

PROJECT REPORT
ON
STUDY ON HOME LOANS OF ICICI BANK



IN PARTIAL FULFILLMENT FOR THE AWARD OF
BACHELOR IN COMMERCE

PATTAMUNDAI COLLEGE, PATTAMUNDAI

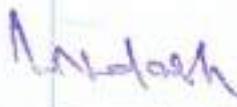
2019-2020

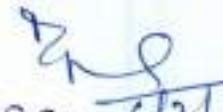
CONTENTS

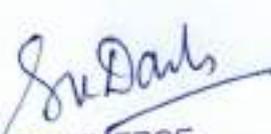
<u>SL NO.</u>	<u>PAGE NO.</u>
1. Report	01
2. Introduction	02
3. Scope of the study	03
4. Objective of the study	04
5. A profile of icici bank	05
6. Home loan scheme And its extensions	6-7
7. Eligibility criteria for home loans	8-9
8. Documents involved in evaluation of Home loans	10-14
9. The parameters involved in Housing loan evaluation	14-18
10. The loan procedure followed at ICICI	19- 21
11. Scrutiny of the documents	21-25
12. The innovative loan concepts	26-30
13. The future of Home loans	30
14. The future of Market players	31
15. Changes in the trend	32
16. Limitations, Conclusion, Bibliography	33

REPORT

This project was undertaken by the department of Commerce, Pattamundai college, Pattamundai on the topic "The home loan scheme of the ICICI bank " during the session 2019-2020. This project was done by the 32 numbers of students under the guidance of Mr.Ranjan Kumar Behera, Lecturer in commerce. The home loan scheme of the ICICI bank is named "ICICI Home" and for Salaried persons "Griha Sewa". It has been a successful product launched by bank's retail assets division. The home loan disbursement procedure followed by the bank has been undertaken. The various documents involved and the intricacies in taking a home loan have also been highlighted as a part of study. The home loan segment has number of added extensions to its portfolio because of increased competitiveness among the HFIs. An attempt has been made to understand the various extensions and new concepts and the benefits extended by the banks.


Principal
Pattamundai College


6/3/2020
IQAC Co-ordinator
Pattamundai College


HOD, COMMERCE
PATTAMUNDAI COLLEGE

REPORT

The home loan scheme of the ICICI bank is named "ICICI Home" and for Salaried persons "Griha Sewa". It has been a successful product launched by bank's retail assets division. The home loan disbursement procedure followed by the bank has been undertaken. The various documents involved and the intricacies in taking a home loan have also been highlighted as a part of study. The home loan segment has number of added extensions to its portfolio because of increased competitiveness among the HFIs. An attempt has been made to understand the various extensions and new concepts and the benefits extended by the banks.

INTRODUCTION

Need for the study:

Retail banking has been popular segment to enter into for many banks. In the retail banking, housing sector has been most promising segment which is promising a Comprehensive growth rate of about 30 per cent for the next five years. With the government keen on infrastructure development and announcing various tax Sops housing loan segment has been a tempted area for many banks to enter into housing sector can be bifurcated into organized and unorganized segments with the unorganized segments accounting for over 75 per cent of the housing units constructed.

During the past 4 – 5 years the housing sector helped by the growing housing finance industry has witnessed significant developments.

Housing Finance Evaluation:

Housing Development Finance Corporation (HDFC) was the first housing finance Company to setup operations in India in 1977. After the National Housing Bank Act, 1987, was passed NHB came into existence as a Subsidiary of the Reserve Bank of India (RBI) to regulate housing finance companies and provide them with refinancing to supplement their fund requirements. Public sector banks were allowed to provide housing loans directly to retail clients only in 1988.

Scope of study

- The study covers a period of five years from 2003 to 2008. There are several reasons for selecting this period.
- During the past 5 years the Bank has gone global as a result the company has witnessed many economic and political changes.
- Company has undergone rapid changes in the past 5 years due to many policy decisions relating to capital markets, banking sector & licensing policy.
- The study is limited to only ICICI Bank This study is mainly related to the individuals who are interested in taking home loans from banks to fulfill their dreams.
- The study is mainly related to all the loans provided by ICICI bank only.

