

ANDHRA PRADESH GRAMEENA BANK (A Government undertaking sponsored by Union Bank of India) Head Office ::: GUNTUR	Cir. No: 55	
	Ref. No.	Credit/15
	Date:	31.05.2025
Department :: CREDIT		

APGB RIDE EASY: VEHICLE LOAN SCHEME

Sub: Implementation of APGB RIDE EASY – Vehicle Loan Scheme – Internal Circular for Branches and Offices – Reg.

Consequent to the amalgamation of the four Regional Rural Banks operating in Andhra Pradesh — *Andhra Pragathi Grameena Bank, Andhra Pradesh Grameena Vikas Bank, Chaitanya Godavari Grameena Bank, and Saptagiri Grameena Bank* — into a unified entity, **Andhra Pradesh Grameena Bank (APGB)**, under the sponsorship of **Union Bank of India** with its Head Office at Guntur, a harmonised and standardised approach to loan products is being implemented across the Bank.

In line with this, the **APGB RIDE EASY – Vehicle Loan Scheme** has been formulated as a unified product across all branches, with the objective of providing **easy, competitive, and customer-friendly vehicle finance for the purchase of new two-wheelers and four-wheelers.**

The scheme is applicable to **individuals (singly or jointly)**, as well as **firms and companies** (where the vehicle is for official/personal staff use), with differentiated norms based on the borrower's profile and credit score. It outlines detailed parameters for **eligibility, loan quantum, income reckoning, repayment terms, and interest rate**, which is linked to the applicant's **CIBIL score**. Additionally, norms regarding **security, insurance, valuation, and guarantee** are clearly defined.

It is informed that the **Board**, in their second meeting, **vide Resolution No. 109 dated 29.05.2025**, has approved the **APGB RIDE EASY – Vehicle Loan Scheme** for **implementation with immediate effect.**

All branches and offices are instructed to:

- **Thoroughly study** the enclosed circular, and
- **Ensure effective dissemination and implementation** at the branch level.

Branches shall ensure strict adherence to the guidelines for timely and smooth processing of vehicle loan proposals under the scheme.


HARISH BETHA
GENERAL MANAGER



 Enclosures:

1. **Annexure I** – Internal Circular on APGB RIDE EASY – Vehicle Loan Scheme
2. **Annexure II**- Process Note format

APGB RIDE EASY: VEHICLE LOAN SCHEME

Sl. No.	SECTION	DETAILS
1.	Objective/ Purpose	<p>1.1. The Vehicle Loan Scheme aims to provide financial assistance to:</p> <ul style="list-style-type: none"> • Individuals for personal use: <ul style="list-style-type: none"> ◦ Purchase of new 4-wheelers (including electric & hybrid vehicles) ◦ Purchase of new 2-wheelers (including electric & hybrid vehicles) • Companies/Firms for professional use: <ul style="list-style-type: none"> ◦ Purchase of new 4-wheelers (including electric & hybrid vehicles) for use by Directors, Partners, Proprietors, or employees. <p>1.2 Definition</p> <p>The term "vehicle" under this scheme includes fuel-based, hybrid, and electric vehicles.</p> <p>1.3 Not Eligible Under the Scheme:</p> <ul style="list-style-type: none"> • Finance for 3-wheelers and commercial vehicles. • Purchase of used 2-wheelers or 4-wheelers. • Vehicles intended for taxi or transport use (as per RTO registration) <p><i>Note:</i> RTO registration should be for personal use only i.e. Individual/ Firm/ Company, purchasing vehicles for taxi purpose are not permitted under the scheme.</p>
2.	Eligibility	<p>2.1. Individuals may apply singly or jointly, with a maximum of three applicants (Main applicant + up to 2 co-applicants).</p> <p>2.2. Only the following family members are eligible as co-applicants:</p> <ul style="list-style-type: none"> • Spouse • Father • Mother • Son • Unmarried Daughter <p>2.3. Companies / Firms are eligible only for purchasing new 4-wheelers for official use by key personnel.</p> <p>2.4. The vehicle to be financed must be registered with the Regional Transport Authority (RTA) in the states of Andhra Pradesh, Telangana, or Puducherry (limited to vehicles purchased in Yanam district only). Registration in any other state will not be eligible under this scheme. For further details, refer to Point No. 21(III).</p>



