

20. Loan Disbursement and Funds Release

1. How is the loan disbursed after approval? Is it a lump sum payment or in installments?

The disbursement method depends on the type and purpose of the loan:

- For **personal loans**, the approved amount is usually disbursed as a lump sum directly to your bank account.
- For **home loans**, if the property is ready, the amount is paid in a lump sum to the seller. If the property is under construction or for large projects (like property development or business expansion), the loan is disbursed in phases (tranches) according to the progress of construction or project milestones.

2. Can I choose the mode of disbursement (e.g., check, bank transfer, cash)?

ICICI Bank typically disburses loan funds via direct bank transfer to your account or to the seller/builder's account. For some loans, a cheque may be provided. Cash disbursement is not standard practice.

3. How long after loan approval will the funds be disbursed into my account?

For personal loans, disbursement can happen within 1–2 working days after approval and completion of documentation. For home loans, after all required property and legal documents are submitted and verified, disbursement usually takes 7–10 working days.

4. Can I receive the loan amount in phases for a large project, like property development or business expansion?

Yes, for projects like under-construction properties or business expansion, the loan can be disbursed in phases (tranches). Each installment is released as the project progresses and after verification of work completion.

5. What happens if there is a delay in disbursing the loan funds after approval?

If there is a delay, it is usually due to incomplete documentation, pending legal or technical verification, or issues with the property or project. You can contact your bank representative to check the status and resolve any pending requirements.

6. Are there conditions attached to the disbursement of funds (e.g., must be used for a specific purpose)?

Yes, most loans have conditions. For example, home loans are disbursed directly to the seller or builder and must be used for property purchase or construction. Business loans and other specific-purpose loans may require proof of use as per the loan agreement.

7. How do you handle loan disbursement for a joint loan, especially when there are multiple applicants or co-borrowers?

All co-applicants must sign the disbursement request and related documents. The loan amount is typically disbursed as per the agreed purpose, regardless of the number of applicants, but all co-borrowers are equally responsible for the loan.

8. If I have an existing loan with another lender, can the loan amount be used to pay off part of the other loan during

disbursement?

Yes, if you are doing a balance transfer or debt consolidation, ICICI Bank can disburse the loan amount directly to your previous lender to settle the outstanding balance. For other loans, you need to specify the purpose and provide necessary documentation.