OBJECTIVE OF THE STUDY OF HOME LOANS

- The study was mainly conducted to understand the concept of home loan scheme and the eligibility criteria of the customers.
- The study is done to understand the documents involved in the home loan scheme and the repayment methodology adopted by various banks and the HFC's (Housing Finance Corporations).
- The innovative home loan schemes and the risk capturing mechanism adopted by the HFIs and the future of the home loan segment has been undertaken as a part of this study

PROFILE OF ICICI BANK

ICICI bank is India's second-largest bank with total assets of about Rs.2, 513.89 billion (US\$ 56.3 billion) at March 31, 2006 and profit after tax of Rs.25.40 billion (US\$569million) For the year ended March 31, 2006(Rs.20.05 billion (US\$449mn) for the year ended March 31, 2005).ICICI Bank has a network of about 614 branches and extension Counters and over 2,200 ATMs. ICICI Bank offers a wide range of banking product and financial services to corporate and retail customers through a variety of delivery channels and through its specialized subsidiaries and affiliates in the areas of investment banking, life and non-life insurance, venture capital and asset management. ICICI Bank set up its international banking group in fiscal 2002 to cater to the cross boarder needs of clients and leverage on its domestic banking strengths to offer products internationally. ICICI Bank currently has subsidiaries in the United Kingdom, Russia and Canada, branches in Singapore, Bahrain, Hong Kong, Sri Lanka and Dubai international Finance centre and representative officers in the United States, United Arab Emirates, China, South Africa and Bangladesh. Our UK subsidiary has established a branch in Belgium. ICICI Bank is the most valuable bank in India in terms of market capitalization.

ICICI Bank's equity shares are listed in India on the Bombay stock Exchange and the National stock Exchange of India Limited and its American Depository Receipts (ADRs) are listed on the New York stock Exchange (NYSE).

At June 5, 2006, ICICI Bank, with free float market capitalization*of about Rs.480.00 billion (US\$ 10.8 billion) ranked third amongst all the companies listed on the India stock exchanges.

ICICI Bank was originally promoted in 1994 by ICICI Limited, an India financial institution, and was its wholly-owned subsidiary. ICICI's shareholding in ICICI Bank was reduced to 46% through a public offering of shares in India in fiscal 1998, an equity offering in the form of ADRs listed on the NYSE in fiscal 2000, ICICI Bank's acquisition of Bank of Madura Limited in an all-stock amalgamation in fiscal 2001, and secondary market sales by ICICI to institutional investors in fiscal 2001, and 2002. ICICI was formed in 1955 at the initiative of the World Bank, the Government of India and representatives of India industry. The principal objective was to create a development financial institution for providing medium term and long-term project financing to India businesses. In the 1990s, ICICI transformed its Business from a development financial institution offering only project finance to a diversified financial services group offering a wide variety of products and services, both directly and through a number of subsidiaries and affiliates like ICICI Bank. In 1999, ICICI became the first India Company and the first bank or institution from non-Japan Asia to be listed on the NYSE.

After consideration of various corporate structuring alternatives in the context of the emerging competitive scenario in the India banking industry, and the move towards universal banking, the managements of ICICI and ICICI Bank formed the view that the merger of ICICI with ICICI Bank would be optimal strategic alternative for both entities, and would create the optimal legal structure for the ICICI group's universal banking strategy. The merger would enhance value for ICICI shareholders through the merged entity's access to low-cost deposits, greater opportunities for earning fee-based income and the ability to participate in the payment system and provide transaction-bank services. The merger would enhance value for ICICI Bank shareholders through a large capital base and scale of operations, seamless access to ICICI's strong corporate relationship built up over five decades, entry into new business segments, higher market share in various business segments, particularly fee-based services, and access to the vast talent pool of ICICI Bank and its subsidiaries. In October 2001, the Boards of Directors of ICICI and ICICI Bank approved the merger of ICICI and two of its wholly-owned retail finance subsidiaries, ICICI Personal Financial Services Limited and ICICI Capital Services Limited, with ICICI Bank.

The merger was approved by shareholders of ICICI and ICICI Bank in January 2002, by the High Court of Gujarat at Ahmadabad in March 2002, and by the High Court of Judicature at Mumbai and the Reserve Bank of India in April 2002.

HOME LOAN SCHEME AND ITS EXTENSIONS

A home loan scheme is generally offered to the person to accommodate finance for purchasing the house or for renovation or extension of the existing house.

The various extensive schemes, which are included in the home loan portfolio, are:

Home Purchase Loan:

This is the basic home loan for the purchase of a new home.