		Additional Notes: <ul style="list-style-type: none"> Bank staff are eligible under general public terms. IBA guidelines must be followed for staff loans. Vehicles intended for commercial/taxi use are not permitted.
3.	Age Norms for applicants	<p>a) Minimum age of borrower/s should be above 18 years of age</p> <p>b) Maximum permissible age at the end of repayment for both salaried and non-salaried class of borrowers is 70 years</p> <p>c) This is subject to assessment at the time of sanction the adequacy of income to meet repayment obligation till the age of 70 years</p> <p>d)</p> <ol style="list-style-type: none"> Thus, individuals having regular source of income after 60 years can be considered for repayment beyond 60 years of age. For individuals, who have regular income only up to age of 60 years (i.e. no income after retirement), loans should be considered only till the age of 60 years. <p>e) The maximum age and tenure norms are to be considered only in respect of those applicants, whose income is being considered for the purpose of repayment of loan.</p> <p>❖ For Example: Father and son are joint applicants to a loan, where only the son's income is being considered to arrive at the repayment capacity/eligible loan amount. In such a case only, the son's age needs to be considered for arriving at the maximum possible repayment tenure.</p>
4.	Quantum of loan	<ul style="list-style-type: none"> No maximum limit for Four-Wheeler. Individual loans to be sanctioned as per delegated authority for sanctioning loans Maximum loan for 2-wheeler Rs.10.00 lakh
5.	Margin Norms	<ul style="list-style-type: none"> 2-Wheelers: Minimum margin - 25% 4-Wheelers: Minimum margin - 10% <p>Important Notes:</p> <ul style="list-style-type: none"> Margin to be calculated on the on-road price, including registration, insurance, road tax <p><i>Tax Collection at Source (TCS) and extended warranty to be excluded from unit cost.</i></p> <ul style="list-style-type: none"> Maximum cash margin accepted directly to the dealer: 10% of vehicle cost or ₹50,000, whichever is lower. <ul style="list-style-type: none"> No limit applies if margin is paid via bank transaction (Cheque/NEFT) and reflected in the applicant's account. For bank staff: Clubbing loans under the staff vehicle loan and the vehicle loan scheme for the same vehicle is not permitted.



6.	Repayment Tenure	<table><tr><th>Type of Vehicle</th><th>Maximum repayment tenure</th></tr><tr><td>4 Wheeler</td><td>84 months</td></tr><tr><td>2 Wheeler</td><td>36 months</td></tr></table>	Type of Vehicle	Maximum repayment tenure	4 Wheeler	84 months	2 Wheeler	36 months															
Type of Vehicle	Maximum repayment tenure																						
4 Wheeler	84 months																						
2 Wheeler	36 months																						
7.	Moratorium Period	No moratorium is permitted. Repayment must commence from the next month following disbursement.																					
8.	Repayment Methods	<ul style="list-style-type: none">• Loan to be repaid in Equated Monthly Installments (EMIs).• EMI to start from the month following the disbursement.																					
9.	Rate of Interest	<ul style="list-style-type: none">• Interest is determined using risk-based pricing linked to the applicant's CIC (CIBIL) score.I. In cases where a vehicle loan application is submitted jointly by multiple applicants, only the credit scores of those applicants whose income is considered for determining loan eligibility (i.e., for assessing repayment capacity) shall be taken into account for credit appraisal. Among these, the lowest individual credit score will be considered for the purpose of credit evaluation.• In case of guarantees from Directors/Partners, the lowest CIC score among guarantors will be used for pricing. <p>Applicable Rate of Interest:</p> <table><tr><th>Type of vehicle</th><th>CIC(CIBIL) score</th><th>Rate of Interest</th></tr><tr><td rowspan="5">4-Wheeler</td><td>775 & above</td><td>9.25% p.a.</td></tr><tr><td>750-774</td><td>9.45% p.a.</td></tr><tr><td>700-749</td><td rowspan="2">9.65% p.a.</td></tr><tr><td>-1 & 1 to 5, NTC</td></tr><tr><td>650-699</td><td>10.00% p.a.</td></tr><tr><td></td><td>below 650</td><td>10.25% p.a.</td></tr><tr><td rowspan="2">2-Wheeler</td><td>700 & above</td><td>11.00% p.a.</td></tr><tr><td>Below 700</td><td>12.00% p.a.</td></tr></table> <p>Concessions:</p> <ul style="list-style-type: none">• 0.25% is applicable for employees working in State or Central Government, Public Sector Undertakings (PSUs), and other Government sectors• 0.10% additional concession for purchase of electric/hybrid vehicles	Type of vehicle	CIC(CIBIL) score	Rate of Interest	4-Wheeler	775 & above	9.25% p.a.	750-774	9.45% p.a.	700-749	9.65% p.a.	-1 & 1 to 5, NTC	650-699	10.00% p.a.		below 650	10.25% p.a.	2-Wheeler	700 & above	11.00% p.a.	Below 700	12.00% p.a.
Type of vehicle	CIC(CIBIL) score	Rate of Interest																					
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10.	Reckoning of income for calculation of quantum of loan	<ul style="list-style-type: none">• Income of any permitted applicant/co-applicant, as specified in Para 2.2, may be considered for calculating the eligible loan amount, provided it constitutes a regular source of income.• Incomes such as capital gains, speculative income, or one-time bulk receipts will not be considered, as they lack regularity.• All individuals whose income is considered for eligibility must mandatorily join as applicants/co-applicants, irrespective of their ownership status of the vehicle.																					



