or 40% of total units	Lower of 10 units or 40% of total units	Lower of 10 units or 50% of total units



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26 to 50 units in a single project	Lower of 17 units or 35% of total units	Lower of 20 units or 40% of total units	Lower of 22 units or 45% of total units	Lower of 25 units or 50% of total units
Greater than 51 units in a single project	Lower of 35 units or 35% of total units	Lower of 40 units or 40% of total units	Lower of 45 units or 45% of total units	Lower of 50 units or 50% of total units

- However, if the loan amount of proposal for which the approval is being sought, exceeds the delegation of the approval authority, prior approval must be obtained from the authority under whose delegation the proposal falls irrespective of the indicative table above.
- The above exposure limit in a single project is applicable at the bank level, and not at the individual branch level.

#### Illustration:

- If a borrower applies for a loan to purchase a property in a project comprising a total of 10 units, and the Bank has already financed 3 units in the same project, prior approval must be obtained from RCAC before processing the loan. However, if the proposed loan amount falls within the discretionary powers of HCAC, the approval shall be obtained from HCAC, notwithstanding that the deviation approval authority as per the applicable matrix is RCAC.

### 1.16 Valuation

- Valuation report to be obtained from the approved valuer of the Bank at the time of sanctioning the loan as per the guidelines on valuation of properties.
- In case of under-construction residential unit, valuation to be obtained on completion of residential unit and held on record.
- Revaluation of the property shall be done once every three years in case of standard home loan accounts. However, in case of NPA home loan account, revaluation shall be done as per Loan Recovery & NPA Management policy 2025-26.
- In cases where construction is undertaken on a property purchased within the preceding one year, the value of the property shall be considered as the higher of the amount mentioned in the registered sale deed or the latest SRO value.
- However, in cases where the property is being purchased from a seller who had acquired it within the preceding one year, and the agreed sale price is higher than both the seller's registered sale deed value and the latest SRO value, the value as per the agreement between the seller and the borrower may be considered for property



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valuation. In such cases, the borrower's margin contribution shall mandatorily be routed through the bank to the seller.

- Repairs and renovation loan may be considered for properties that have completed a minimum of 3 years from the date of completion of construction.
  - ✦ For existing housing loan customers, the date of completion shall be ascertained from the existing loan records.
  - ✦ For customers applying for the first time for a repairs and renovation loan, the date of completion shall be determined based on the valuation report issued by the empanelled engineer. The same can be validated from any other means if possible.
- For properties of worth greater than Rs.1 Crore, valuation from two panel engineers must be obtained. Lowest of two valuations must be considered as property value.

### 1.17 Legal opinion

- The title deeds/ sale agreement of the property being financed to be examined by the bank's empaneled advocate. The seller's title to the property must be clear and transferable. Also, on transfer of title to borrower, it must be possible for bank to create a valid enforceable mortgage.
- Legal opinion by empaneled advocate to be obtained on title search and for genuineness of title deeds.
- Where value of property is Rs.1 Crore and above, title search reports from two advocates should be obtained.

### 1.18 Insurance

- Insurance of the property (excluding land value) offered as security to be obtained at the cost of the borrower with usual bank clause. The amount of property insurance should be for the insurable value / reinstated cost/ replacement value as per the valuation report.
- The branch to explore the possibility of covering the property with insurance company under tie-up with the bank. The premium to be borne by the applicant(s).

### 1.19 Guarantee

- In case of inclusion of HUF as an applicant (under deviation), all major coparceners have to stand as guarantors to the loan in their individual capacity.
- In case of property is located in a rural location, guarantee of worth not less than 100% of the loan shall be obtained. However, the same is not required in case any one of the borrower is a State Government employee/ Central Government employee/ PSU/Quasi Govt. employee or in case LTV is less than 60%.



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- Worth shall be considered based on the aggregate value of immovable properties owned by the guarantor as declared by the guarantor which is to be certified by the Branch Manager. Proof of ownership shall be obtained.
- In case of NRI, guarantee of one/two local resident Indian (other than spouse), acceptable to the bank to be obtained. However, in case where a resident co-applicant (other than spouse) is available for the loan facility, guarantee need not be sought. The resident co-applicant has to be among the close relatives as permitted. However, the Power of Attorney must mandatorily join as either guarantor/ co-applicant to the loan.
- Wherever a guarantor is obtained, the age of the guarantor shall not exceed 75 years at the time of loan closure.