Home Improvement Loans:

These loans are given for implementing repair works and renovations in a home that has already been purchased by you.

Home Construction Loan:

This loan is available for the construction of a new home.

Home Extension Loan:

This is given for expanding or extending an existing home.

For eg: addition of an extra room etc.

Home Conversion Loan:

This is available for those who have financed the present home with a home loan and wish to purchase and move to another home for with some extra funds are required. Through home conversion loan, the existing loan is transferred to the new home including the extra amount required, eliminating the need of pre-payment of the previous loan.

ICICI offers:

- Attractive loan interest rates.
- Home Loan amounts starting from Rs.2 lacks and ends up to 20lakhs.
- Tern loans up to 20 years.
- Free personal Accident Insurance (Terms & Conditions).
- Insurance options for your home loan at attractive premium.
- Special 100% funding for select properties.

ELIGIBILITY CRITERIA FOR HOME LOANS**How much can you borrow?**

Griha Home Loans range from Rs.1lakh to Rs. 50lakhs. Your repayment period can vary from 1 year to 20 years depending upon your capacity to repay.

Eligibility:

Age: - Min: You should be at least 21 years of age.

Max: At the time of loan maturity, you should not exceed 65 years or your retirement age, whichever is earlier.

Individuals:

You should have completed a minimum of 2 years of service (with a minimum of 1 year in the current job)

Businesspersons/Self-employed professionals:

You must have an established business or professional practice of not less than 3 years, with a positive net worth and must have posted a net profit for the last 2 years.

Note: Minimum net take home salary of Rs. 6000/- p.m. for salaried employees or annual income of not less than Rs. 1.20lakh for businesspersons/ self-employed professionals. (Spouse/co-applicant's income can be included in the income computation).

1. Individuals who are salaried or self employed, professionals, businessmen are eligible. Proprietary concerns, HUF, partnership firms or limited companies are not eligible for this loan, where partners at their individual capacity are free to avail this loan.

2. As a customer to enhance the loan eligibility, all HFIs lay down conditions to who be co applicants, all co owners to the property should necessarily be co-applicant. Income of the co owners can be clubbed together to get higher loan eligibility.
3. Minors are not eligible to become co owners, as also friend and relative's only blood relatives are eligible to take a property jointly.

Some of the acceptable relationships where loan clubbing is possible:

<u>Income clubbing of co – applicants</u>	
Combinations	Income clubbing
Husband – wife	YES
parent – Son	YES (if only son)
Parent – Daughter	YES (If only child)
Brother- Brother	YES (if currently staying together and intend staying together in the new property)
Brother – Sister	NO
Sister – Sister	NO
Parent – Minor child	Not eligible for loan

1. The minimum age for the applicant and the co applicant to become eligible for the commencement of the loan is 23 years, and co applicant can be of 18 years of age if their income is not clubbed to calculate the loan eligibility.
2. The maximum age at the time of loan maturity for applicant or co-applicant is 60 years or the retirement age whichever is earlier.

DOCUMENTS INVOLVED IN EVALUATION OF HOME LOAN:

The documentation requirement for various categories of applicants depends on their status. For this purpose all HFIs segregate their employees in different categories. They are:

- Salaried
- Professional or Businessman

The criteria of evaluation changes according to their status. The general documents, which remain same for all the categories, are as follows:

1. Proof of age

Any one of the following is considered for proof of age, they are:

- Passport
- Voter's ID card
- PAN card
- Ration card
- Employer's identity card
- School leaving Certificate
- Birth Certificate

2. Copy of bank statements for the last six months:

Bank statement for the last six months of all operating and salary accounts.

Bank statements for the last six months of all current accounts, if self employed.

Any other photocopies of investments held, if required by the HFIs

3. Copy of latest credit card statement.

4. Passport size photograph

5. Signature verification by your bankers.

6. Proof of residence:

- Ration Card
- PAN Card
- Passport
- Rent agreement if any, if you are currently staying on rent.
- Allotment letter from your company if you are residing in company Quarters.

The documents required to be provided by the salaried class are as follows:

- Salary slips for the last one month.
- Appointment letter
- Salary certificate
- Retainer ship agreement, if appointed as consultant.
- From-16 issued by the employer in your name.

Proof of Employment:

The proof of employment is verified by the

- Identity card issued by the employer
- Visiting card.