		<p>10.1. For salaried individuals:</p> <ul style="list-style-type: none"> Income shall be taken as per the latest salary slip/pension slip/Form 16/latest ITR. ITRs/Form 16 of the previous 2 years and salary slips for the past 3 months should be obtained for corroboration. Justifications for abnormal income variations must be documented. In exceptional cases where ITR/Form 16 is unavailable due to recent employment, the sanctioning authority may consider based on available records. Other regular income such as rental or agricultural income may be considered if reflected in ITR or supported with documentary evidence and corresponding bank credits (in case from the current financial year). Sanctioning authority may consider regular income sources e.g. pension, income from alternate employment post retirement etc in case of loans given to individuals post retirement. However, in case of salaried class, gross pension income should not be more than 50% of present gross income. <p>10.2. For self-employed individuals/Firms/Companies:</p> <ul style="list-style-type: none"> ITR for the last two years to be obtained and scrutinized to ascertain the regularity/stability of income level and average of two years ITR to be considered for arriving at eligible loan amount/repayment capacity. Supporting documents such as P&L, Balance Sheet, and Computation of Income etc also to be obtained for assessment. Depreciation may be added back to income under the following conditions: <ul style="list-style-type: none"> ➤ Based on the average depreciation from the past three years' audited financials or current year's depreciation, whichever is lower. ➤ The borrower unit must be profitable in both ITRs for the past two years. <p>10.3. For Agriculturists:</p> <ul style="list-style-type: none"> Considered under the self-employed category. Acceptable income proof: Form-J/ Tehsildar Certificate/ ITRs, landholding documents. In absence of ITRs, an income certificate from a Competent Authority is mandatory. Minimum annual income for eligibility: ₹3.00 lakh (for four-wheeler loan).
11.	Net take home pay (sustenance)	While calculating the eligible loan amount/repayment capacity, an amount is to be set aside for the purpose of regular sustenance of the borrower and his/her family. It is to be arrived at as under:



Amount for sustenance = Sustenance Percentage * Gross Income

Sustenance Percentage is to be arrived as per the following table depending on the Gross Income level:

Annual Gross Income	Sustenance Percentage	
	CIBIL < 700 / -1/1 to 5, NTC	CIBIL ≥ 700
Up to ₹3.00 lakh	40%	35%
₹3.01 - ₹6.00 lakh	35%	35%
₹6.01 - ₹12.00 lakh	30%	30%
₹12.01 - ₹18.00 lakh	30%	25%
Above ₹18.00 lakh	25%	20%

