

**ARRANGEMENT WITH
ARMY WELFARE HOUSING ORGANISATION (AWHO)
AIRFORCE AND NAVAL HOUSING BOARD (ANHB)**

AWHO is engaged in the activity of construction of houses for serving/ retired members of Army all over the country. AWHO buys land with its own funds from both government and private parties for construction activities. Only in exceptional cases, it seeks finances from Army Group Insurance Fund. AWHO has so far constructed and delivered about 15000 units and on an average, they construct 750 units per annum. Similarly, ANHB are also engaged in construction of houses/flats for serving/retired members of Indian Air Force and Indian Navy. In view of the substantial business likely to accrue from these organisations, the following concessions are granted to Army/Air Force/Navy personnel purchasing a flat/house from AWHO/ANHB, where check-off facility is available.

- a) Waiver of processing fee, irrespective of the amount of the loan.
- b) Non-encumbrance Certificate issued by AWHO/ANHB would be accepted in lieu of one from Bank's lawyer. Therefore, no search report will be required from Bank's advocate.
- c) Permission to mortgage would also be given by AWHO/ANHB.
- d) Obtention of Architect's certificates regarding present stage of construction is not required. A demand notice from AWHO/ANHB as per the drawn-up schedule would be sufficient for release of instalments of the loan.
- e) Borrowers would have the option to join a group insurance scheme with SBI Life whereby Life Insurance upto the loan outstanding would be available to them at a very concessional rate of premium.
- f) Under the above tie-up scheme, customers have the option to avail the facility from a branch as under

(i) BPR Centres:

All branches/sourcing outfits are authorized to source Home Loan proposals under the arrangement and the customers shall have the option to avail of Home Loans from any branch at BPR Centres. However, such Home Loan proposals should be processed, sanctioned and maintained at CPCs only.

(ii) Non-BPR Centres:

The Circles should identify a few select branches at non-BPR centres with good business potential available in their area of operations to optimally tap the same and, thereafter, efficiently process the applications received/accord quick sanctions.

- g) A tripartite agreement has to be signed by the borrower, AWHO or ANHB and the Bank (vide Annexure /HL. Defence-1) which is required to be entered into for all Home Loans sanctioned under the scheme. As per the agreement, AWHO/ANHB would stand

surety to the loan till delivery of possession to the allottee by AWHO/ANHB. Further, AWHO/ANHB will also undertake not to give NOC to any allottee for permission to dispose of the property or to transfer ownership without obtaining a "No Objection Certificate" from the Bank.

h) A Non-encumbrance Certificate has to be obtained from AWHO/ANHB (vide Annexure/HL. Defence-2). The original letter of allotment should be retained by the branch with the documents and should not be delivered to borrower till liquidation of the loan.

i) All other terms and conditions of Home Loan Scheme would be applicable to above tie-up loans also.