










HOME
LOANPERSONAL
LOANBUSINESS
LOANBALANCE
TRANSFERCREDIT
CARDSEDUCATION
LOANCAR
LOANWORKING
CAPITALCHILD
PLANSHOME
INSURANCEENDOWMENT
PLANVEHICLE
INSURANCETERM
INSURANCEFIRE
INSURANCEPERSONAL
ACCIDENTTRAVEL
INSURANCEHEALTH
INSURANCEPENSION
PLANS

Product handbook

TRAINING HANDBOOK
PERSONAL LOAN

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What is Home Loan?

A loan given by a bank, Mortgage Company or other financial institution for the purchase of a primary or investment residence. In a home mortgage, the owner of the property (the borrower) transfers the title to the lender on the condition that the title will be transferred back to the owner once the payment has been made and other terms of the mortgage have been met.

Whether the house you are hoping to purchase is ready for possession or are you buying a plot to construct a house. Home Loan is offered to individuals who wish to purchase or construct a house. The property is mortgaged to the lender as a security till the repayment of the loan.

The bank or financial institution will hold the title or deed to the property till the loan has been paid back with the interest due for it.

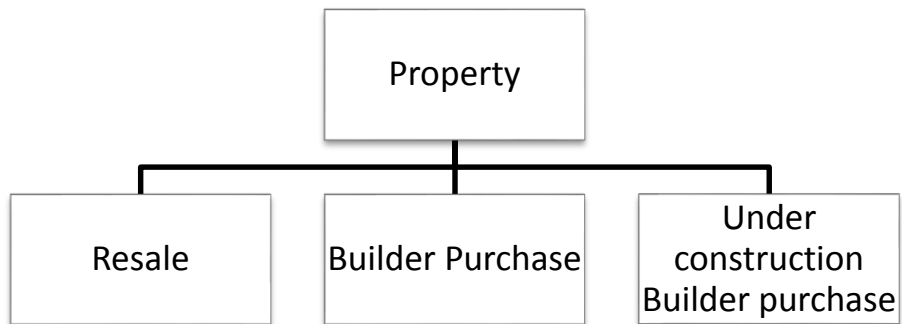
Advantages

- ✓ Funding to buy a home of your own
- ✓ Capital Appreciation
- ✓ Low interest rate than LAP
- ✓ Tax Benefit: Interest paid --As per Section 24(b) of the Income Tax Act, 1961 a deduction up to Rs. 1.5 lakh towards the total interest payable

Uses

- ❖ Self-occupied residential property

Types of Purchase



Documentation

Salaried Individual

Customer KYC	Valid Passport
	Voter ID Card
	Aadhaar Card
	Valid Driving Licence
Proof of income	Last 3 months' Salary Slips
	Last 6 months' Bank Statements, showing salary credits
	Last 2 financial years Form-16 and IT returns
Other documents	Employment Contract / Appointment Letter in case current employment is less than 1 year old
	Last 6 months' Bank Statements showing repayment of any ongoing loans
	Passport size photograph of all the applicants / co-applicants to be affixed on the Application Form and signed across
	Cheque for processing fee

Self Employed

Customer and Company KYC	Valid Passport
(Partners/Directors KYC wherever applicable)	Voter ID Card
	Aadhaar Card
	Valid Driving Licence
Certificate/Proof Business Existence	Gumasta, PAN , sales tax/ excise/ VAT/ service tax registration, Copy of partnership deed, Trade license, certificate of practice, registration certificate issued by RBI, SEBI
Proof of income	Income Tax Returns along with computation of income for the last 3 Assessment Years - 2 year ITR gap should be more than 6 months
	Last 3 years' Balance Sheet and Profit & Loss A/c Statements, with Annexures/Schedules (Points 2 & 3 should be of both the individual and the business entity and attested by a CA)

Last 6 months' Current A/c Statements of the business entity and Savings Account Statement in case of Proprietary firm.
Education qualification certificate

