

HOME  
LOAN



PERSONAL  
LOAN



BUSINESS  
LOAN



BALANCE  
TRANSFER



CREDIT  
CARDS



EDUCATION  
LOAN



CAR  
LOAN



WORKING  
CAPITAL



CHILD  
PLANS



HOME  
INSURANCE



ENDOWMENT  
PLAN



VEHICLE  
INSURANCE



TERM  
INSURANCE



FIRE  
INSURANCE



PERSONAL  
ACCIDENT



TRAVEL  
INSURANCE



HEALTH  
INSURANCE



PENSION  
PLANS

Willkommen Bienvenue

Welcome

yôkoso

welkom

Benvenuto

Bienvenida

tervetuloa

รับเสด็จ

欢迎

# Home LOAN

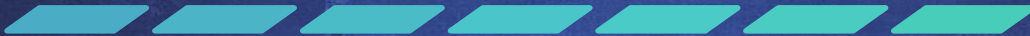
SECURED PRODUCT



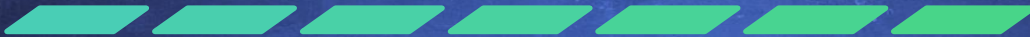
# By End Of This Session, You Will Be Able To Understand...



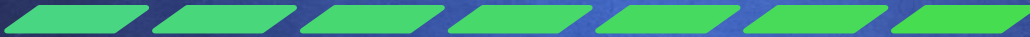
What is Home Loan?



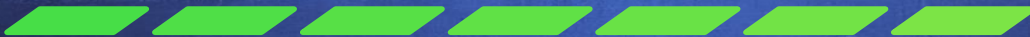
Its advantages and uses



Documentation



Eligible borrowers



Income eligibility criteria



Applicable conditions



Eligibility calculating method in general



What is it all about?

**MEANING**

# 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.



# How home loan will help you?

## Pros

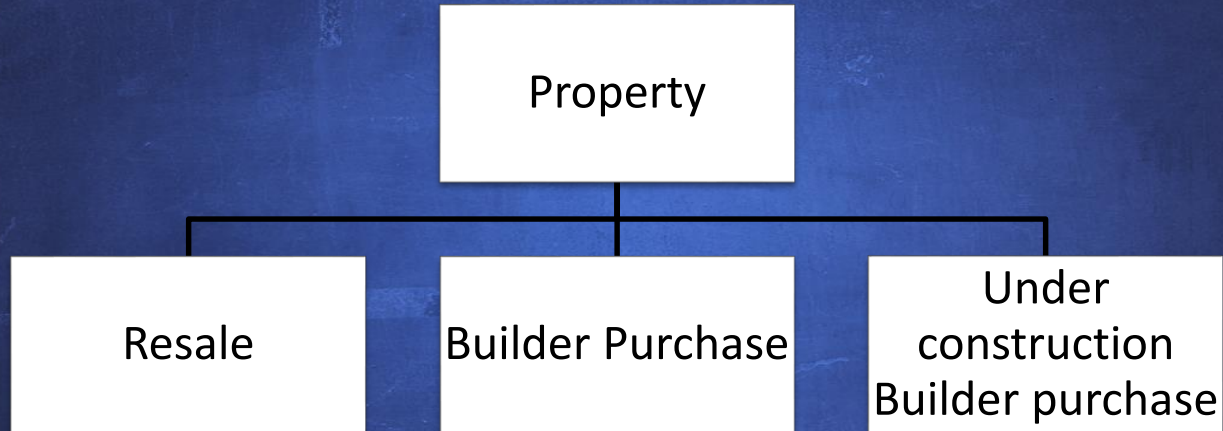
- ✓ Funding to buy a home of your own
- ✓ Capital Appreciation
- ✓ Low interest rate than LAP
- ✓ Tax Benefit: Interest paid --As per Section 24(b) of the Income Tax Act, 1961 a deduction up to Rs. 1.5 lakh towards the total interest payable

## Uses

- ❖ Self occupied residential property



# Types of Purchase





What do I need to submit?

## 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, CAs 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



Am I eligible for the loan?

## QUALIFICATION/ELIGIBILITY CRITERIA

# Working as

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

Type of  
property

Age of the  
property

Title of the  
property

Current  
usage of  
the  
property

Market  
value of  
the  
property



# 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.

For how many months and for what rate?

## TENURE & RATE OF INTEREST

# General overview

## 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/-



How to arrive at it?

## ELIGIBILITY CALCULATING METHODS

# Debt servicing coverage ratio

$\text{DSCR} = \text{Net Operating Income} / \text{Total Debt Service}$

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

# Broadly...

## 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

## Banking program

Average banking of a year  
(only business credits)

balances on 5<sup>th</sup>, 10<sup>th</sup>, 15<sup>th</sup>,  
20<sup>th</sup>, 25<sup>th</sup> 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

\*FOIR varies from bank to bank



# Surrogate programs

## Banking

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

Questions Please

**THANK YOU**