- For applicants residing together, sustenance can be computed jointly if within permissible age limits. Otherwise, sustenance to be calculated individually.
- If combined sustenance is to be taken for the applicants, then sustenance slab to be selected putting the income of all applicants together. If combined sustenance is not to be taken, then sustenance slab to be selected based on individual income.
- In case of firm/company, no sustenance to be considered

12. Calculation of eligible loan amount

12.1. Borrower's eligible loan amount to be worked out based on the repayment capacity, as shown below:

Sl No.	Particulars	Amt in Rs. lakh
A	Self-employed/Firm/Company: Average Gross Annual Income as per last 2 years income tax returns (ITR)	
	Salaried: Income as per latest salary slip/pension × 12 or income as per latest income tax return (ITR), refer point No. 10.1	
	Note: Gross pension income should not be more than 50% of present gross income	
B	Self-employed: Average of tax paid as per last 2 years	
	ITRs Salaried: Tax as per latest salary slip (as used in A) × 12 or tax as per latest income tax return (ITR)	
	Firm/Company: No tax to be deducted separately as net profit is arrived after tax	
C	Income net of taxes i.e. C = A - B	



			<p>Salaried & self-employed: Total of all annual outgoes like EMIs, life/medical insurance premium, contribution to PPF/PF etc., which are recurring in nature</p> <p>Note: Voluntary investments such as VPF, MF, etc., need not be considered for calculations if the applicant gives an undertaking to stop the same.</p> <p>Company/Firm: Principal amount of existing loan to be deducted as net profit is being considered i.e., interest is factored in P & L account.</p>							
		D								
		E	Amount for sustenance → % of C (as per Para 11)							
		F	Max. annual surplus available for repayment of proposed loan $F = C - (D + E)$							
		G	Maximum EMI allowed for the proposed loan $G = F / 12$							
		Working of eligible quantum of loan								
		H	Self-employed: Calculate the eligible quantum of loan based on the maximum possible EMI so that the entire loan is liquidated by the end of the tenure	<table><tr><td>Eligible Loan Tenure</td><td></td></tr><tr><td>Applicable Interest Rate (p.a.)</td><td></td></tr><tr><td>EMI per ₹1 lakh</td><td></td></tr></table>	Eligible Loan Tenure		Applicable Interest Rate (p.a.)		EMI per ₹1 lakh	
Eligible Loan Tenure										
Applicable Interest Rate (p.a.)										
EMI per ₹1 lakh										
		Salaried: The maximum possible EMI is to be calculated separately for the period during service (I) and post-retirement (II) as EMI (I) and EMI (II) respectively. EMI (II) not to be more than 1.5 times of EMI (I) → This condition will avoid the cases where EMI (I) is less than the interest charged on the loan account during service tenure (I). Based on these EMIs, the loan amount is to be calculated such that the entire loan is liquidated by the end of the tenure.								
		Firm: Calculate the eligible quantum of loan based on the maximum possible EMI so that the entire loan is liquidated by the end of the tenure.								
		I	Cost of Vehicle proposed to be purchased less margin							
		J	Loan amount requested by the borrower							
		Eligible loan quantum = Lower of H, I, J								



12.2 In case of considering income beyond retirement

For cases where loan is being considered for age beyond retirement using pension income or other income which is at an income level different from the initial income level, the following method for calculating eligible loan amount to be used:

Eligible loan quantum =

Eligible loan amount at an income level, which is lower amongst the two income levels, for full tenure

+

Eligible loan amount at difference between higher and lower level of income i.e. (Higher income level - lower income level) for tenure for which higher income is considered.

For example: A borrower wishes to avail tenure of 7 years (maximum repayment is 7 years) at the age of 55 years wherein current income is Rs. 70000 per month and expected pension income after the age of 60 is Rs. 30000. Thus, in this case:

Eligible loan quantum =

Eligible loan amount at an income level of Rs. 30000 (lower income level) for 7 (maximum repayment is 7 years) years (full tenure)

+

Eligible loan amount at an income level of Rs. 40000 (difference between higher and lower level of income (i.e. