

## SANCTION LETTER

**(Housing Loan Scheme for slum dwellers under BSUP / IHSDP)**

Ref. No  
To

Branch:

Date:

Date:

Dear Sir/ Madam,

**Ref:** Your Application dated \_\_\_\_\_ for sanction of Term Loan for Upgradation Construction of House/Flat under Housing Loan Scheme for slum dwellers under BSUP / IHSDP.

With reference to the above, we have pleasure to accord sanction of Term Loan in your favour as per the following terms and conditions:

1)	Purpose	
2)	Total Project Cost	
2.a	Contribution by Central / State Govt.	
2.b	Own Contribution	
3)	Limit Sanctioned	
4)	Margin	
5)	Interest	4% p.a (Fixed) with monthly rest.
6)	Documentation	As per norms of the Bank
7)	Disbursement	
8)	Repayment	The entire amount of the principal loan along with interest and other charges will be repaid within _____ years w.e.f. _____ 200 _____ subject to the following: Monthly installment of Rs. _____ is to be commenced one month after completion of construction or twelve month from the date of 1 <sup>st</sup> disbursement whichever is earlier
9)	Security	Primary:  Additional:

### **10) Other Conditions:**

- a) No search & Marketability Report is required. However latest tax receipt, approved plan alongwith mutation certificate are to be submitted.
- b) No professional valuer will be engaged to obtain Valuation Report.
- c) The loan will be disbursed by the Bank after proper documentation
- d) Entire loan amount shall be covered by Life policy on borrower's life
- e) Property to constructed / upgraded should be mandatorily insured under Home care scheme of Bajaj Alliance or other Insurance Co.;

- f) You are expected not to raise/ incur any debt from any source whatsoever or create charge over the unencumbered portion of your properties charged by the Bank without specific written permission from the Bank.
- g) The Bank reserves the right to add/ alter/ delete any terms of sanction in future in the interest of the Bank during pendency of the loan.
- h) In case of default in repayment of interest and installment and/ or violation of any terms and conditions of sanction, the Bank shall be at liberty to charge penal interest as per norms
- i) The sanction does not vest in any one the right to claim any damages against the Bank for any reason whatsoever.
- j) In case you fail to pay the Bank's dues within the stipulated time and/ or the account becomes non-performing asset as per norms of Reserve Bank of India, the bank will be at liberty to publish your name and address along with the details of the outstanding dues payable by you to the bank and also other relevant details in the newspaper and other publicity media.
- k) All the legal expenses and cost of stamp paper for completion of the documentation formalities will be borne by you, apart from the processing fees/ documentation charges mentioned here in above.
- l) The loan should be availed of within three months from the date of sanction, failing which the sanction will be cancelled.
- m) The applicant will have to invest his /her own fund to the extent of his/her margin contribution before availing of loan.
- n) If you agree to avail the loan under the aforesaid terms and conditions, we would request you to please sign the duplicate copy of this letter as a token of acceptance and to execute documents at your earliest opportunity.

Yours faithfully,

Branch Manager / Head