### 1.20 Takeover of Home Loan from other banks/FI

In case of take-over of housing loans, in addition to the above-mentioned guidelines, following points to be adhered

- The account with the other bank/FI must be regular.
- Sanction letter of the loan with the other bank/FI to be obtained.
- Statement of the account for the last 12 months must be obtained.
- Letter to be obtained from the borrower instructing the other bank with which he/she is having loan account to directly send the title deeds to financing branch of our bank.
- Loan amount not to be more than amount outstanding with another bank.
- Additional loan, if required for further construction/ repairs/ renovations, can be sanctioned while taking over, subject to repaying capacity and margin norms (i.e. sanctioned loan amount = outstanding with other bank + additional loan for construction/ repairs/ renovations).
- The terms and conditions of sanction such as rate of interest, repayment tenure, eligible quantum of loan, etc. will be fixed and sanctioned as per the prevailing norms of our bank.
- All applicants/ co-applicant/ guarantor present in the home loan availed with other bank/FI shall also join as applicant/co-applicant/guarantor to the loan. Minimum approval authority for considering relaxation for this point shall be RCAC.
- The period run with existing bank should be reduced. The maximum repayment period should be fixed accordingly. Thus, an applicant can be eligible for a maximum period of either 360 months less period run with existing bank or up to the age of 75 years (of all applicants) whichever is lower.
- Purpose of loan availed from other Bank/FI's to be ascertained to ensure that loan availed, though under Housing Loan Scheme, is not for purpose other than housing. Any additional loan availed with other bank/FI over the property can be taken over



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as housing loan subject to the purpose of the same is any of points mentioned in 1.1.

➤ While taking-over, following guidelines to be observed strictly:

- ✚ Proper due diligence of the applicant requesting take-over to be done.
- ✚ Reason for take-over of account must be properly justified in the appraisal.
- ✚ Foreclosure or Balance confirmation letter confirming the balance outstanding in the housing loan account from the other bank/FI/NBFC where the borrower is having housing loan account.
- ✚ NOC from the bank where the borrower(s) is having housing loan account.
- ✚ Home loan account to be regular with previous Bank/FI/NBFC with no overdue.
- ✚ Letter to Bank/FI/NBFC to release of charge on security
- ✚ Home Loan under moratorium period and where property is under construction should not be taken over. (\*Except as per additional guidelines for takeover of composite home loan)
- ✚ Age of the home loan with existing bank/FI/NBFC should be minimum 12 months.
- ✚ Home Loan can be taken over before 12 months of start of repayment (from existing bank) by respective delegated authority, if
  - ❖ Construction has been completed (other than composite proposal) or ready to move property.
  - ❖ Moratorium has been completed.
  - ❖ Security has been created.
- ✚ If all three above mentioned conditions fulfilled, takeover of home loan with age less than 12 months can be taken over subject to prior approval shall be obtained from RCAC.

### 1.19.1 Additional guidelines for takeover of composite home loan

Home loan availed for construction of House in case of composite project can be taken over subject to the condition that construction of house is going to be completed within 24 months from the date of first disbursement with the existing Bank, also following conditions should be apprehended:

- The construction work completed at the time of take over should be not less than 25% of the total work to be done.
- Construction period to be in line with sanction of existing bank subject to maximum of 24 months.
- The total cost of the project and the cost of construction completed are to be certified by our empaneled valuer.



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- Borrower to approach our Bank before ending construction period as per existing bank's sanction norms.