Employer's details (in case of private limited companies):

The employer's details are to be provided in addition to the above documents for documents for a private sector employee, they are:

- Name of promoters / Directors
- Background of promoters / Directors
- Number of employees
- List of branches / factories
- List of clients / Customers
- Turnover of your employer
- Annual reports of your employer for the last two to three years.

Criteria chosen by ICICI Bank for categorizing the various employees:

Employment Category	Norm	Minimum period of service (in years)	
		Total	Current Employment (Confirmed service)
Govt. Sector (Central/State)	Any Organization	2	1
Public sector Undertaking (or) Quasi Govt.	Should profit making and not in the negative list	2	1

The criteria with respect to the private sector employees and employees belonging to the public limited companies is bit more stringent

Criteria	Norms	
Existence	> 5 years	>4 years
Turnover	Rs. 3 crores p.a	Rs. 3 crores p.a
Net worth	Positive	Positive
Profit	3 years with a Rising trend	2 years with a rising trend
Financials	For 2 years to be submitted	For 2 years to be submitted
Salary	Through bank credit	Through bank credit
Min. number of Employees	20	20
PF deductions is A Must	PF statement as proof	PF statement as proof
Whether Listed/unlisted	-----	2 years annual report to be submitted.

The documents required to be submitted by the businessmen as follows:

- a. Last three years Profit & Loss Account Statement duly attested by a Chartered Accountant.
- b. Last three years Balance Sheets duly attested by a Chartered Accountant
- c. Last three years Income Tax Returns duly filed and certified by Income Tax authorities

Proof of Investments:

1. Bank statements for the last six months of all current accounts.
2. Any other photocopies of investments held, as required by the HFI.

The above are the various documents required by the businessman in addition to the documents, which are common to the entire category.

The businessman is also judged on the basis of the business conducted by him, if his Business profile is in the negative list, he will be thoroughly considered for his credibility before dispersing loan, the organization and property location should not be in the negative list.

These are the additional documents which are required to be looked at before going on for completing the pre sanction formalities with respect to dispersing of the home loans to the business class.

THE PARAMETERS INVOLVED IN HOUSING LOAN EVALUATION

There are a number of parameters on which the housing loans are built:

They are:

1. TENURE

The tenure of the home loan refers to the time limit for a customer to repay the loan. Generally, the maximum tenure of home loans is 20 years, with a few lenders offering tenure of 20 years or more (ICICI has recently launched a 30 years loan). The longer the tenure, more a customer pays in total interest, but monthly payments will be less. So depending on the earning potential and bank balance of the customer, an appropriate can be chose. An important requirement of most banks/ HFIs is that they pay up the entire loan before you retire. The customer can always prepay the entire loan amount before it is due.

2. AMOUNT PAID BY THE FINANCER/ MARGIN REQUIREMENTS

The financier does not pay the entire amount of the loan, they request the customer to maintain margin, most banks go in for a 85% funding of the property value including the stamp duty and charges, it however varies among various banks.

This is also treated as the margin money or own contribution required to be put by the prospective loan seeker as the contribution towards the purchase of the house. Most HFCs believe the amount paid is upfront before they release any disbursement.

As a rule of thumb, depending upon the HFC, the prospective loan seeker has to cough up 15% - 20% of the loan amount as a down payment. For smaller amounts, this may not be much. But for figures running into lacks, this could make loads of difference.

For example: An apartment costing Rs. 10lacs may get 85 per cent financing. So, customer has to arrange for the remaining Rs 1.5lacs.

Some banks however make way for the payment for 90% of financing and about 100% financing for some new projects, however they are subjected to a large number of factors and constrains.

3. INTEREST RATES

Without doubt the most important parameter to factor into home loan calculations. The interest rates may vary from institutions to institutions and generally range from about 7.25% - 7.75% to around 9% Repayment is in the form of EMIs (Equated Monthly installments). The longer the tenure, the more you pay in interest, but your monthly payment will be less.

The two kinds of interest rates available to a customer are:

- Fixed interest rates
- Floating interest rates

Fixed interest rates remain fixed over the tenure of the loan.

Floating interest rates are affected by the rates in the market, they fluctuate according to the rates issued or changed by the RBI from time to time.

The finance minister's diktat on home loans does not hold for private banks. India's largest home loan provider and second largest bank — ICICI Bank — on Tuesday hiked its home loan by 1%. The bank has also increased its deposit rates.

