

एचओ:बीआर:112:284

दिनांक 29 जून, 2020

भारत में स्थित सभी शाखाओं/ कार्यालयों के लिए मास्टर परिपत्र

मानव संसाधन प्रबंधन विभाग, प्रधान कार्यालय, वडोदरा द्वारा जारी

महोदया / प्रिय महोदय

विषय: स्टाफ ऋण योजना पर मास्टर परिपत्र

हमारे बैंक ने स्टाफ सदस्यों के लिए उनके विभिन्न उद्देश्यों को पूरा करने हेतु विभिन्न स्टाफ ऋण योजनाओं की सुविधा उपलब्ध कराई है. जो बाजार में युवा प्रतिभा को आकर्षित करने और मौजूदा मानवबल को बनाए रखने के लिए हमारे समकक्ष अन्य बैंकों की तुलना में बेहतर हैं.

हमने विभिन्न स्टाफ ऋण योजनाओं के संबंध में निम्नलिखित मास्टर परिपत्र जारी किए हैं:

- 1) स्टाफ सदस्यों को स्टाफ आवास ऋण और बेजमानती ओवरड्राफ्ट को छोड़कर परिपत्र संख्या बीसीसी:बीआर:97/103 दिनांक: 20.04.2005 के माध्यम से सभी स्टाफ ऋण के लिए मास्टर परिपत्र परिचालित किया गया था.
- 2) स्टाफ सदस्यों के लिए बेजमानती ओवरड्राफ्ट सुविधा पर परिपत्र संख्या बीसीसी:बीआर:96/48 दिनांक 28.01.2004 के माध्यम से मास्टर परिपत्र परिचालित किया गया था.
- 3) परिपत्र संख्या बीसीसी:बीआर:106/484 दिनांक 08.12.2014 और परिपत्र संख्या बीसीसी:बीआर:107/117 दिनांक: 09.03.2015 के माध्यम से संशोधित स्टाफ आवास ऋण परिचालित किया गया था.

तदनुसार, बैंक ने स्टाफ सदस्यों के हित के लिए स्टाफ ऋण योजनाओं में कई संशोधन /आशोधन किये हैं.

स्थायी कर्मचारियों (निर्धारित सेवा अवधि के साथ) को उपलब्ध नियमित स्टाफ ऋण के अलावा परिवीक्षाधीन कर्मचारी और पात्र सेवा-अवधि से कम सेवा-अवधि वाले स्थायी कर्मचारी रिटेल ऋण अर्थात् रिटेल बैंकिंग विभाग बीसीसी, मुंबई द्वारा जारी परिपत्र सं. बीसीसी:बीआर:105/149 एवं 150 दिनांक 10.04.2013 और मानव संसाधन प्रबंधन विभाग द्वारा जारी परिपत्र सं. बीसीसी:बीआर:108/472 दिनांक 06.10.2016 के माध्यम से परिचालित "युवा अधिकारी /लिपिकीय स्टाफ के लिए बड़ौदा वाहन ऋण" की सुविधा ले सकते हैं.

जिन कर्मचारियों ने स्टाफ के लिए उपलब्ध बेजमानती ओवरड्राफ्ट सुविधा ली है वे आवास ऋण, वाहन ऋण, बाढ़/चक्रवात ऋण, चिकित्सा उपचार के लिए विशेष मांग ऋण और भविष्य निधि के न्यासी(ट्रस्टी) द्वारा मंजूर पीएफ आहरण को छोड़कर अन्य किसी ऋण की सुविधा प्राप्त करने के लिए पात्र नहीं होंगे.

यह परिपत्र स्टाफ ऋण पर समय-समय पर जारी सभी परिपत्रों का समेकन है. यह कर्मचारियों को उनकी सुविधा के लिए प्रत्येक स्टाफ ऋण योजना के बारे में विस्तृत दिशानिर्देश एक ही स्थान पर उपलब्ध कराएगा.

सभी स्टाफ ऋण (युवा अधिकारी/ लिपिकीय स्टाफ के लिए रिटेल ऋण एवं त्योहार अग्रिम सहित) के लिए मंजूरी एवं संवितरण से संबंधित विस्तृत दिशानिर्देश अनुलग्नक के रूप में संलग्न है.

भवदीय,


(सी मालोलन)

प्रमुख –मासं परिचालन





संलग्नक : अ/अ

MASTER CIRCULAR TO ALL BRANCHES/OFFICES IN INDIA

Issued by
HRM Department, Head Office, Vadodara

Madam/Dear sir,

Re.: **Master Circular on Staff Loan schemes**

Our Bank has extended various Staff loan schemes to staff members in order to meet with their requirement for various purposes which are better in comparison with peer banks to attract young talent from the market & also to retain the existing manpower. These loan schemes also makes our Bank as a Preferred Bank for the new talent in the market.

We have issued following Master circulars regarding various Staff loan schemes:

- 1) Master Circular on all Staff loans excluding Staff Housing Loan and Clean overdraft facility to Staff members was circulated vide circular no. BCC:BR:97/103 dated 20.04.2005.
- 2) Master circular on clean overdraft facility for staff members was circulated vide circular no. BCC:BR:96/48 dated 28.01.2004.
- 3) Revised Staff Housing Loan was circulated vide Circular no. BCC:BR:106/484 dated 08.12.2014 & Circular no. BCC:BR:107/117 dated 09.03.2015.

Subsequently, Bank has made many revision/modifications in staff loans schemes for the benefit of staff members.

Apart from Regular Staff loans available for Confirmed employees (with stipulated service period), employees under probation and confirmed employees with service less than eligible service period can avail Retail loans "Baroda Vehicle Loan for Young Officer/Clerical Staff" circulated vide circular no. BCC:BR:105/149 & 150 dated 10.04.2013 by Retail Banking Department, BCC, Mumbai & circular no. BCC:BR:108/472 dated 06.10.2016 issued by HRM Department.

Employees who have availed the clean overdraft facility for staff will not be eligible for availing any other staff loans except Housing loan, Conveyance loan, Flood/Cycle loan, Special Demand loan for medical purposes and Withdrawal from PF to be sanctioned by Trustees of Provident Fund.

This circular is a compilation of various Staff Loan schemes circulated from time to time. This will provide the detailed guidelines of each staff loan scheme at one place for convenience of employees.

The detailed guidelines regarding sanction and disbursement of all Staff Loans (including Retail loan for Young Officers/Clerical Staff & Festival Advance) is given in the Annexure.

Yours faithfully,


(C MALOLAN)

HEAD - HR OPERATIONS

Encl:- A/a

INDEX

Para no.	Sub Para no.	Particulars of Staff Loan schemes	Page no.
1.0		STAFF HOUSING LOAN	1
	1.21	ADDITIONAL STAFF HOUSING LOAN FOR REPAIRS, MAINTENANCE, ENLARGEMENT, RENOVATIONS	6
2.0		CLEAN OVERDRAFT FACILITY FOR STAFF MEMBERS	7
	2.19	CONVERSION OF CLEAN OVERDRAFT INTO TERM LOAN	10
3.0		CONVEYANCE LOANS	11
	3.1	CAR & TWO WHEELER LOAN FOR OFFICERS	11
	3.2	CAR & TWO WHEELER LOAN FOR CLERICAL	12
	3.3	TWO WHEELER LOAN FOR CLERICAL STAFF WHO HAVE JOINED THE BANK PRIOR TO 18.09.1989	14
	3.4	TWO WHEELER LOAN FOR SUBSTAFF	14
	3.5	TWO WHEELER (MOPED) LOAN FOR SUB-STAFF WHO JOINED THE BANK PRIOR TO 18.09.1989	15
	3.6	TWO WHEELER LOAN (PERMANENT PART- TIME SUB-STAFF)	16
	3.7	CYCLE LOAN	16
	3.8	BARODA VEHICLE LOAN FOR YOUNG OFFICER	17
	3.9	BARODA VEHICLE LOAN FOR YOUNG CLERICAL STAFF	18
	3.10	CLARIFICATION ON CONVEYANCE LOANS	19
4.0		DEMAND LOAN	21
5.0		PERSONAL LOAN	23
	5.1	PERSONAL LOAN FOR EMPLOYEES WHO HAVE JOINED THE BANK PRIOR TO 01.04.1991	23
	5.2	PERSONAL LOAN FOR EMPLOYEES WHO HAVE JOINED THE BANK ON OR AFTER 01.04.1991	23
6.0		SPECIAL DEMAND LOAN FOR MEDICAL PURPOSES	26
7.0		EXIGENCY LOAN	28
8.0		RELIEF LOANS TO STAFF MEMBERS (For Floods/ Cyclones, etc.)	30
9.0		SANCTION OF LOAN TO OFFICERS AND AWARD STAFF MEMBERS AGAINST WHOM DISCIPLINARY PROCEEDINGS ARE INITIATED	31
10.0		MIS-UTILISATION OF STAFF LOANS	31
11.0		GENERAL	32
		ANNEXURE 'A' - STATEMENT FOR SPECIAL DEMAND LOAN FOR MEDICAL PURPOSES	34

1.0 STAFF HOUSING LOAN (Scheme code LA611, LA620)

1.1 Eligibility: All confirmed employees

1.2 Purpose:

- Constructing a new Dwelling Unit on an existing plot
- Purchase of a plot for construction of House thereon within 3 years of such purchase.
For plots allotted by Government authorities - 3 years from the possession of the plot.
- Purchase of a new or old dwelling unit.

