

BCC:BR:114/758

9<sup>TH</sup> November, 2022

**CIRCULAR TO ALL BRANCHES/ OFFICES IN INDIA AND ABROAD.**

Issued by  
HRM Department, BCC, Mumbai

Madam/ Dear Sir,

**Re : Life Insurance Cover for availing Staff Housing Loan – Modification to make it ‘optional’ instead of ‘mandatory’.**

We refer to master circular on Staff Loan Schemes No. HO:BR:112/284 dated 29.6.2020 wherein it is stipulated that obtaining Life Insurance cover is mandatory for availing staff housing loan looking to the substantial enhancement in the loan limits and with a view to protect the family of the employee from the financial burden in case of any unforeseen eventuality.

However, we have been receiving requests from several employees for relaxing the said criteria owing to the significant financial outgo towards the one-time premium of life insurance cover.

Albeit hedging the risk of life by obtaining an insurance cover with a view to provide financial protection to one's family is always a wiser decision, having regard to the requests of employees as also the financial outgo towards one-time premium and its long term implication on total payout, the matter was placed before Board of directors for modifying the provisions of obtaining Life Insurance Cover under Staff Housing Loan Scheme as 'optional' instead of 'mandatory'.

Board of Directors in their meeting held on 05.11.2022 approved the above proposal to modify the provision of obtaining life insurance cover for availing Staff Housing Loan as 'optional' instead of 'mandatory'.

The above revision shall be applicable to all Staff Housing Loans w.e.f. 05.11.2022 and also to those Staff Housing Loans which have already been sanctioned but yet to be disbursed.

Please bring the contents of this circular to the notice of all staff members.

Yours faithfully,



(PRAKASH VIR RATHI)  
CHIEF GENERAL MANAGER (HRM)