### 1.21 Delegation Powers

For fresh housing loan (Amount in Rs. Lakhs)

Sanctioning Authority	Branch Manager	CPC Credit Approval Committee
OJM Grade-I	5	--
MM Grade-II	10	15
MM Grade - III	10	50
SM Grade - IV & Above	15	75
RCAC		150
HCAC		200
GCAC		350
CCAC		500

For Repairs/Renovation (Amount in Rs. Lakhs)

Sanctioning Authority	Branch Manager	CPC Credit Approval Committee
OJM Grade-I	3	--
MM Grade-II	3	5
MM Grade - III	5	15
SM Grade - IV & Above	10	15
RCAC		20
HCAC		25
GCAC		30
CCAC		30

- In case of self-employed individuals, for loan amounts up to ₹10.00 lakh, where Income Tax Returns (ITRs) are not available, such proposals shall be processed and sanctioned only at the CPC. No other authority, apart from the CPC shall have the discretion to sanction such loans.
- In case of repairs/renovation proposal where earlier home loan has been sanctioned by RCAC or higher authority, then the minimum authority for sanctioning the repairs/renovation loan shall be RCAC subject to the loan amount of repairs/renovation falls under the power of RCAC.

### 1.22 Classification of loans as Commercial Real Estate (CRE)

Home loans for 3<sup>rd</sup> house onwards are to be classified under Commercial Real Estate. Below guidelines to be followed while sanctioning such loans



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- ROI shall be 0.25% for 3<sup>rd</sup> house & 0.75% for 4<sup>th</sup> house over and above ROI applicable for home loan.
- Delegated authority to sanction these loans shall be RCAC & above.
- The other terms & conditions such as repayment tenure, eligible quantum of loan, reckoning of income etc. will be as per regular home loan.

**Note:**

- The classification is based on the ownership of the house/flat of proposed owners of residential unit being financed by the Bank and not on the number of housing loans in the name of proposed owners.

**Illustration**

- Husband owns one house; wife owns one house, and both jointly own another house. If they approach us for loan to purchase a fourth house, which maybe in the name of husband/wife/both, it will be classified as CRE.
- Husband owns two houses, wife owns one house and wife approaches for a loan to purchase a second property in her name, it will not be classified as CRE (even if the husband joins as co-applicant for repayment capacity) i.e. only ownership of No. of houses of an individual as on date of sanction/appraisal decides the classification as Commercial Real Estate.

## 1.23 Disbursement

### 1.23.1 Outright purchase of the property:

- Post execution of loan documents, amount pertaining to total acquisition cost (loan amount + borrower margin) is to be paid to the vendor by way of NEFT/RTGS/DD.
- In case the borrower has already paid certain amount to the vendor earlier, the same may be considered as borrower margin provided documentary proof (bank account statement, NEFT/RTGS UTR reference, Cheque/DD reference number etc.) of such transaction is kept on record.
- The sale deed executed by the vendor favouring the borrower, must invariably mention details of the housing loan availed by the borrower/applicant with our Bank, i.e. "Housing loan availed from APGB \_\_\_\_\_ Branch. Loan proceeds Rs. \_\_\_\_\_ lakh transferred by way of NEFT/RTGS/DD reference no. \_\_\_\_\_".
- Branch Manager and/or credit office shall preferably visit the concerned Sub Registrar Office (SRO) during the sale registration process to ensure due diligence & authenticity of the transaction.
- Branch official must ensure to collect title deed from the SRO on behalf of the borrower.



- Post completion of sale transaction favoring the borrower, branch must obtain supplementary legal opinion confirming the transfer of ownership. This supplementary legal opinion may be obtained from the same panel advocate who has earlier provided legal opinion. The supplementary legal opinion confirming transfer of ownership.
- Mortgage charge favoring the bank must be created on the property after obtaining supplementary legal opinion.
- An affidavit-cum-undertaking must be obtained from the borrower/s, that the house/flat proposed to be purchased has been constructed as per the sanction plan and/or building bye-laws. Panel engineer must also certify the same in his valuation report.

#### 1.23.2 Purchase of site & subsequent construction and/or purchase of semi-finished property & carrying out additional works/ construction of the property:

- In case of plot purchase & subsequent construction, all points as mentioned in the 1.9 shall be followed. In addition to the same, loan towards construction shall be disbursed stage wise based on the stage of construction of the property.
- An affidavit-cum-undertaking must be obtained from the person applying for such credit facility that he/she shall not violate the sanctioned plan, construction shall be strictly as per the sanctioned plan and it shall be the sole responsibility of the executants to obtain completion certificate within 3 months of completion of construction, failing which the bank shall have the power and the authority to recall the entire loan with interest, costs and other bank charges if any.
- Panel engineer must certify at various stages of the construction of building that the construction of the building is strictly as per sanctioned plan and shall also certify completion of the construction prior to release of final disbursement.
- Panel engineer must also certify that completion certificate of building has been issued by the competent authority has been obtained by the borrower post completion of construction.