Staff Housing loan can be sanctioned to a staff member for purchase of plot / dwelling unit, owned singly / jointly with his / her spouse.

1.3 Loan Limit: 90% of Total cost of House, subject of Maximum limit as mentioned below, whichever is lower.

Grade/Scale	Scale-V and above	Scale-IV	Scale-I to III	Clerk	Sub-staff*
Scale wise Limit in Lakhs (in Rs.)	80	70	60	40	30

* Part time sub-staff members will be eligible for pro-rata of Rs. 30 Lakhs, in consonance to the scale of wages drawn by them

Total Cost of House Project including Stamp duty, Registration charges, GST (for under constructions house), One time Government charges (wherever applicable); Premium for Group Credit Life Insurance Scheme.

1.4 Margin: 10%

1.5 Rate of Interest : Up to 40 Lakhs : 5.5% simple interest
Beyond 40 Lakhs : 6% simple interest

1.6 Repayment period: Total Instalments : 360 (Maximum)
Principal: 270 (Maximum)
Interest: 90 (Maximum)

Principal amount will be recovered first and interest will be recovered later. Spread of recovery for Principal and interest shall be in the ratio of 3:1.

Repayment for under construction House/Flat :

Moratorium period of maximum 18 months after 1st disbursement or from the pay of the month following the completion of house/flat, whichever is earlier.

Repayment of Ready Build House/Flat:

From the following month in which loan disbursed.



Extending the upper age limit for repayment up to 75 years

Bank has extended the upper age for repayment to employees retiring on superannuation and Voluntary retirement up to the age of 75 years or repayment period of 30 years, whichever is earlier.

Wherever the repayment period will be extended beyond retirement, the sanctioning authority can specify the repayment schedule in such a manner so that employee repays a larger instalment amount while in service and lower instalment amount after retirement. This will also reduce interest instalment amount which will be paid normally after retirement from pension income.

This condition can be reviewed by the Competent authority at the time of retirement also so as to recover larger instalment amount in the beginning few years post retirement and lower instalment amount in the later years.

In all other cases, an employee will be required liquidate the entire Staff Housing loan outstanding at the time of their separation as per existing terms and conditions.

The existing Staff housing loan of staff members can be extended up to 75 years of applicant's age or maximum loan tenure up to 30 years, whichever is earlier with the approval of Competent authority.

1.7 **Security:** Equitable mortgage of the property.

1.8 **Documents & Documentation charges**

1. Term Loan Agreement LDOC 23A
2. Original Share certificate transfer form, wherever applicable
3. Letter addressed to Trustees of Provident Fund
4. Undertaking that employee has not availed Housing Loan in past. If availed, details of the same to be furnished.
5. Stamped undertaking to create Equitable Mortgage
6. Stamped undertaking to create Legal mortgage
7. Stamped undertaking to deposit 50% rent, if the property is let out
8. Stamped undertaking for deduction of instalments
9. Stamped undertaking / power of Attorney duly attested by Notary/ Magistrate to cover conversion of equitable mortgage and execution of documents in such cases as well - LDOC 108
10. Stamped undertaking to produce all documents within reasonable time.
11. Any other documents as mentioned in the sanction letter.

Comprehensive Insurance policy on the house/property to be obtained every year till the loan is settled in full.

Where the house/property is owned jointly by the employee with his/her spouse / Son / Daughter additionally guarantee form and stamped undertaking to create equitable legal mortgage to be obtained from the Spouse / Son / Daughter also.



The above documents are apart from the other specified documents to be submitted by the employee at the sanction stage along with the application form. There is no change made as regards documents to be obtained from employee/ fundamental procedural steps to be followed for grant / sanction of staff housing loan.

Documentation charges: As Actual

1.9 Competent Authority for sanction

- Officers up to SMG/S-IV from branches: Centralised Processing Cell - Retail Assets, GIFT City, Gandhinagar
- SMG/S-V and VI: Zonal Head
- Scale VII and above : Competent Authority at BCC, Mumbai

The details of all loans sanctioned to officers in Senior/Top management grade is required to report to Retail Banking Deptt, BCC, for reporting to MCB.

In case the disbursement of housing loan in instalments, the same should be within the sanctioned limit. The Branch Manager concerned, while disbursing second and subsequent instalments of the Staff Housing loan, shall send a certificate to the Competent Authority to the effect that physical verification of construction has been carried out and the disbursement is made after fulfilling all the conditions stipulated by the competent authority, for disbursement of the Staff housing loan.

1.10 Advocate/Valuation charges : As Actual

1.11 Permitting Employees to acquire 2nd Staff Housing Loan within the Overall Loan ceiling

Employees shall be permitted to avail 2nd Housing Loan within the overall maximum limit stipulated for Staff Housing Loan. The amount of loan will be restricted to:

- 90% of the cost of house acquired / amount outstanding, as on the date of application in the loan account raised under public scheme from our Bank or any other Financial Institution to acquire the house OR
- Entitlement as per the staff Housing loan limits, reduced by Staff Housing loan limit availed earlier, irrespective of whether the earlier house is sold or not, whichever is lower.

1.12 Permitting Employees to acquire 3rd Staff Housing Loan within the Overall Loan ceiling

Employees are also permitted to avail Staff Housing Loan for 3rd dwelling unit within the Overall Loan ceiling prescribed for Staff Housing Loan subject to the condition that at any point of time, there should not be more than 2 dwelling units in the name of the employee.

In order to ensure that the facility of Staff Housing Loan (concessional terms) is not used for speculative purposes, it is stipulated as under:



- i. An employee should not sell such house/property acquired by availing concessional staff housing loan within a period of 10 years from the date of availment of the loan for purchase of 2nd / 3rd House.
- ii. In the event of the said house being sold within the period of 10 years from the date of availment for any reasons (except in the cases of sale of house on account of death of the staff member or on account of separation of the employee which warrant closure of the loan account immediately), the said housing loan account has to be liquidated immediately with the sale proceeds. In such cases, commercial terms and rate of interest as applicable to staff in the case of public housing loan scheme shall be applicable on such loan account for the entire repayment period from the date of availment to the date of liquidating the account.
- iii. In case of sale of House/property purchased by availing Staff Housing loan, the sale proceeds are to be deposited into the loan accounts only.
- iv. All other terms and conditions of Staff Housing loan will be applicable in case of 2nd and 3rd Housing loan also.

1.13 Linkage of Concessional benefit to Employees staying with the Bank:

The concessional benefit under this scheme shall be available to employees staying with the Bank. Hence, in the case of employees who have tendered their resignation / VRS within a period of 5 years from the date of availment of staff housing loan, the interest component on the loan will be revised applying the following interest rate from the date of availment of the loan:

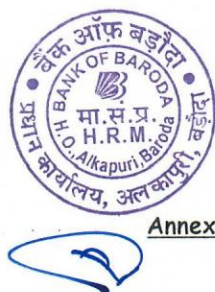
Upto Rs. 40 Lakhs - 8% (simple)
Beyond Rs. 40 Lakhs - 9% (simple)

This clause will not apply to employees retiring on superannuation and also in case of unfortunate death of an employee.

For employees who have tendered their resignation / VRS within 5 years from the date of availing the staff housing loan, the interest component on the loan have to be revised applying the interest rates as mentioned above from the date of availment of the loan. Branches have to apply a separate interest table code L 6116 in such cases for calculating the balance outstanding and ensure recovery of the same before relieving wherever applicable.

1.14 Change of Security:

In appropriate cases, on account of compelling reasons, staff members may be permitted to change his/her flat/house by way of change in security and continuing with the loan repayment as per schedule with a condition that the outstanding limit will be maintained and no fresh additional housing loan will be sanctioned. Surplus generated, if any from the sale proceeds has to be recovered and credited to housing loan account of the employee. The only change would be in the Security. The competent authority for change of Security (without any additional housing loan) will be the Sanctioning authority as per para no. 1.9 above.



