Last checked: 6 October 2026 · Department of Ex-Servicemen Welfare (Kendriya Sainik Board)

Financial Assistance as Interest Subsidy on Home Loan

The Kendriya Sainik Board repays half of the bank interest on a house construction loan to war widows, war disabled persons and some other war-affected families, on loans up to Rs 1,00,000.

What you may get

Half of the interest charged by the bank, or by a government or public sector lender such as LIC, GIC or HUDCO, is repaid to the applicant as a subsidy. It is worked out on a loan of up to Rs 1,00,000 even if the loan taken is larger, and it is paid every six months straight to the applicant.

Who it is for

War widows, war bereaved families, war disabled persons and attributable peacetime casualties of all ranks who took a loan to build a house.

Main conditions

- The help is only for war bereaved families, war disabled persons and attributable peacetime casualties of all ranks.
- The loan must be taken from a bank, or from a government or public sector lender such as LIC, GIC or HUDCO, to build a house.
- The subsidy is counted only on a loan of up to Rs 1,00,000, even if a bigger loan was taken.
- The subsidy is paid for at most 5 years, or until the loan is fully repaid if that comes first.

Documents

- Certificate from the bank or lender that the repayment schedule will not change
- Statement of the interest actually paid in the period being claimed
- Certificate from the bank or lender that loan and interest repayment was regular
- Attested copy of the Ex-Servicemen Identity Card
- Attested copy of the Discharge Book

How to apply

1. Get the two certificates and the interest statement from your bank or lender.
2. Attach attested copies of your Ex-Servicemen Identity Card and Discharge Book.
3. Submit the application through your Zila Sainik Board, which has to recommend it.
4. The Kendriya Sainik Board office examines the case and, once approved, pays the subsidy to you every six months.

Status

Active

Official source: https://ksb.gov.in/interest-subsidy-on-home-loan.htm
Labh Lo page: https://labhlo.in/en/schemes/central/ksb-interest-subsidy-home-loan-war-bereaved/

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