Other documents	Business Profile
	Latest Form 26 AS
	List of Directors and Shareholders with their individual shareholding certified by a CA / CS in case of the business entity being a company
	Memorandum and Articles of Association of the Company
	Partnership Deed in case of the business entity being a partnership firm
	Details of ongoing loans of the individual and the business entity including the outstanding amount, instalments, security, purpose, balance loan term, etc.
	Passport size photograph of all the applicants / co-applicants to be affixed on the Application Form and signed across
	Cheque for processing fee

Self Employed Professional – Doctors, Chartered Accountants and Architects

Customer KYC	Valid Passport
	Voter ID Card
	Aadhaar Card
	Valid Driving Licence

Proof of income and other documents	Last 1 year bank statement
	Brief Business Profile on the Letter Head of the firm by the applicant
	Education qualification certificate and proof of practice existence
	Last 2 years Income Tax Returns of the applicant along with computation of income duly attested by a Chartered Accountant.
	Last 2 Years Balance Sheet and Profit & Loss Account of the firm duly attested by a Chartered Accountant
	Last 6 months' Bank Statements showing repayment of any ongoing loans
	Copy of either Shop & Establishment License / VAT Registration or any other mandatory license / registration
	Copy Professional Practice Certificate

Property documents

If purchasing from Builder	Copy of latest sale agreement or Draft Agreement Copy
	Approved Plan Copy {If OC is not Available}; CC Copy
	OC Copy {in some cases you may have OC}

	Payment Schedule and receipts of payments from Builder
	Allotment letter from Builder
	Builder NOC in Bank Format on Letter Head
	{CIDCO Area NOC is required in their Format with Bank name or other applicable authority}
	Other as per Legal report of Bank
If Resale Property	Copy of all Previous Chain Agreement
	Copy of latest sale Agreement or Draft Agreement Copy
	Share Certificate Front & Back Side Copy {If Issued}
	In some banks Transfer form will be needed
	Copy of Stamp duty and Registration Recites of all previous Chain Agreement
	OC Copy; Copy of BMC Approved Plan & CC Copy{If OC is not Available}
	Society NOC in Bank Format on Letter Head
	{CIDCO Area NOC is required in their Format with Bank name or other applicable authority}
	Other as per Legal report of Bank

Eligibility criteria

Salaried	Self Employed Non Professional	Self Employed Professional
Private Limited	Proprietorship	Doctors
Limited	Partnership/LLP	Architects
Government companies	Private Limited	Chartered Accountants
	Limited	
	Deemed Limited	

Determination of Loan amount



Balance Transfer

- Home loan balance transfer is an option that allows you to switch from an expensive loan that you availed some years back to a lower interest loan.
- At RB, we have helped many customers save huge amounts by helping them switch to less expensive loans.
- The balance transfer option essentially involves foreclosing the existing loan and taking a new loan for the unpaid principal amount.
- With the charges on foreclosure of floating rate loans waived borrowers can switch to a new loan without having to bear the burden of these charges. However, banks may charge pre-payment penalty.

Tenure & rate of interest

Exposure

10 Lacs to 50 Cr

Collateral

Mortgage of Loan property

Tenure

Upto 30 years

Rate of Interest

8.40% to 11.50%*

Processing Fees

0.5%* or Salaried-Rs.10000/-

Eligibility Calculating methods

Debt servicing coverage ratio

DSCR = Net Operating Income / Total Debt Service

A DSCR greater than 1 means the entity – whether a person, company or government has sufficient income to pay its current debt obligations, a DSCR less than 1 means it doesn't have the capacity to pay off the debt

Income based program (Cash Profit method)
PAT
+Depreciation
+Remuneration to Directors/Partners
+Interest on paid bank loans
=Yearly Income/12
Monthly income*DBR
(-)Monthly obligation
=EMI paying capacity/Per lac
=Loan amount compared with property value(Agreement value+ Service tax+ Stamp duty)*LTV whichever is lower

Surrogate programs

Banking program

Average banking of a year (only business credits)

balances on 5th, 10th, 15th, 20th, 25th for 6 months

Average balance*DBR

=EMI paying capacity/Per lac

=Loan amount compared with property value(Agreement value+ Service tax+ Stamp duty)*LTV whichever is lower

BT+ top up- RTR 18 months if doesn't fit in
Income eligibility - Calculator