



State Banks' Staff Union (KARNATAKA)

[Registered under the Trade Union Act [Regd. No. DRT (B II) 6/83-84]
[AFFILIATED TO ALL INDIA STATE BANK OF INDIA STAFF FEDERATION (AISBISF)]

AN AFFILIATE OF
NATIONAL CONFEDERATION OF BANK EMPLOYEES (NCBE)
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All Correspondence to be addressed to THE GENERAL SECRETARY

CIRCULAR No.84 /2022-25

Date : 20.02.2025

To : ALL UNITS

Dear Comrades,

XPRESS CREDIT, KCC LOANS AND GOLD LOANS ADHERENCE TO BANK'S GUIDELINES

We have come across certain irregularities in processing of Personal Loans, KCC Loans and Gold Loans being followed by certain Branches across the circle, which is against the extant instructions of the Bank.

We are re-iterating the instructions of the Bank below, for the benefit of our members.

XPRESS CREDIT (Personal Loans)

1. The processing and sanctioning of Personal Loans are to be done by two different Officers in RLMS.
2. In single officer branches, the loan proposal has to be sent to the linked CPC's for processing and sanctioning.
3. Award staffs are not authorised to appraise/ process Personal loans as **Maker** in RLMS.

(Refer e-Circular: NBG/PBU/PL-PERLOANS/25/2024-25 dated 04/12/2024)

KCC LOANS:

1. The processing and sanctioning of KCC Loans are to be done by Officers only, in Agri LOS/ Agri LMS.
2. Award staffs are not authorized to appraise/process KCC loans.
3. It has come to our notice that in some branches, when the Loan revival letters could not be obtained, Branch managers/ Field Officers are forcing SWO's to post Dummy credit vouchers in KCC Loan accounts without the Borrower's signature..
4. As per the **Limitation Act 1963**, borrowers must Acknowledge the debt before the expiry of 03 years, either by signing the revival letter or by making a payment to the Loan account.



(2)

5. Credit vouchers without the Borrower's signature do not substitute revival letters, and are not legally enforceable in the court of Law. Hence, we request all to stop the practice of posting Dummy credit vouchers.

(Refer e-circular: NBG/ABUAC/IR-CROPLOANS/3/2024-25 dated 20/08/2024)

GOLD LOANS (All Segments ie PBBU, AGRI, SME)

1. Rolling over of Gold Loans at the end of the tenor by making part payment is not permitted.
2. Branches should ensure that Gold Loans are closed by the Borrower by complete payment of Principal and Interest.
3. Gold Loans should not be sanctioned against gold ornaments which are already pledged to the Bank.

(Refer e-Circulars:-

- (i) R&DB/PBU/CD & e-COM-GL/15/2024-25 dated 30/12/2024,
- (ii) NBG/SMEBU-MSME CRED/83/2024-25 dated 26/12/2024 and
- (iii) NBG-AB-IC&GL/ABU-ICGLGOLDLOAN/44/2024-25 dated 28/11/2024)

We urge all our comrades to strictly adhere to the instructions/ Systems and Procedures of the Bank. There have been instances of stringent disciplinary action initiated against award employees for non-adherence of SOPs.

With regards,

Yours comradely,



M. RAVIKUMAR
GENERAL SECRETARY

STATE BANKS' STAFF UNION (KARNATAKA)	: ZINDABAD
ALL INDIA STATE BANK OF INDIA STAFF FEDERATION	: ZINDABAD
NATIONAL CONFEDERATION OF BANK EMPLOYEES	: ZINDABAD
OUR UNITY	: ZINDABAD