As per the new rate structure, customer will have to pay 10.5% on the home loans with a floating rate, while the fixed home loan will now invite an interest of 12.5%. With this increase, the monthly installment on an Rs.1lakh loan for 20 years goes up by Rs70. Some public sector banks do so only once in 12 months while some private sector lenders do it as frequently as a quarter. Though the current interest rate quote maybe lower, over the life of the loan, a customer will be able saved more in the case of a lender who resets your floating rate more frequently.

The investors are also given the option of changing their option from fixed rate loan to a floating rate loan, of course by paying a penalty.

4. MISCELLANEOUS CHARGES:

All banks charge certain amount of processing fee which cannot be ignored, it should be understood that along with monthly payments, the customer should also ensure that he has to pay these charges, so he should careful in choosing his HFC. Miscellaneous charges generally range around 2.5% to 3%.

A 1% administration fee and 0.8% processing fee on, say RS. 5, 00,000 loan, would amount to RS 10,000. Other times, it could be just one fee (either administration or processing) but could yet work out to be much more if it is considerably higher at, say, 2.5 per cent or 3 per cent. The various other fees, which you are required to be paid along with the margin amount, are:

a) Processing fee:

It's a fee payable to the lender on applying for a loan. It is either a fixed amount not linked to the loan or may also be a percentage of the loan amount. The loan amount received by customer can be less than the processing fee. It is charged at the submission of the application form and covers expenses incurred for processing the application form.

b) Prepayment Penalties:

When a loan is paid back before the end of the agreed duration a penalty is charged by some banks/companies, which is usually between 1% and 2% of the amount being pre paid.

c) Administrative Fees:

An administrative fee is charged by the HFI on the loan amount sanctioned to customer. This fee is normally payable at a time of accepting the offer letter. It is charged mainly to meet the operating expenses of the loan amount of the entire tenure.

d) Others:

It is quite possible that some lenders may levy a documentation or consultant charge. In case of ICICI Bank the processing fee is 0.25% of the loan amount and the administrative fee is approximately 0.50% of the loan amount.

5. AMORTISATION

It means the method or the calculation by was of which the entire Principal amount/loan amount is paid through the tenure of the loan.

This helps the customer to know what his outstanding principal is at any point of time.

There are two methods generally followed:

- Annual rests
- Monthly rests

Annual rests:

This is more commonly known as annual reducing balance of the principal/loan amount lent to you. In an annual rest the EMIs (fixed monthly payment for the dispersal of the loan amount) are calculated on a annual basis.

The component of interest is higher in the initial years and later on the component of principal increases and the interest keeps reducing year after years. In other words, the interests in the EMI will keep reducing year after year and the principal component keeps increasing.

Monthly rests:

This is called monthly reducing balance or principal. The calculation in the above method remains the same as of the above except that the balance is calculated on a monthly basis and the EMI is broken up every month to arrive at the opening balance of the principal for the next month. It is always better for a customer to seek an HFI, which generally has monthly rests, based system; this will reduce the amount of interest paid by the customer. Many banks have adopted to the monthly rests system.

6. REPAYMENT FACILITY

The bank has given three options for repayment of the loan to suit the convenience of Borrower.

Equated Monthly Installments (EMI) uniform monthly installment, inclusive of interest,

for the entire repayment of only interest for the first five years, and thereafter in EMI for the next 10 years.

Repayment of only interest in the first five years, 30% principal plus interest in the next five years, and balance 70% plus interest in the remaining period.

Repayment to start on completion of construction, but not later than 18 months from first disbursement and in case built up houses after one month from disbursement. Interest during gestation shall be paid as & when due. The repayment not to extend beyond the age of retirement of the borrower or 70 years whichever is earlier, however where co-borrower is taken, a maximum repayment period of 20 years may be considered provided the loan is liquidated within the age of 70 years of the borrower/co-borrower having capacity to service the loan.

THE LOAN PROCEDURE FOLLOWED AT ICICI BANK

The procedures involve in the disbursement of home loan by any bank entails the following steps:

- Home loan application form is first submitted by the customer covering all details.
- Checklist of requirements is requested for from the customer, and all documents are required to be submitted (copies), they are then verified whether the details are failed in correctly and whether all the documents are submitted.
- Additional loans, if any are applicable. Many banks provide for supplementary loan as a part of their comprehensive home loan scheme.

