

## FAQs HOME IMPROVEMENT LOAN

Who are eligible for this loan?

In case an individual seeks this loan along with our regular Housing loan, then he/she has to comply with following conditions:

- Age should be 18 to 55 years. Eligibility relating to upper age limit is relaxed selectively, subject to certain conditions. However, entire loan should be cleared before the borrower attains the age of 70 years.
- In case of salaried individuals, he/she should be confirmed in the service with minimum service of 3 years.
- In case of Individuals engaged in business & self-employed persons, they should have been in business/profession for 3 years.

In case an individual seeks this loan under following circumstances i.e.

- (a) Independently of Housing Loan from our Bank.
- (b) Where a loan under Housing Finance Scheme was earlier obtained from us and the liability is still subsisting without overdues.
- (c) Where a housing loan has been obtained from other banks/ housing finance institutions.

Then the eligibility conditions are as:

- Salaried individuals should have a minimum monthly net take home salary of 25% of their gross salary or Rs.2000/ after meeting the loan installment for the proposed loan.
- Professionals and other non-salaried persons should have a minimum annual income of Rs.50000/-.

For what purposes this loan is sanctioned?

To purchase household furniture items, refrigerator, fans, air conditioner/s, to put up wardrobes or any other household item/s.

What is the quantum of loan?

Quantum of loan is one year's gross income/ salary, Max. 2.00 Lacs. A higher amount upto Rs. 5.00 Lacs can be considered in select cases.

What is the margin?

If the loan is availed as a part of the housing finance, then the margin as stipulated for housing finance will be applicable to this loan also. In other cases, a uniform margin of 20% is stipulated.

What is the rate of interest applicable?

Base Rate +2.00% (Presently 12.00%) floating

What is the repayment period?

5 years. It can be relaxed upto 7 years in select cases.

What is the security?

- Hypothecation of assets created/purchased out of Bank finance.
- the continuing security of the concerned house/ flat in case this loan is availed along with Housing Loan or It is availed after the availment of housing loan with housing loan still existing with Bank.
- In case this loan is availed independently of housing loan, then mortgage of house or other alternate property is to be given.

Whether any guarantee is required?

Co-obligation/ personal guarantee of a person good for the loan amount and acceptable to Bank has to be provided.

What are the charges payable?

Following type of charges are levied

- Processing Charges: 0.50% of Loan Amount Min. Rs.1500/- & Max. Rs.10000/-
- Documentation Charges: Rs.100-per Lac Min.1000/-.
- Inspection Charges: -Rs. 200/- per inspection Max.Rs.600/- per year.
- All out of pocket expenses like Outsourcing Charges, CIBIL Charges, CERSAI Charges, Insurance premia, LSR Charges, Valuation Charges etc. to be borne by the borrower