#### 1.24 Housing loan to NRIs

- Minimum age should be 21 years with regular source of income.
- Photocopy of passport of the applicant shall be obtained.
- Guarantee/co-applicant shall be obtained as mentioned in the point 1.18.
- Power of Attorney (POA) shall be mandatorily be given by the NRI borrower/s in the name of Resident Indian (RI). In case the POA is being sent from abroad, the POA shall be preferably attested by an Indian Embassy having jurisdiction of the particular country where POA has been executed. The POA document shall be endorsed/adjudicated by a District Registrar/Sub Registrar.



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- In case NRI borrower/s has executed the loan documents in person, photocopy of all pages of the passport of the applicant shall be kept along with loan documents confirming that the applicant is in India at the time of executing loan documents. However, registered POA shall be obtained in this case mandatorily.
- The POA shall mandatorily join as co-applicant/guarantor to the loan applicant.
- NRI shall have a total work experience of 2 years and shall have a valid work permit.
- Photocopy of VISA/valid residence permit from the country to be obtained.
- Credit report of the applicant in the country where applicant is working shall be mandatorily obtained. Sanctioning authority to ensure that the credit report is not older than 30 days.
- All documents to be obtained for a resident Indian shall be obtained.
- For a NRI borrower who is a self-employed, deviation approval shall be obtained from CCAC. In the case, last one year bank statement reflecting business transactions shall be mandatorily obtained.
- Repayment shall be mandatorily from NRE/NRO account of the NRI borrower.
- If any documents submitted by the NRI applicant are in foreign language other than English, the same has to be translated into English and attested by the Indian Embassy/ any other person having valid license for translating documents.

### 1.25 Classification of loans under priority sector

- Loan to individuals for construction/purchase of a dwelling unit per family subject to following limits: (Amount in Rs.Lakhs)

Category	Loan limits	Maximum Cost of dwelling unit
Centres with population of 50 lakh and above	50	63
Centres with population of 10 Lakh and above but below 50 lakh	45	57
Centres with population with 10 lakh	35	44

- Housing loan to the staff of the bank shall not be classified under priority sector.
- Bank loans to any governmental agency for construction of dwelling units or for slum clearance and rehabilitation of slum dwellers subject to dwelling units with carpet area of not more than 60 Sq. Mt.
- Bank loans for affordable housing projects using at least 50% of FAR/FSI for dwelling units with carpet area of not more than 60 Sq. Mt.
- Loan for repairs to damaged dwelling units shall be eligible for priority sector classification subject to the following limits: (Amount in Rs.Lakhs)



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Category	Loan limits	Maximum Cost of dwelling unit
Centres with population of 50 lakh and above	15	63
Centres with population of 10 Lakh and above but below 50 lakh	12	57
Centres with population with 10 lakh	10	44

### 1.26 Staff related accounts

- All guidelines as applicable for the general public if the staff applies for loan under general public category. This home loan can be over and above the Staff Housing Loan scheme.
- The sanctioning authority shall mandatorily obtain HR clearance from HR department, Head Office for all home loan applications where staff is an applicant/co-applicant.
- The sanctioning authority for staff under this category shall be same as applicable for the staff housing loan.

### 1.27 List of documents

- Application form duly filled by the customer.
- Credit information form duly filled by the customer.
- KYC documents for each applicant/co-applicant/guarantor
  - ✚ PAN Card.
  - ✚ Identity Proof (Voter ID/Passport/Aadhar card/PAN Card).
  - ✚ Permanent address residence proof (Driving license/Voter ID/Passport/Aadhar Card/Job card issued by NREGA signed by a State Govt. Official).
  - ✚ Office/Business address proof.
  - ✚ Latest passport size photographs (Two).
- Income documents of borrowers
  - ❖ For salaried
    - ❖ Latest 3 months salary pay slips.
    - ❖ Last 2 years ITRs/Form-16.
    - ❖ Proof of any additional income (not reflecting in ITR/Form-16).
    - ❖ Last six months salary credited bank statement.
  - ✚ For self employed individuals
    - ❖ Last two years ITRs.



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- ❖ Last six months bank statement pertaining to business if any.
- ❖ Proof of any additional income (not reflecting in ITR/Form-16).
- ✚ For agriculturists
  - ❖ Last two-year ITRs.
  - ❖ Proof of the land holding in case of agriculturists with own land.
  - ❖ Income certificate issued by MRO/competent authority.
- Property documents
  - ✚ Agreement to sell/Allotment letter in case of outright purchase.
  - ✚ Copy of property ownership documents. Title deed/ Sale deed/any other documents as required. It shall be ensured that, in the case of second or subsequent sales, the original title documents related to the entire extent of the property – corresponding to the portion being sold – are in the possession of the seller. For instance, if a 200 sq. yds. plot was subdivided into two 100 sq. yds. portions and one such portion has changed hands multiple times, the seller must possess the original documents pertaining to that specific 100 sq. yds. plot.
  - ✚ Advance payment receipts/Own contribution receipts.
  - ✚ Copy of approved plan by local body.
  - ✚ NOC from builder/developer/society.
  - ✚ Statutory and regulatory approval of construction of proposed residential unit if any.
  - ✚ In case of construction/ extension/ repairs/ renovations, estimate cost of construction/ extension/ repairs/ renovations from panel engineer.

**Note:** The above list is only an indicative list and any other documents may be obtained as per the requirement of specific case and stipulated from time to time.

### 1.28 Pre-sanction Inspection of the property

- Inspection of the property prior to sanction shall be conducted as per the below mentioned matrix

Loan Amount	Inspection to be done by
Up to Rs.50 Lakhs	Credit Officer/Branch Manager
Above Rs.50 Lakhs & Up to Rs.100 Lakhs	Branch Manager
Above Rs.100 Lakhs	Branch Manager (Scale IV & above)/CPC Head.

### 1.29 Credit Reports

- The credit history reports from Credit Information Companies such as CIBIL/ Equifax/ Experian/ Criff Highmark should be taken for all applicant/co-applicant(s) & guarantor(s). The date of generation of the credit report shall not be older than 30 days on the date of sanction.
- In case of any adverse credit history, the sanctioning authority to decide the loan on case-to-case basis depending on its merits. If at all any deviations are available but



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the sanctioning authority intends to process the proposal based on other merits of the case, necessary deviation approval shall be obtained as specified in the guidelines for Credit Information Report.

- In case of take-over, the charge of existing bank/FIs should be shown in credit reports and it should be satisfied within 30 days from the date of disbursement of the loan. This condition should form part of sanction advice in such cases.
- Minimum CIBIL score acceptable for the applicant/co-applicant(s)/guarantor(s) is 600. New to Credit (-1/1 to 5/100 to 200) is also acceptable.

### 1.30 Other important guidelines

- The sanction of the home loan shall remain valid for a period of three months from the date of sanction. If the loan remains undisbursed during this period and the borrower wishes to avail disbursement thereafter, the sanction may be revalidated by the sanctioning authority, subject to submission of latest applicable documents (such as income documents - salary slips/ITR/bank statements; and property documents - Encumbrance Certificate, verification against Prohibited Property List, etc.), and confirmation that the borrower(s) continue to meet the prevailing eligibility norms.
- The borrower/s will be having a option to avail the loan at
  - ↓ Place of the property.
  - ↓ Place of employment/business/profession.
  - ↓ Place of residence.
- However, if the place of employment/business/profession/place of residence is located in a place which is very far from the place of property, then the property shall be mandatorily visited by a Manager/credit officer of the branch which is nearer to the property in case the Manager/Credit officer of financing branch is unable to visit.
- The borrower must have operating account with our bank for availing the loan i.e. operative account must be opened prior to disbursement.
- Branch must obtain a declaration from borrower(s) that they will repay any balance amount if any present in the account at the end of tenure of the loan.
- Key Fact Statement shall be mandatorily issued to borrower(s) post sanction.



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