RISK CAPTURING MECHANISM

One of the important aspects in the home loan financing is to ensure that the loan seeker is worthy and credible. ICICI follows the credit score model to make home loan disbursements.

Credit score model is a risk capturing mechanism, which is used to assess the risk perspective of the loan seekers.

The prospective loan seeker is assessed on a number of parameters which helps in the evaluation of his profile and each parameter is assigned a score based on which the decision is taken.

A score of 100 is fixed, and a score of 75 is considered to be good, score of 55 is considered above average and score of 25 to be average. The prospective loan seeker on a scale of 100 is expected to get 55 avail the home loan.

The parameters on which risk is assessed are:

1. DEMOGRAPHIC PROFILE

The demographic profile includes a number of sub-parameters they are basically:

- Age
- Educational Qualifications
- Number of Dependents
- Marital status

The demographic profile of the loan seeker is allotted a maximum score of 15.

2. RELATIONSHIP WITH ICICI BANK

The relationship with the bank is also considered for the benefit of its customers.

The sub-parameters considered here are:

- Value of relationship (in terms of deposits)
- Number of years

The relationship with the bank is given a weight of 10 on the total score of 100.

3. INCOME MODEL

The income module of the bank includes parameters such as:

- Gross Eligible Monthly Income
- IRR (Income to Installment Ratio)
- FOIR (Fixed obligations to income ratio)
- Net take home

The income model is given the highest score of 50 points.

4. STABILITY AND CONTINUITY

The stability and continuity factors are based on

- Organization Profile : Govt. / public sector companies / public limited or private limited companies or partnership or others
- Length of service in Present job / organization.

This module is provided with maximum score of about 15 points.

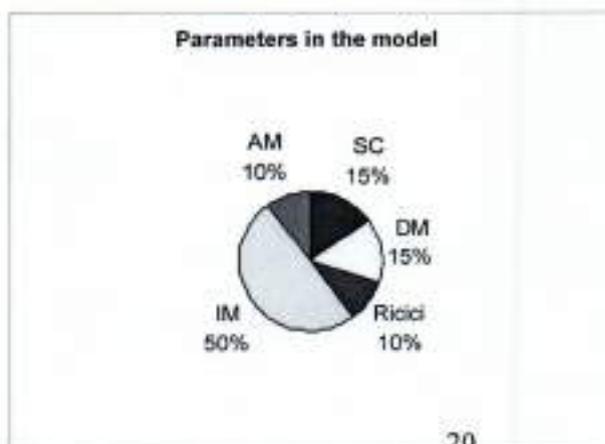
5. ASSET MODULE

The asset module include factors like

- Margin
- Net-Worth (Total assets – Total Liabilities)

The asset module is given a weight of 10 on a scale of 100.

The various parameters of the credit score model and their respective weights are depicted in the following chart.



The abbreviations of the above term are:

- DM – Demographic profile
- RICICI – Relationship with the ICICI
- IM – Income Module
- SC – Stability and Continuity

SCRUTINY OF THE DOCUMENTS

The retail processing is a procedure, which involves careful scrutiny of accounts. ICICI Bank uses a specialized system to go through the accounts, before dispersing the loan to the customer. The basic groups set up in the process of loan application are:

RETAIL MANAGER ENTERER GROUP:

This group does the data entry. Upon completion of the data entry the group forwards the same to the RM Verifier group to verify and resends it to the former in case of tiny discrepancies for editing.

The Loan officer enterer group and the RM Verifier group should ensure, confirm and verify the following:

- The organization is in the appropriate list.
- The organization is not in the negative list
- The property location is not in the negative list.

Applicant Details:

- Name and the personal details
- Identity details Address
- Employment details – salaried
- Financial details: Income asset ownership, Existing bank account details and credit card details

- Employment details: Business
- Financial details: Existing bank accounts and credit card details.

Existing Loan details:

The name of the financial institution (in case of take over) type of loan, purpose of loan amount etc, as per the home loan application form.

Loan request:

Including the disbursement details.

Acquisition details:

Gee details, loan amount recommended, name of the customer preferred branch.

Reference details:

Entry of at least one reference is mandatory.

Property details:

The RM enterer group and the RM Verifier group shall affix their initials on the home loan process note.

Upon completion of the above activities, the field investigation, legal opinion and the technical appraisal process shall be initiated by the RM.

