

Mortgage loan

The main features of the Mortgage loan facility scheme are as follows.

1. Purpose :

Personal or Business

2. Target group :

Business class/Professional/Employed class, who have combined regular net monthly income with guarantors for at least 150% of the EMI.

3. Loan Limit :

Minimum: Rs.5 Lakhs and Maximum: Rs.25 Lakhs (In case loan amount above 25 Lakh approval from Board of Directors is required.)

4. Period of Loan :

Minimum : 1 year and Maximum : 5 year.

5. Interest :

24% (Monthly compounding) and 3% interest for overdue amount for overdue period.

6. Other Expenses

- i) Documentation /Processing charges 0.5% of the loan amount.
- ii) Other actual expenses like Legal scrutiny charges, Property valuation charges, Registration expenses etc. to be borne by the applicant.

7. Repayment :

By Equated Monthly Installment (EMI)

8. Preclosure Charges:

No preclosure charges subject to minimum 6 months interest to be collected, if closed prior to completion of 6 months.

9. Security:

The applicant and family should have more than 5 cents of land holding with pucca road access. Special sanction will be granted by MD for taking security less than 5 cents in very desirable cases. Property is to be inspected and valued by both company officials by an outside valuer. The valuation of company official or outside valuer whichever is lower should be reckoned for considering the limit. The value of the property shall be more than 200% of the loan amount. All the property owners who offer the property security should be the co- borrowers.

10. Guarantors

There should be minimum 2 Guarantors including the spouse of the borrower if any. These 2 guarantors should have either income capacity or own landed property. Any one of the guarantors should necessarily own landed property.

11. Customer Identification:

- i) Ration Card copy
- ii) Bank account passbook address page
- iii) Copy of electricity Bill
- iv) Copy of land line bill
- v) Election ID
- vi) PAN card
- vii) Passport
- viii) Aadhar Card
- ix) Driving License

Copy of at least any one documents (i to iv) for address proof and at least any one document (v to ix) for ID proof to be obtained.

12. Customer Assessment:

The following documents may be relied for ensuring the repayment capacity of applicants /guarantors.

- i) IT return for the last 2 years
- ii) Salary certificate of employee
- iii) Balance sheet and Profit and Loss account for the last 2 years.
- iv) CIBIL report
- v) Bank statement for the last 6 months (nature and volume of business transaction, average balance, cheque returns if any, unavailed balance in overdraft or cash credit account.)

In the absence of IT return, Balance sheet and Profit & Loss account, the following documents /procedures may be taken into account for assessing the income capacity of applicant /guarantors.

- i) Loan track /Chitty payment track
- ii) Length of period of business/service
- iii) Self declaration regarding the income of self or business for the past 2 Years certified by the Chartered accountant.
- iv) Projection of business and income for the next year certified by the Chartered accountant.
- v) Cash flow statement.

13. Document to be taken

- i) Loan sanction letter duly accepted by Signatories.
- ii) Demand Promissory note
- iii) Loan agreement with arbitration clause.
- iv) Guarantee Bond.
- v) EMI cheques

Latest land and building tax paid receipt and copy of the title deed in the name of at least one guarantor/s who is/are having property.

- v) Title deeds and other related documents which are offered as security for registration and creation of equitable mortgage

- a. Primary deed.
- b. Prior deed/s
- c. Latest E.C for the last 30years
- d. Latest possession certificate
- e. Latest location sketch and certificate.
- f. Latest No Land acquisition certificate
- g. Latest tax paid certificate
- h. Latest No Revenue recovery certificate

: Original

Original or copy
as the case may be

NPA Norms :

The asset will be non performing when six month installments become past due or two quarterly installment become past due.

Sanction Power :

All loans are to be sanctioned by MD.