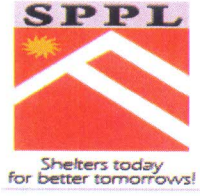


Pradhan Mantri Awas Yojana

Housing for All (Urban)



MEMORANDUM OF UNDERSTANDING BETWEEN SPPL AND SBI

SPPL and SBI jointly invite applications from Builders / Developers of Slum Rehabilitation Schemes in Greater Mumbai, which fulfill the following criteria for receiving 'Start-up Capital' from SPPL for construction of Rehabilitation Component for Slum Dwellers and 'Construction Finance' for construction of Affordable Housing Tenements for Urban Poor under Sale Component as per terms of Memorandum of Understanding between SPPL & SBI.

- (a) Slum Rehabilitation Scheme with valid Lol and Sanctioned Plans/Layout Plans/Building Plans clearly indicating areas earmarked for Rehabilitation Component & Sale Component and their registration as independent 'Real Estate' projects with MahaRERA.
- (a) SBI will evaluate the proposals of Builders/Developers of Slum Rehabilitation Scheme as per its Standard Norms, after the scrutiny by SPPL.
- (b) Slum Rehabilitation Scheme with atleast 75% Slum Clearance in contiguous land parcels and where Builders/Developers make commitment to complete balance 25% Slum Clearance within next 3 months will be considered by SPPL. PTC tenements if available can also be allotted by SPPL.
- (b) SBI's sanction of Construction/Builder Finance for Sale Component of Slum Rehabilitation Scheme shall be governed by DCCO (Date of Commencement of Commercial Operations) Rules of RBI.
- (c) Slum Rehabilitation Scheme in which atleast 35% Affordable Housing Tenements of upto 30 Sq. Mtrs. Carpet Area and another 25% of between 30 & upto 60 Sq.Mtrs. Carpet Area are proposed for construction under Sale Component will be considered by SPPL.
- (c) SBI's General Range for Rate of Interest for Construction Finance/Builder Finance for Sale Component of Slum Rehabilitation Scheme will be approximately between 9.45% to 12.45%.
- (d) Slum Rehabilitation Scheme must have good potential for Sale & Marketing of Affordable Housing Tenements of upto 30 Sq.Mts. & between 30 & upto 60 Sq. Mtrs. Carpet Area through CLSS-EWS/LIG & MIG of PMAY-HFA(U).
- (d) SBI may offer customized Project Finance to Builder/Developer under Slum Rehabilitation Schemes & it will be provided on the basis of their projected Cash Flows.
- (e) Slum Rehabilitation Scheme in which Affordable Housing Tenements are offered at Competitive Prices based on evaluation criteria linked Ready Reckoner rates & Cost Norms prescribed by RBI will be considered for recommendation to SBI.
- (e) SBI may offer some Schematic Products also to Builder/Developers under Slum Rehabilitation Schemes for Project Finance.
- (f) Slum Rehabilitation Schemes being implemented by Builders/ Developers having credible past performance in implementation of Real Estate projects in Greater Mumbai especially of 'In-Situ' Slum Rehabilitation Schemes will be given due preference by SPPL.
- (f) SBI would give preference to Builders/Developers of Slum Rehabilitation Schemes having External Credit Rating.
- (g) Joint Marketing Strategies may be framed by Builders/Developers with SBI for Sale of Home Loans under CLSS- EWS/LIG & MIG of PMAY-HFA(U) or Normal Schemes.

The Letter of Request & Annexure with Information/Data about the Slum Rehabilitation Scheme may be submitted by concerned Builders/ Developers in duplicate to the office of Managing Director, SPPL, 5th Floor, Grihanirman Bhavan, Kalanagar, Bandra (East), Mumbai-400051 and contact person for SPPL shall be G.M.(Admin/Marketing) and for SBI shall be Chief Manager (BFST).

Managing Director
SPPL

Chief General Manager
SBI