The basic scrutiny checks followed by the bank:

- Field investigation study.
- Technical Feasibility
- Legal Feasibility

Field Investigation Study:

The manager RM shall go through the documents and inform the same to the field investigation agency the details:

- a) Field Investigation Report:
 - Residence and Reference (Tele – Check)
 - Name, Address, Office or Business telephone number of the applicant and
 - Co-applicant.
 - Income Tax return.

The reports are to given on the letterhead of the respective approved agency by their authorized employee with agency's rubber stamp. The RM should ensure from the field investigation agency in case of Residence and reference (Tele-check)

The details in the report should match with the information given in the home loan application form.

IT-Return:

It should be tallied as per the office records.

The manager RM shall make a tele-check to cross verify the investigation made by the agency in case, for the salaried applicants where the disbursement is greater than 10 lacks and in case of the businessman where the disbursement is greater than 10 lacks.

2. LEGAL FEASIBILITY

The bank should arrange for the legal opinion.

The manager RM should forward it to the bank's empanelled lawyer various documents for scrutiny.

Some of the documents required for the scrutiny by the lawyer are:

- Sale agreement duly registered
- Own contribution receipts
- Allotment letter
- Land documents indicating ownership, if applicable registration receipt
- Possession letter
- Lease agreement, if applicable (Property bought from a development authority)
- No objection certificate from the developer, society or development authority.
- In case of the construction of the house the agreement of construction of the house between the land owner and the contractor.

The above are the list of documents to be referred to by a lawyer. The manger has to provide the copies of the documents should be provided by duly specifying the name of the applicant, particulars of property and list of documents attached. All correspondence with regard to the legal opinion must be carried forward between the lawyer and the RM only.

3. FINANCIAL SCRUTINY

Prior to disbursement, the HFI also conducts a site visit to the customer's property to ensure the following:

In case of under construction property:

- Stage of construction is the same as that mentioned in the payment notice given to the builder.
- Quality of construction
- Satisfactory progress of work.
- Lay out of the flats and area of property is within the permission granted by the governing authority
- Requisite certificate have been received by the builder to start the construction at the site.

In case of ready / Resale construction:

- External maintenance of the property.
- Internal maintenance of the property.
- Age of the building
- Whether the building will last the tenure of the loan
- Quality of construction
- There is no existing lien or mortgage on the property

The list of valuation engineers empanelled by the bank need to take up these various documents and ensure that the report is furnished in the prescribed format and that loan amount requested by the applicant is sufficient to complete the project. The details in the property report given by the technical term and compare it with the legal opinion

sl no	Name of the Student	Roll No.	Signature
1	Biswavit Panda	BC-17-121	Biswavit Panda
2	Satya Vit Swain	BC-17-122	Satya Vit Swain
3	Suraj Kumar Gedi	BC-17-123	Suraj Kumar Gedi
4	Akash Kumar Bhuyan	BC-17-124	Akash Kumar Bhuyan
5	Surya Prakash Parida	BC-17-125	Surya Prakash Parida
6	Abhinash Nayak	BC-17-126	Abhinash Nayak
7	Satabdee Kundu	BC-17-127	Satabdee Kundu
8	Bhakti Deepak Swain	BC-17-128	Bhakti Deepak Swain
9	Seema Sota Seemich	BC-17-129	Seema Sota Seemich
10.	Ananta Gopal Day	BC-17-130	Ananta Gopal Day
11.	Rahul Gahan	BC-17-131	Rahul Gahan
12.	Subhanshu Banik	BC-17-132	Subhanshu Banik
13.	Manisha Sahoo	BC-17-133	Manisha Sahoo
14.	Deepanshu Kumar Panda	BC-17-135	Deepanshu Kumar Panda
15.	Manisha Panda	BC-17-136	Manisha Panda
16.	Seemant Kesari Parida	BC-17-137	Seemant Kesari Parida
17.	Manoj Kumar Behera	BC-17-139	Manoj Kumar Behera
18	Deepak Kumar Gahan	BC-17-140	Deepak Kumar Gahan
19	Sarjeb Kumar Bhuyan	BC-17-141	Sarjeb Kumar Bhuyan
20.	Jagan Sahoo	BC-17-142	Jagan Sahoo
21.	Deep Ranjan Nayak	BC-17-144	Deep Ranjan Nayak
22.	Manas Ku. Parida	BC-17-147	Manas Ku. Parida
23.	Pinaki Rout	BC-17-148	Pinaki Rout