1.15 Sanction of Staff Housing Loan to Employees against whom Disciplinary proceedings are pending or are under Suspension

Application for considering Staff Housing loan against whom disciplinary proceedings are initiated for major misconduct or who are under suspension, may be considered, depending upon the gravity of the case. The competent authority for sanction of Staff Housing loan in such cases will be General Manager (HRM). In such cases, the employee will be required to add one of his/her close relative as Guarantor who should be an earning member.

1.16 Loan eligibility where husband and wife are both employees of the Bank

In case where husband and wife are both employees of the Bank, each of them shall be eligible in their individual capacity and entitlement, for availing Staff housing loan for maximum -02- properties (singly or jointly). They can avail the combined loan limit and their incomes shall be clubbed for enhanced loan eligibility provided the property proposed to be purchased is jointly held by them.

1.17 Conversion of Public housing loan availed jointly with Son / Daughter

Public Housing loan availed by staff member jointly with Son / Daughter shall be eligible for being considered for conversion to Staff Housing loan scheme as a Deviation. Fresh loan request from staff member jointly with Son / Daughter may also be considered as a Deviation. Staff Housing loan will be in the name of staff member only and eligibility shall be reckoned based on the income of the staff member only and joint income of son / daughter will not be clubbed for considering the limit or repayment capacity. The son / daughter will be the guarantor and the mortgage will be created jointly.

Authority for permitting the deviations will be RMCC for Award staff and Officers upto MMG/S-III (to be placed by Credit Department, Regional Office) and committee of GMs of Retail and SME Banking for Officers in SMG/S-IV and above (to be placed by Retail Banking Department, BCC, Mumbai).

1.18 Purchasing House property jointly with Spouse / Son / Daughter as 2nd or Subsequent owner

The stipulation for the staff-member's name to appear first in case of joint property for grant of Staff Housing loan has been dispensed with. Staff-member can be second / subsequent owner while availing Staff housing loan in a property purchased jointly with Spouse / Son / Daughter subject to compliance of other terms and conditions.

1.19 Group Credit Life Insurance Cover for Staff Housing Loan

The insurance cover under Group Credit Life Insurance scheme is mandatory for Housing Loans sanctioned under Staff Housing Loan. The staff member is free to avail of insurance cover for Staff Housing Loan from any Insurance Company in the market subject to the terms and conditions stipulated by the Bank. Staff member can take any term plan or similar policies (other than ULIP policies), which is to be assigned to the Bank.



The onetime premium amount for such policies may also be financed as part of the loan at the request of the staff member/ borrower. Premium to Group Credit Life Insurance scheme will be over and above the limits prescribed for staff housing loan. The premium amount will not be reckoned for calculation of margin.

The sum assured for the policy should be minimum 120% of the loan amount (including loan amount for insurance if any). Staff member/borrower/policy holders should given an undertaking to the Bank that in case of death, Bank is authorised to liquidate the staff housing loan with the proceeds of the policy. Balance in excess of outstanding balance, if any, will be paid to the legal heirs of the staff member.

1.20 Other conditions:

- Branch Head has to certify while forwarding the application that there is no disciplinary actions pending/contemplated against the applicant employee for Major misconduct / applicant employee is not placed under suspension.
- An employee, on his promotion from one Grade/cadre to a higher grade / cadre may also be permitted to avail of the staff housing loan upto his/her entitlement as per the grade/cadre to which he / she is promoted, for repayment of any loan taken under public scheme from the Bank / outside borrowing from a verifiable source, to the extent of the ceiling prescribed for his current grade / cadre or the balance of his estimated cost, whichever is lower.
- In case the house / property acquired by availing staff housing loan is let out, 50% of the rent received is to be deposited into the loan account.
- Proportion of Plot area and constructions area should be appropriate.
- Part reimbursement will be allowed to staff member in case of direct payment to Builder /Seller/Contractor provided that the payment is made by verifiable banking transaction from verifiable sources.
- Spouse/Son/Daughter who is a joint owner of the property should stand as a Guarantor only.

1.21 ADDITIONAL STAFF HOUSING LOAN FOR REPAIRS, MAINTENANCE, ENLARGEMENT, RENOVATIONS (Scheme Code : LA613)

- Limit

Cadre	Officers	CLERK	SUBSTAFF*
Scale wise Limit in Lakhs (in Rs.)	10	7	5

* Limits for part-time sub-staff would be fraction of Rs. 5 Lakhs, pro-rata to the scale wage.

- Repayment period : 120 instalments (90 Principal & 30 interest)
- Margin : 25% of the estimated cost
- Rate of interest : Same as for staff housing loan (i.e. 5.5% at present)
- Documents : Same as for staff housing loan

All other applicable terms and conditions will remain unchanged.



2.0 CLEAN OVERDRAFT FACILITY FOR STAFF MEMBERS (Scheme code : OD003)

2.1 Purpose

For any bonafide need of officers/award staff. This facility would be in lieu of various existing staff loan facilities except Housing Loan, Vehicle Loan, Special Demand Loan for medical treatment, Flood/Cyclone Loan and PF Loan sanctioned by Trustees. However, the account should not be allowed to be used for any transactions of a speculative nature. Branches/ Offices to report all cases of misuse to their respective Regional Authorities and Administrative Offices to the Asstt./Dy. Gen. Manager (HRM), HO, Baroda.

2.2 Eligibility

All confirmed staff members with minimum 1 year of service in the Bank.

Eligibility of Permanent part time employed will be determined as per extant guidelines i.e. as per the scale wages.

2.3 Limit

CADRE	Length of Service * & Maximum limit in Lakhs
OFFICERS	1 year and above but less than 10 years : 6.00
	10 years & above : 8.00
CLERICAL	1 year and above but less than 10 years : 4.00
	10 years & above : 5.00
SUBSTAFF	1 year and above but less than 10 years : 2.00
	10 years & above : 3.00

* Service refers to the aggregate service in all cadres

Permanent part-time employees will be eligible for pro-rata limits as per their scale of wages.

2.4 Total Deductions

The total deductions from the salary of the applicant employee on account of statutory deductions, other loan instalments (except Flood/cyclone loan) and monthly interest on the clean overdraft limit (assuming that the proposed limit is fully drawn) should not exceed 60% of the gross monthly emoluments.

2.5 Enhancement in limit

The employees will be eligible for enhancement in the existing limit as and when the eligibility of the limit changes on the basis of length of service, promotion, change in salary or deductions etc.

2.6 Rate of Interest : 7% p.a. on compounding basis with monthly rests.

2.7 Period of sanction & annual review

12 months subject to annual review. Account should be reviewed at the Branch level. Accounts falling due for review during the month should be reviewed in the preceding month. The review of the account should be reported to the next higher authorities. Only application for Review with Increase should be sent to HRCPC.

2.8 Documents

- Application as per prescribed proforma. (including an undertaking that the loan will not be utilized for investment in shares, equities, etc. for speculative purposes and authorizing credit of salary and allowances in the Overdraft account).
- Demand Promissory Note.
- Letter of continuing Security with negative lien clause
- Personal Guarantee Letter from the PF/Gratuity nominee/s
- Declaration/Undertaking from the employee (incorporated in application) THAT (i) he/she shall not be entitled to apply/avail staff loans of any kind from the Bank other than Housing Loan, Vehicle Loan, Spl. Demand loan for medical treatment & PF Loan sanctioned by the Trustees, (ii) he/ she shall not avail of any loans from outside sources for which instalments will have to be deducted from his/her salary and remitted by the Bank to such outside sources during the period of operation of the Overdraft facility sanctioned by the Bank and (iii) he/she has understood all the terms and conditions of the Overdraft Scheme and shall abide by the same failing which shall render himself/herself liable to repay the entire loan plus interest and will be ineligible for further facility under this scheme or any other staff loan schemes, besides attracting appropriate Disciplinary Action.
- Letter of authority to the Bank to appropriate the Terminal Benefits (Bank's contribution to PF, employee's own contribution, Gratuity, Leave encashment and/or any other amount payable to the employee) towards the liability under the overdraft facility if the employee ceases to be in the service of the Bank.
- Unstamped undertaking in duplicate from the nominee/s appointed under the PF/Gratuity Fund Rules.
- To record the employee's consent in regard to all the terms of the sanction, the employee's signature should be obtained on the office copy of the sanction signifying acceptance of terms and conditions of the limit.
- L.A.D as and when due.

2.9 Sanctioning Authority: HRCPC, Head Office, Vadodara.

2.10 Other conditions:

- The overdraft account will have to be maintained at the salary paying Branch.
- It will be mandatory for the employees to designate the O/D account for credit of their monthly salary.
- At the time of transfer of the employee, the overdraft account also shall be transferred to the new branch. In case of differential in stamp duty, fresh documents should be obtained, if necessary.



