



THE ARMY GROUP INSURANCE FUND



FREQUENTLY ASKED QUESTIONS

House Building Advance

Q. Can I take a loan to buy a plot of land?

Ans. No, you cannot.

Q. What are the tax benefits for taking a house loan?

Ans. Under Indian Income Tax Act 1961, under section 80 (C), AGIF issues you Income Tax certificate once the entire loan is disbursed.

Q. Is it mandatory to get your property insured from an insurance agency?

Ans. Yes, it is mandatory to get your property insured from an insurance agency.

Q. Who can be a co-owner for purchase of house?

Ans. Property can be jointly held with the spouse, of the first applicant. No one else can be joint owner of the property.

Q. Can I prepay my loan? Are there any penalties?

Ans. You can prepay the loan at any stage and there is no pre-payment penalty. There is an option called "Part Payment" and "One Time Full Payment". Minimum part payment amount is 20 percent or more of the balance and can be done only twice. This will reduce your No of EMIs.

Q. Can I apply jointly with my spouse if he /she is also working in the Army. Will both of our salaries be taken into consideration for calculating loan amount?

Ans. No, the salary of only the first applicant will be considered. However, you both can apply for HBA on different properties.

Q. Can my loan amount be enhanced / increased?

Ans. Once the EMI has started, the loan cannot be increased.

Q. What is the procedure for HBA in case of DSC, Regular APS personnel?

Ans. In case of DSC and APS the individual's application would be routed through proper channel to include unit then through Record Officer and finally your Directorate at Army HQ. Once application is processed through proper channel then it can be fwd to AGIF.

Q. What is the procedure to take NOC in case of applying 'TOP UP' loan from other Nationalised Banks?

Ans. You have to forward an application requesting for NOC and complete details of the bank you are going to take loan from. The NOC will be fwd to the specified bank for further processing.

Q. Can my loan be transferred from other banks to AGIF?

Ans. Yes, Loan from other Banks/ HFCs can be transferred to AGIF as per laid down eligibility criteria.

Q. In how many instalments the loan can be disbursed?

Ans. The loan is disbursed in five instalments in case of Builders/ AWHO and **last instalment will only be released once you get the possession letter from builder**. A maximum of three instalments will be disbursed in 'Self construction' cases.

Q. When will my EMI start?

Ans. Your EMI will start immediately on disbursement of first instalment.

Q. If I am shifting my loan from 2 BHK to 3 BHK, what all formalities are to be done?

Ans. You have to submit the followings:-

- (a) Allotment letter
- (b) Builder Buyer Agreement.
- (c) Tripartite Agreement.
- (d) Form of Surety.
- (e) Form No HBA/ AGIF/ 14.
- (f) Declaration.
- (g) All previous receipt cert from builder.

Q. Can HBA be given on power of attorney basis?

Ans. No.