- On availing the Staff overdraft facility, employee will have to close all loan accounts under the public scheme from our Bank or other Bank/Financial Institution except permissible loans under the scheme.

2.11 **Service Charges:** Being a facility to staff members, there will not be any incidence of service charges, ledger folio charges, cheque book charges etc in the overdraft account.

2.12 **Interest on overdrawn:**

It is to be ensured that the Overdraft account is regular and not overdrawn for any reason at any time. If, however, the account remains overdrawn for any reason, including on account of interest debit, penal interest @2% p.a would be levied on the irregular portion for the period applicable over and above the normal interest charged. The employee should be notified to adjust the overdrawn amount promptly failing which appropriate Disciplinary Action would be initiated.

2.13 **Clean Overdraft a/c in joint names :** The clean overdraft account for staff member cannot be opened in joint names.

2.14 **Disqualification for limit**

The facility would not be sanctioned to staff members in the following cases:

- Employees under suspension
- Employees to whom a charge sheet has been issued in a vigilance / non vigilance case for major penalty proceedings or Gross misconduct.
- Employees who have remained on frequent leave on loss of pay / extraordinary leave on loss of pay/ unauthorized absence during the last one year.

All other cases where Disciplinary Action is pending / contemplated would be considered for sanction only after clearance from the respective Disciplinary Authority.

2.15 **Drawings in case where employee is put under suspension or to whom charge sheet is issued**

- No further drawings in the account will be allowed to employees who are put under suspension or to whom charge sheet for major penalty proceedings/ gross misconduct is issued subsequent to the sanction of limit.
- Subsistence allowance will be allowed to be withdrawn from the account after adjustment of interest.
- Salary will be allowed to be withdrawn from the account after adjustment of interest.

2.16 **Other loans**

All Staff loans facilities except Housing Loan, Conveyance Loan, Special Demand Loan for medical treatment, Flood/Cyclone Loan and PF Loan sanctioned by Trustees are to be closed immediately upon sanction of Overdraft facility by the Bank.



All loans availed by an employee from outside sources for which Bank is deducting instalments from the salary of the employee and remitting to the outside lender shall also have to be closed simultaneously for consideration of the Overdraft facility by the Bank.

The employees shall continue to avail other loans / advance facilities which are not covered under any specific Staff Loan scheme and which are self-liquidating like loan against NSC, Govt. securities, Bank's own deposits (LABOD), Festival Advance, etc.

2.17 Issuance of certificate for tax purposes

This being a multi-purpose account, Branches should not issue any certificate to IT authorities enabling employees to seek tax relief, as available in the case of loans for housing purpose etc.

2.18 GENERAL

Bank reserves the right to modify / change any of the terms and conditions of the Scheme or rescind the Scheme at any time.

2.19 CONVERSION OF CLEAN OVERDRAFT INTO TERM LOAN (Scheme code: LA659)

Staff members will have an option for conversion of Staff overdraft availed by them into Term loan before -05- years of cessation of their service, subject to following conditions:

- A staff member with minimum -05- years of residual service can exercise this option once in his service period and once exercised, it shall be irrevocable.
- The employee will have to pay the outstanding into SOD after conversion into term loan in fixed Equated monthly instalments.
- It must be ensured that the total deductions from the salary on account of statutory deductions, other loan instalments (except Flood/cyclone loan) including recovery / EMI towards proposed Term loan should not exceed 60% of the gross monthly emoluments
- The rate of interest for Term loan (converted outstanding SOD amount) shall be the same as applicable for SOD facility from time to time.
- After exercising the above option, the concerned staff member shall not be eligible for SOD and any other loans under schemes of staff loans except Housing loan, Conveyance loan, Special Demand loan for medical purposes and PF loan sanctioned by Trustees.
- HRCPC, Vadodara will be the sanctioning authority for conversion of SOD into Term loan.



3.0 CONVEYANCE LOANS

3.1 CAR & TWO WHEELER LOAN FOR OFFICERS (Scheme code: LA654 - Four Wheeler & LA652 for Two Wheeler):

- Eligibility:
Car : Confirmed Officers with minimum 2 years of continuous service in the Bank.
Two Wheeler: Confirmed Officer
- Purpose: Purchase of Car & two wheelers
- Limit: 90% of 'On road price" including invoice price, Road tax, cost of registration and total Insurance, less discount (if any) & excluding cost of accessories, extended warranty etc or Rs. 15 Lakhs, whichever is less.
- Rate of Interest applicable: 5.5% simple interest
- Documents:
D.P. Note, Earmarking of PF, Letter of instalments, Hypothecation of Vehicle, Insurance Policy of the vehicle, Vehicle Registration-Lien in Bank's favour, Blank TTO form.
- Recovery :
Car: 120 instalments (90 Principal & 30 Interest)
Two wheeler: 84 instalments (63 Principal & 21 Interest)

However, where an employee has less than 10 years of service remaining at the time of sanction of Car loan, the employee can

- Continue the Car/four wheeler loan beyond superannuation up to maximum age of 67 years (not exceeding 120 instalments in the ratio of 3:1 towards principal & Interest, respectively) subject to the condition of showing adequate and verifiable income flow to service the loan repayment post retirement.

This condition will be reviewed by the competent authority/ sanctioning authority at the time of retirement. Wherever the repayment period extends beyond retirement, the benefit of staff rate and other terms and conditions of the Conveyance Loan for staff like simple interest shall continue to be available to the employee after superannuation also, maximum up to age of 67 years, as specified.

An application for grant of car / four wheeler to be submitted by the employee at least 30 days prior to his/her retirement.

- In case an employee does not want to extend the repayment period beyond retirement and he/she may liquidate the total loan outstanding (after charging unapplied interest) at the time of retirement from his/her terminal benefits, provided that the projected



terminal benefit dues are sufficient to cover the projected loan outstanding amount at the time of retirement.

The facility of repayment up to the age of 67 years will not be made available to employee who take VRS/resign from the Bank's service before attaining the age of superannuation and they shall have to liquidate the entire car loan outstanding at the time of resignation/VRS.

- Extension of repayment period beyond retirement is not available for two wheeler loans.

○ **Subsequent Loan**

Officers can avail 2 simultaneous/subsequent loans (1 Car & 1 two wheeler) within the overall limit i.e. 90% of 'On Road Price' or Rs. 15 Lakhs, whichever is less.

○ **Other Conditions**

Maximum permissible deductions from salary - 65%.

Total deductions on account of Income Tax, Contribution to Provident Fund / NPS, LIC premium, interest servicing on SOD limit including recovery towards the proposed loan under the scheme and other loans (excluding flood/ cyclone loans) and any other recovery, etc. should not exceed 65% of the gross salary.

3.2 **CAR & TWO WHEELER LOAN FOR CLERICAL (Scheme code: LA653 - Four Wheeler & LA652 for Two Wheeler)::**

○ **Eligibility:**

Car: Confirmed Clerical with minimum 3 years of continuous service in the Bank.

Two Wheeler: Confirmed Clerical

○ **Purpose:** Purchase of Car & Two wheeler

○ **Limit:** 90% of 'On road price" including invoice price, Road tax, cost of registration and total Insurance policy, less discount (if any) & excluding cost of accessories, extended warranty etc or Rs. 7 Lakhs, whichever is less.

○ **Rate of Interest applicable:** 5.5% simple interest

○ **Documents:**

D.P. Note, Earmarking of PF, Letter of instalments, Hypothecation of Vehicle, comprehensive Insurance Policy of the vehicle, Vehicle Registration-Lien in Bank's favour, Blank TTO forms.

Recovery :

Car: 120 instalments (90 Principal & 30 Interest)

Two wheeler: 84 instalments (63 Principal & 21 Interest)



However, where an employee has less than 10 years of service remaining at the time of sanction of Car loan, the employee can

- Continue the Car/four wheeler loan beyond superannuation up to maximum age of 67 years (not exceeding 120 instalments in the ratio of 3:1 towards principal & Interest, respectively) subject to the condition of showing adequate and verifiable income flow to service the loan repayment post retirement.

This condition will be reviewed by the competent authority/ sanctioning authority at the time of retirement. Wherever the repayment period extends beyond retirement, the benefit of staff rate and other terms and conditions of the Conveyance Loan for staff like simple interest shall continue to be available to the employee after superannuation also, maximum up to age of 67 years, as specified.

An application for grant of car / four wheeler to be submitted by the employee at least 30 days prior to his/her retirement.

- In case an employee does not want to extend the repayment period beyond retirement and he/she may liquidate the total loan outstanding (after charging unapplied interest) at the time of retirement from his/her terminal benefits, provided that the projected terminal benefit dues are sufficient to cover the projected loan outstanding amount at the time of retirement.

The facility of repayment up to the age of 67 years will not be made available to employee who take VRS/resign from the Bank's service before attaining the age of superannuation and they shall have to liquidate the entire car loan outstanding at the time of resignation/VRS.

- Extension of repayment period beyond retirement is not available for two wheeler loans.

○ Subsequent Loan

Clerical Staff member can avail 2 simultaneous/subsequent loans (1 Car & 1 two wheeler) with in the overall limit i.e. 90% of 'On Road Price' or Rs. 7 Lakhs, whichever is less.

○ Other Conditions

Maximum permissible deductions from salary - 65%.

Total deductions on account of Income Tax, Contribution to Provident Fund / NPS, LIC premium, interest servicing on SOD limit including recovery towards the proposed loan under the scheme and other loans (excluding flood/ cyclone loans) and any other recovery, etc. should not exceed 65% of the gross salary.



3.3 TWO WHEELER LOAN FOR CLERICAL STAFF WHO HAVE JOINED THE BANK PRIOR TO 18.09.1989 (Scheme code: LA651):

○ Eligibility

Confirmed employees who have joined the Bank prior to 18.09.1989.

○ Purpose: Purchase of 2 Wheelers (Scooter / Motor-cycle / Moped).

○ Limit: Upto Invoice Value / Control Price of the vehicle, excluding RTO / Insurance Charges / Cost of Accessories.

○ Rate of Interest applicable: Free of Interest.

○ Documents:

D.P. Note, Earmarking of PF, Letter of instalments, Hypothecation of Vehicle, Comprehensive Insurance Policy of the vehicle, Vehicle Registration-Lien in Bank's favour, Blank TTO forms.

○ Recovery: Not more than 60 monthly instalments.

○ Other Conditions

Maximum permissible deductions from salary - 65%.

Total deductions on account of Income Tax, Contribution to Provident Fund / NPS, LIC premium, interest servicing on SOD limit including recovery towards the proposed loan under the scheme and other loans (excluding flood/ cyclone loans) and any other recovery, etc. should not exceed 65% of the gross salary.

3.4 TWO WHEELER LOAN FOR SUBSTAFF (Scheme code: LA652):

○ Eligibility:

Two Wheeler: Confirmed Full time Sub-staff

○ Purpose: Purchase of Two wheeler

○ Limit: 90% of 'On road price" including invoice price, Road tax, cost of registration and Insurance, less discount (if any) excluding cost of accessories, extended warranty etc or Rs. 90000/-, whichever is less.

○ Rate of Interest applicable: 5.5% simple interest

Documents:



D.P. Note, Earmarking of PF, Letter of instalments, Hypothecation of Vehicle, Insurance Policy of the vehicle, Vehicle Registration-Lien in Bank's favour, Blank TTO forms.

- **Recovery** : 84 instalments (63 Principal & 21 Interest)
- **Subsequent Loan**
Minimum gap between two staff vehicle loan should be 4 years from the date of disbursement of last vehicle loan and settlement of previous vehicle loan in Full.
- **Other Conditions**
Maximum permissible deductions from salary - 65%.

Total deductions on account of Income Tax, Contribution to Provident Fund / NPS, LIC premium, interest servicing on SOD limit including recovery towards the proposed loan under the scheme and other loans (excluding flood/ cyclone loans) and any other recovery, etc. should not exceed 65% of the gross salary.

3.5 TWO WHEELER (MOPED) LOAN FOR SUB-STAFF WHO JOINED THE BANK PRIOR TO 18.09.1989 (Scheme code: LA651):

- **Eligibility:** Confirmed employees who joined the Bank prior to 18.09.1989.
- **Purpose** : Purchase of 2 wheeler (Moped only). Moped defined as a mechanised 2 wheeler other than scooter / motorcycle with engine capacity of 80 cc or less and non-geared.
- **Limit** : Up to Cost / Control Price of the vehicle, excluding cost of accessories and RTO and insurance charges.
- **Rate of Interest applicable** : Free of Interest.
- **Documents:**
D.P. Note, Earmarking of PF, Letter of instalments, Hypothecation of Vehicle, Insurance Policy of the vehicle, Vehicle Registration-Lien in Bank's favour, Blank TTO.
- **Recovery:** Not more than 60 monthly instalments.
- **Other Conditions**
Maximum permissible deductions from salary - 65%.

Total deductions on account of Income Tax, Contribution to Provident Fund / NPS, LIC premium, interest servicing on SOD limit including recovery towards the proposed loan under the scheme and other loans (excluding flood/ cyclone loans) and any other recovery, etc. should not exceed 65% of the gross salary.



3.6 TWO WHEELER LOAN (PERMANENT PART- TIME SUB-STAFF) (Scheme code: LA652):

○ Eligibility

Confirmed Part-time Sub-staff of the Bank on the same terms & conditions as applicable to workmen employee who joined the service of the Bank on or after 18.09.1989. (Pay includes Basic pay, Stagnation increment, Spl. Pay, Spl. Allowance).

○ Purpose

Purchase of 2 wheelers (Scooter / Motorcycle/ Moped)..

- Limit: 90% of 'On road price" including invoice price, Road tax, cost of registration and Insurance, less discount (if any) excluding cost of accessories, extended warranty etc or Rs. 90000/-, whichever is less.

- Rate of Interest applicable: 5.5% simple interest

○ Documents

D.P. Note, Earmarking of PF, Letter of Instalments, Hypothecation of Vehicle, Insurance Policy of the vehicle, Vehicle Registration-Lien in Bank's favour, Blank TTO forms.

○ Recovery:

The loan, together with interest thereon, is required to be repaid in not more than 84 equal monthly instalments in the ratio of 3:1 i.e. 63 instalments for principal and 21 instalments towards recovery of interest.

○ Other Conditions:

Maximum permissible deductions from salary - 65%

Total deductions on account of Income Tax, Contribution to Provident Fund / NPS, LIC premium, interest servicing on SOD limit including recovery towards the proposed loan under the scheme and other loans (excluding flood/ cyclone loans) and any other recovery, etc. should not exceed 65% of the gross salary.

3.7 CYCLE LOAN (Scheme code: LA651)::

○ Eligibility

All confirmed employees of the Bank (Officers / Award Staff) including Permanent part - time employees are eligible for Cycle Loan

Purpose : Purchase of NEW Bicycle.

Limit



Upto Control Price for Award Staff (within overall limit of 7 Lakhs for Conveyance loan - applicable to clerical staff).

90% of the control price for Officers (within overall limit of 15 Lakhs for Conveyance loan).

○ Rate of Interest applicable

Officer - 5.5% Simple interest

Award Staff - Free of Interest.

○ Documents

D.P. Note, Earmarking of PF, Letter of Instalments, Hypothecation of Vehicle.

○ Recovery

Officers - 24 equated monthly instalments.

Award Staff - 30 monthly instalments.

○ Other Conditions:

- Maximum permissible deductions from salary - 65%.
- Total deductions on account of Income Tax, Contribution to Provident Fund / NPS, LIC premium, interest servicing on SOD limit including recovery towards the proposed loan under the scheme and other loans (excluding flood/ cyclone loans) and any other recovery, etc. should not exceed 65% of the gross salary.

3.8 BARODA VEHICLE LOAN FOR YOUNG OFFICER (Scheme code: LA656 for Car & LA657 for Two wheeler)

- Purpose: For purchase of New / Second hand Car/ Two Wheeler for personal use
- Type of facility: Term loan
- Eligibility: All Officers who are not eligible for Staff Conveyance Loan due to length of service
- Loan Limit: Car : 7 Lakhs & Two wheeler : 0.75 Lakhs
- Margin: 10% of "On Road Price"
On Road Price includes invoice price, insurance & Registration charges
- Rate of Interest: One year MCLR + Strategic Premium
- Repayment period : 60 EMI
- Other Conditions
 - Officer will not be permitted to avail Another Vehicle Loan form our Bank/ Other Bank till this loan is repaid in Full
 - Loan can be availed from the Branch, where salary is being paid
 - Takeover of car loans availed from other banks is permissible
 - EMI of the Loan to be deducted from the Salary of the Officer
 - No 3rd party guarantee is required
 - Total deductions of Officer should not exceed 60% of his/her salary after including EMI to be deducted under this loan

- Undertaking to the effect that the Officer will liquidate the entire outstanding loan before leaving the Bank in case of resignation
- Inspection of the Vehicle to be carried out as per Bank's norms
- Conversion of loan to Staff Vehicle on becoming eligible for the same is permissible on request
- Loan for purchase of second hand vehicle is also permissible
- **Documentation / Security**
 - D P Note
 - Hypothecation of Vehicle (LDOC-20)
 - Letter of Instalment with Acceleration clause
 - Declaration cum Undertaking cum Authority
 - Bank's charge to be noted with RTO (certified photocopy of RTO Registration having Bank's name as Financer to be kept on record with the documents)
 - Blank TTO form in duplicate
 - Earmarking of PF (wherever applicable)
- **Insurance** : comprehensive insurance of the vehicle with Bank's clause
- **Processing charges**: Rs. 1000/- flat for Car loan and Rs. 500/- flat for Two wheeler loan
- **Sanctioning Authority**: Dy. Regional Manager

3.9 **BARODA VEHICLE LOAN FOR YOUNG CLERICAL STAFF (Scheme code: LA658)**

- **Purpose**: For purchase of New / Second hand Two Wheeler for personal use
- **Type of facility**: Term loan
- **Eligibility**: All Clerical staff who are not eligible for Staff Conveyance Loan due to length of service
- **Loan Limit**: Two wheeler : 0.60 Lakhs
- **Margin**: 10% of "On Road Price"
- On Road Price includes invoice price, insurance & Registration charges
- **Rate of Interest**: One year MCLR + Strategic Premium
- **Repayment period**: 72 EMI
- **Other Conditions**:
 - Staff member will not be permitted to avail Another Vehicle Loan form our Bank/ Other Bank till this loan is repaid in Full
 - Loan can be availed from the Branch, where salary is being paid
 - Takeover of Vehicle Loan availed from other banks is permissible
 - EMI of the Loan to be deducted from the Salary of the Clerical staff
 - No 3rd party guarantee is required
 - Total deductions of Clerical Staff should not exceed 60% of his/her salary after including EMI to be deducted under this loan



- Undertaking to the effect that the Clerical Staff will liquidate the entire outstanding loan before leaving the Bank in case of resignation
- Inspection of the Vehicle to be carried out as per Bank's norms
- Conversion of loan to Staff Vehicle on becoming eligible for the same is permissible on request
- Loan for purchase of second hand vehicle is also permissible
- Documentation / Security
 - D P Note
 - Hypothecation of Vehicle (LDOC-20)
 - Letter of Instalment with Acceleration clause
 - Declaration cum Undertaking cum Authority
 - Bank's charge to be noted with RTO (certified photocopy of RTO Registration having Bank's name as Financer to be kept on record with the documents)
 - Blank TTO form in duplicate
 - Earmarking of PF (wherever applicable)
- Insurance : comprehensive insurance of the vehicle with Bank's clause
- Processing charges: Rs. 500/- flat
- Sanctioning Authority: Dy. Regional Manager

3.10 CLARIFICATION ON CONVEYANCE LOANS

- Sanctioning Authority for all Conveyance Loans (except Baroda Vehicle loan for Young Officers & Clerical Staff): HRCPC, Head Office, Vadodara.
- The minimum gap between two similar type of Staff conveyance loan (i.e. availing staff conveyance loan for purchase of two wheeler after settlement of previous two wheeler loan / for purchase of four wheeler after settlement of previous four wheeler loan) should be four years from the date of disbursement of the last conveyance loan. Previous loan account should be settled in full before applying for fresh conveyance loan scheme.
- An Officer/Clerical who has availed Vehicle loan under Baroda Vehicle Loan for Young Officer/Clerical staff or under Public Vehicle loan scheme from our Bank or any other Bank/ Financial Institution would be eligible for conversion under Staff Conveyance loan on being eligible under the scheme.
- An officer/clerical can not avail Vehicle loan under Baroda Vehicle loan for Young officer / Clerical once he/she becomes eligible for Staff Conveyance loan scheme.
- Car loan for Tata Sumo/ Tata Special/ Maruti Gypsy / Maruti Van / other similar vehicles may be considered favourably after taking an undertaking that the same will be utilised only as family vehicles and not be utilised for commercial purposes, subject however observing other eligibility criteria and the overall deductions criteria i.e. total deduction should not exceed 65% of the salary. However, loan for purchase of jeep will not be sanctioned under the scheme.

There is no restriction on sanction of Conveyance loan for purchase of Second hand Cars. Requests for sanction of Second hand car loan can be considered subject to following conditions:




- The limit will be decided based on Valuation certificate from a reputed motor garage narrating condition, expected life and depreciated value etc OR the sum assured by the Insurance company OR the value mentioned in the sale agreement, whichever is less. Employee has to submit a copy of Insurance cover of the vehicle or a certificate from insurance agent stating the amount for which such vehicle would be insured apart from the Valuation report.
 - The staff member has to insure the car (comprehensive policy) for the entire repayment period.
 - The repayment period should not exceed the validity of registration.
- There is no upper limit in respect of Caliber CC / HP, etc of the vehicle that can be purchased under the broad categories of Car or Two-wheeler except where it is specifically mentioned in the Scheme (80 CC or less for Moped).
 - Car loan can be sanctioned to Officers and Clerks to liquidate a car loan availed by them from other Banks / financial institutions, subject to fulfilment of all other terms and conditions of the Scheme.
 - There is no limitation with regard to foreclosure of any vehicle loan account by the concerned staff at any time before expiry of the prescribed repayment period.
 - While availing conveyance / vehicle loan, wherever there is a stipulation of obtaining insurance cover for the vehicle, the insurance policy should be a comprehensive policy for the vehicle purchased out of Bank loan for the period till which the insurance company issues the comprehensive policy or uptill complete repayment of the loan, whichever is earlier.



4.0 DEMAND LOAN (Scheme code: LA660)

4.1 Eligibility

All confirmed employees (both officers and award staff) with 3 years of service and who have joined the bank prior to 01.04.1994 are eligible for Demand Loan. Employees who have availed clean overdraft facility are not eligible.

4.2 Purpose

- For Marriage
 - a) Self
 - b) Son's
 - c) Daughter's
 - d) Dependent Sister's marriage
- For Religious / Cultural Ceremonies
 - a) Mundan
 - b) Annaprasa
 - c) Rice Feeding
 - d) Bismilah
 - e) Sunnat
 - f) Death Ceremony of Dependents
 - g) Thread Ceremony
 - h) Vastu puja
 - i) Ear Boring
 - j) Naming Ceremony
 - k) Srimant ceremony
 - l) Any other social obligation as per discretion of the Bank.

4.3 Limit

- For Marriage
15 times of Basic pay + Special pay OR Rs. 3,00,000/- whichever is less.
- For Religious / Cultural Ceremonies
6 times of Basic pay + Special pay OR Rs. 1,00,000/- whichever is less.

4.4 Rate of interest

- For Marriage
 - a) Officers
Upto Rs. 12,000/- @ 11% p.a.
Above Rs. 12,000/- @ Simple Interest @1.25% above Base rate p.a.
 - b) Award Staff
Upto Rs. 12,000/- @ 4 % p.a.
Above Rs. 12,000/- @ Simple Interest @1.25% above Base rate p.a.



- For Religious / Cultural Ceremonies
 - a) Officers
 - Upto Rs. 6,000/- @ 11% p.a.
 - Above Rs. 6,000/- @ Simple Interest @1.25% above Base rate p.a.
 - b) Award Staff
 - Upto Rs. 5,000/- @ 4 % p.a.
 - Above Rs. 5,000/- @ Simple Interest @1.25% above Base rate p.a.

4.5 Documents :

DP Note, Earmarking of PF, Letter of Instalments, General form of Guarantee

4.6 Recovery :

60 equated monthly instalments

4.7 Sanctioning Authority: HRCPC, Head Office, Vadodara.

4.8 Other Conditions

- The total deductions from the salary of the applicant employee on account of statutory deductions, other loan instalments (except Flood/cyclone loan) and monthly interest on the clean overdraft limit (assuming that the proposed limit is fully drawn) should not exceed 60% of the gross monthly emoluments.
-
- To be sanctioned only for left over portion after availing of PF Loan for which eligibility is -07- years. However, employees who are not eligible for PF loan would be sanctioned Demand Loan for performance of various ceremonies in terms of Govt. guidelines (under new scheme applicable to those joined after 01.04.1994), provided they apply for the same.
- Only one loan to be sanctioned at any point of time.



5.0 PERSONAL LOAN

5.1 FOR EMPLOYEES WHO HAVE JOINED THE BANK PRIOR TO 01.04.1991 (Scheme code: LA 662)

○ Eligibility

All confirmed employees (both officers and award staff having joined the Bank prior to 01.04.1991 & who have not availed clean overdraft facility for staff members.

○ Purpose

Purchase of Consumer Durables Furniture, etc. (but not for lamps and fittings, utensils/ furniture attached to the wall).

○ Limit

90% of Cost of articles or Rs. 1,00,000/-, whichever is less.

○ Rate of Interest applicable

Officers - 11% (simple) + Interest Tax, wherever applicable.
Award Staff - 07% (simple) + Interest Tax, wherever applicable.

○ Documents

D.P Note, Letter of Instalments, Hypothecation of Goods.

○ Recovery

30 equated monthly instalments.

○ Other Conditions:

The total deductions from the salary of the applicant employee on account of statutory deductions, other loan instalments and monthly interest on the clean overdraft limit (assuming that the limit is fully drawn) should not exceed 60% of the gross monthly emoluments.

Minimum -3- months waiting period between 2 personal loans.

5.2 PERSONAL LOAN FOR EMPLOYEES WHO HAVE JOINED THE BANK ON OR AFTER 01.04.1991 (LA 661)

○ Eligibility

Confirmed employees having minimum -3- years' service in the Bank and who have joined the Bank or are eligible for loan on or after 01.04.1991

Purpose



Purchase of Consumer Durables, such as TV/Refrigerators/Washing Machine/ Home Theatre/AC/Other electrical /Electronic consumer durables (except lamps, fittings/ utensils/ fixed furniture.

OR

For meeting expenses on marriage of self/children/dependent sister, etc.

OR

For meeting other religious/social obligations, as per discretion of the Bank.

○ Limit

- I. 90% of Cost of the consumer durables or Rs. 1,00,000/-, whichever is less.
- II. 90% of the Expenses on marriage / any other social / religious obligations or Rs. 1,00,000/-whichever is less.
- III. Permanent part-time employees are also eligible for personal loan, subject to pro-rata entitlement as under::

For Permanent Part-time employees	
On 1/3 rd Scale/ wage	Rs. 33,500/- OR 90% of cost of consumer durable Or 90% of meeting expenses of marriage of self/ children/ dependent sister, etc. Or 90% of expenses for meeting any other social or religious obligations, whichever is less.
On 1/2 scale/ wages	Rs. 50,000/- OR 90% of cost of consumer durable Or 90% of meeting expenses of marriage of self/ children/ dependent sister, etc. Or 90% of expenses for meeting any other social or religious obligations, whichever is less.
On 3/4 th Scale / wages	Rs. 75,000/- OR 90% of cost of consumer durable Or 90% of meeting expenses of marriage of self/ children/ dependent sister, etc. Or 90% of expenses for meeting any other social or religious obligations, whichever is less.

○ Rate of interest applicable

Simple Interest @ 1.25% above Base Rate p.a.

Documents

D.P Note, Letter of Instalments, Hypothecation of Goods (as applicable).



○ Recovery

60 equated monthly instalments, together with interest.

○ Other Conditions

- Maximum permissible deductions from take home pay should not exceed 50%
[Take home pay = Gross (-) PF (-) IT (-) Taxes]

Second or subsequent loan may be sanctioned only at least after last instalment for the earlier loan including interest has been recovered i.e. only after full liquidation of earlier loan.

NOTE: The employees joining the Bank or becoming eligible for Consumer Loan on or after 01.04.1991 will be covered under this New Scheme only. Other employees may be allowed to avail of Personal Loan under the instant scheme of the old scheme as per his/her choice.

- Sanctioning Authority: HRCPC, Head Office, Vadodara.

5.3 GENERAL CONDITIONS FOR PERSONAL LOAN

- The actual Cost-of article will include the Control Price, Octroi, Sales tax, and Other Local taxes, etc.
- Normally, subsequent loan will not be available to employees for items/articles already purchased.
- The Genuineness of the Quotation should be verified by the Branch/Office.
- The Quotation Price and the items mentioned in the corresponding columns of the application form should be tallied and should be acknowledged & duly stamped by the branch.
- Payment should be made by Banker's Cheque / Pay Order only.
- It shall be obligatory on the part of the Branch Manager to conduct Post Sanction verification of the articles so purchased and to send a report/ certificate of the same to the Regional Authority within a month of disbursement.
- An undertaking is to be obtained from the staff to the effect that they will not remove or sell the articles purchased out of Personal loan without the bank's written permission, till the loan is settled in full.
- Loans for purchase of Second-hand articles are not permissible under Personal Loan Scheme.
- There is no linkage of this loan with PF Loan as in Demand Loan.
- The Scheme is applicable to all staff members (i.e. officers, clerical staff and subordinate staff).



6.0 SPECIAL DEMAND LOAN FOR MEDICAL PURPOSES (Scheme code: LA626)

6.1 Eligibility

- For Treatment of Self- Employees should be confirmed in Bank's service
- For Treatment of dependents - Minimum three years of service by the employee in the Bank.

There is no limit on number of occasions under the scheme

6.2 Purpose

Loan for Medical purpose is to be considered only for urgent hospitalisation involving heavy expenses for serious diseases like Cardiac Ailment, Cancer, Kidney Transplant, Serious Accident of employee/ dependent family member (spouse, dependent children, dependent parents).

Generally, this facility should be sanctioned for medical treatment of serious ailments involving high cost such as By-pass Surgery, Cancer, Tumour, Kidney Transplant, etc. and not otherwise.

6.3 Loan Amount : No limit prescribed.

Amount received under Hospitalisation Scheme and other entitlements like Ex-gratia medical aid, not specified under BPS/ BOBOSR, etc., should be adjusted first against the amount of loan. Balance amount, if any, after adjustment should be treated as Loan from the date of disbursement.

6.4 Sanctioning Authority:

Zonal Head in Scale-VII - Full powers.

Zonal Head in Scale-VI - 1.5 Lakhs

General Manager (HRM) / Dy. General Manager (HRM) will be the Sanctioning Authority for Loan beyond 1.5 Lakhs in case the Zonal Head is in Scale-VI.

6.5 Rate of Interest applicable

Staff member - 4%. (Simple) + Interest tax whenever applicable

The Rate of Interest stated above will be applicable only for self and dependent family members (and not for dependent parents).

In case of dependent parents, the rate of interest should be MCLR, since dependent parents are not covered under Ex-gratia Medical Aid.

For the purpose of medical equipment like Valves, Infusion Pumps, Hearing Aids, etc., the rate of interest will be MCLR.

6.6 Documents

Letter of request from the concerned staff members, Estimate of expenses from concerned Doctor/ Hospital, D.P. Note, Earmarking of PF, Letter of Instalments.



An undertaking from the employee that all reimbursement to be made by the Bank as per his/her entitlement under the Scheme of reimbursement of medical expenses and ex-gratia medical aid will be credited to the loan account.

6.7 Recovery

The balance amount treated as loan should be recovered in maximum 60 monthly instalments.

6.8 Other Terms & Conditions

- The amount of loan should be based on the requirement duly certified by the Hospital Authority concerned.
- In case of transplant of any organ, the charges paid to the donor should not be taken into account.
- If the treatment is given stage - wise, then the disbursement of loan should be made in stages as per the doctor's certificate.
- The employee should submit his claim for regular medical aid as well as ex-gratia medical aid immediately after the treatment and the amount which becomes eligible under regular medical aid and/ or ex-gratia medical aid should be first appropriated against the amount sanctioned and balance amount of the advances should be treated as loan from the date of disbursement.
- If the treatment is to be done at the hospital/s where bank has reserved beds, in such case, sanction of financial assistance of medical treatment/ hospitalisation will not arise.

6.9 Periodic Returns

- The Zonal office should maintain the detail of such advances sanctioned by the Zonal Authority.
- Zonal Office should send the details of such advances sanctioned in a particular quarter to AGM/DGM (HR Operations), Head Office, Vadodara as per format given at Annexure "A" within 10 days from the expiry of the quarter. The onus of sending the said quarterly statement rests with the AGM/CM (HRM) of Zonal office and CM (OA) in case of BCC & Head Office.



7.0 EXIGENCY LOAN (Scheme code: LA624)

7.1 Eligibility

All staff members who have put in a minimum of-5- years' service in the Bank and not availed clean overdraft facility to Staff members.

7.2 Purpose

- To meet the expenses on Children's Higher Education in Professional Colleges, in India and abroad and on their Marriage(s).
- To meet shortfall in the cost of house/ flat to be purchased and also to meet the shortfall in the expenditure on major repairs/ renovation of house/ flat.
- To meet expenses connected with treatment for serious illnesses of self and relatives not covered under the existing Special Demand Loan Scheme.
- For meeting shortfall in cost of motor vehicle/ two-wheeler proposed to be purchased under Bank's vehicle loan scheme.
- Meeting expenses on major repairs to motor vehicle/ scooter, motor -cycle.
- To meet shortfall for purchase of audio/ video equipment, home appliances, personal computers, etc. and to meet cost of repairs on such items.
- To meet the traveling expenses of self and dependents to visit a place outside India.
- For any other genuine purposes, including repayment of loans availed from other institutions, relatives, personal friends, etc.

7.3 Loan Amount

One month's basic pay for every completed year of service with a maximum of 10 month's Basic pay (to be rounded off to the nearest thousand) subject further to the following ceilings-

Officers	Rs. 2,25,000/-
Clerks	Rs. 1,50,000/-
Sub-staff	Rs. 75,000/-
Permanent part-time employees would be eligible for a loan amount which is pro-rata to the above limit.	

7.4 Rate of Interest applicable

As applicable to Clean overdraft (i.e. 7% p.a. on compounding basis with monthly rests)

Documents



D. P. Note, Earmarking of PF, Letter of Instalments, satisfactory documentary evidence/undertaking regarding end -use of the loan.

7.6 Recovery

60 monthly instalments, commencing from the month following the month of disbursement of loan. Interest application every Quarter on monthly product basis, recoverable in three instalments in the subsequent Quarter.

7.7 Sanctioning Authority: HRCPC, Head Office, Vadodara.

7.8 Other Conditions

- The total deductions from the salary of the applicant employee on account of statutory deductions, other loan instalments and monthly interest on the clean overdraft limit (assuming that the limit is fully drawn) should not exceed 60% of the gross monthly emoluments.
- The outstanding, if any, in the loan account in respect of retiring employees shall have to be fully recovered from the superannuation dues.
- In order to ensure the end-use of the funds, the employee has to certify that the money would not be used for investment/ speculative purposes. In respect of loan taken for purpose of Children's Education, Medical Treatment or travel abroad, documentary evidence in the form of letter from University/ College/ Institute, etc. will have to be produced. The evidence could be produced either with the loan application or within a maximum period of one month after disbursement. Where for certain valid reasons it is not possible for the employee to submit documentary evidence, he may submit satisfactory undertaking regarding the end-use of the loan.
- Subsequent loan may be sanctioned after a lapse of one month from the date of closure of the previous loan.



8.0 RELIEF LOANS TO STAFF MEMBERS (For Floods/ Cyclones, etc.) (Scheme code: LA627, LA635)

- Loans under this category for members of our staff are generally considered only when the State Govt. has declared any area/ district as an affected area and when the State Govt. has issued orders for sanction of financial assistances to the State Govt. Employees.
- A certificate to be produced by the affected Employee from the District official about the loss/ damage suffered.
- Terms and conditions of this loan vary from occasion to occasion and depend on the circumstances of devastation / damage caused and the decision of higher authorities.
- On receipt of an application which fulfils the criteria given above, the same should be referred to higher authorities/ Corporate office for necessary advice regarding terms and conditions of sanction.



9.0 SANCTION OF LOAN TO OFFICERS AND AWARD STAFF MEMBERS AGAINST WHOM DISCIPLINARY PROCEEDINGS ARE INITIATED

9.1 Presently, Officers as well as award staff members, who are under suspension or against whom disciplinary proceedings are pending are not eligible for grant of personal loan, demand loan, vehicle loan, etc. The disciplinary, proceedings took a considerable period of time and therefore employees' concerned are deprived of the benefit for availing any staff loans, request have been received for grant of such loans to Officers and award staff against whom disciplinary proceedings are contemplated/ pending.

9.2 In view of the above, the Board of Directors of our Bank had decided as under:

- The Bank shall consider sanction of personal loan, demand loan, vehicle loan etc. (other than Housing Loan for which Bank has already formulated separate policy) to staff members against whom disciplinary proceedings for minor misconduct have been initiated (except in the case where disciplinary proceedings have been initiated for incurring debts to an extent considered by the management as excessive), both in respect of vigilance and non-vigilance cases.
- For loans exceeding an amount of Rs.75,000/- the concerned employee is required to furnish collateral security in the form of sureties from an earning close relative.
- The sanction of such loans shall not prejudice the disciplinary proceedings initiated in whatsoever manner.
- Such applications shall be considered subject to fulfilment of all other terms and conditions as specified in the Schemes for sanction of various staff loans.

9.3 However, Bank shall not consider sanction of personal loan, demand loan, vehicle loan, etc. (other than Housing Loan) to the following categories of staff Members:

- Officers against whom major penalty proceedings have been initiated as per the provisions of Bank of Baroda Officer Employees' (Discipline & Appeal) Regulations, 1976.
- Award Staff members against whom Disciplinary Proceedings have been initiated for any gross misconduct as per the provisions of Bipartite Settlements.
- Officers and Award Staff members against whom Disciplinary Proceedings have been initiated specifically for alleged commission of misconduct relating to incurring debts to an extent considered by the Management as excessive.
- Officers and Award Staff members who are under suspension.
- Officers and Award Staff members against whom criminal prosecution has been initiated by CBI/ Police, etc.

10.0 MISUTILISATION OF STAFF LOANS

10.1 Staff loan schemes are being formulated to cater various requirement/needs of staff members for different purposes and extended at concessional rate of interest. Hence, the utilisation of Staff loan scheme should be as per terms and conditions stipulated in the respective scheme.

10.2 Staff members who will be found guilty of misutilisation of staff loan facility may be debarred permanently from being eligible for availment of such loan facility in future after considering various facts of the case. The General Manager (HRM) will be the competent authority for considering such cases of debarment.



- 10.3 General Manager (HRM) will also be the competent authority to consider any deserving case which falls under the above category (debarment). Such cases may also be referred to General Manager (HRM) through HRM Deptt., HO, Baroda furnishing relevant details in prescribed proforma (loan application), giving recommendations together with cogent reasons for consideration.

11.0 GENERAL:

- 11.1 **Staff Loans in respect of officers on deputation to Bank's subsidiaries etc.:** Officers/ Staff members of the Bank sent on deputation to Bank's subsidiaries, RRBs, Baroda Swarojgar Sansthan, Banking ombudsman office of RBI, other external bodies, etc. will also be eligible for availing the loans as detailed herein subject to their being eligible as per the respective schemes.
- 11.2 **Staff Loans in respect of Expatriate officers:** Officers posted/ deputed in Bank's overseas territories will not be eligible for sanction of any of the staff loans during the duration of their overseas posting (except Staff Housing Loan). The loans already availed by them prior to their being posted overseas will continue to be maintained at their last place of posting in India and he/she will give an undertaking to remit amount equivalent to monthly instalments to the respective Indian Branch for servicing the monthly instalment and interest in their staff loan accounts on a regular basis from the respective overseas territory.
- 11.3 **Maximum permissible deductions from Salary:** For the purpose of calculation the permissible deductions from salary, apart from reckoning deductions on account of income tax & professional tax, contribution to Provident Fund / NPS, LIC premium, rent recovery, other recoveries, Credit society loan, other loan instalments, etc. the instalments in respects of the proposed loan should also invariably be taken into account. For staff members who have availed the Staff Overdraft facility, the notional interest assuming that the entire OD limit has been utilised is to be reckoned under deductions.
- 11.4 Employees who have joined the Bank's service after rendering their services in other Public sector Banks or any other organisation including Defence services, their past service will not be taken into consideration for determining their eligibility for staff loan schemes until and unless the same is provided specifically in the Scheme. However, this will not be applicable to employees of amalgamated Banks and their past service will be reckoned as per the ratio / terms and conditions decided by the Bank's Board.
- 11.5 **Dependant:** The word "dependant", wherever appearing in this Master Circular, shall mean such member of family who is having an **Income not exceeding Rs. 10,000/- per month and is residing with the staff member.**
- 11.6 **Ex-Servicemen:** Full length of Ex-Servicemen's past service in the armed forces should be taken into account for eligibility for all STAFF loans (except Staff OD) provided such employees are confirmed in Bank's service.
- 11.7 **Guidelines to be observed while sanctioning / forwarding loan application:**
- Application alongwith forwarding letter should be sent in prescribed format and complete in all respects. Please refer to our circular no. HO:BR:111:273 dated 27.09.2019 for application form.
 - Staff members' name, EC No., Designation, Date of Joining, Date of Promotion, if any should be invariably incorporated.



- All the particulars including salary particulars are to be verified and authenticated while forwarding loan applications. Specific recommendations, if any, are to be mentioned by the Branch/ Region clearly and positively.,
- Items purchased from Bank's loan are meant for personal use only and not for commercial use.
- Recovery of loan instalments, except for housing loan shall commence immediately from the succeeding month from the date of sanction / disbursement of loan availed by the concerned staff.



STATEMENT SHOWING THE DETAILS OF EMPLOYEES WHO ARE SANCTIONED SPECIAL DEMAND
LOAN FOR MEDICAL TREATMENT DURING THE QUARTER ENDED _____, 20__

[illegible]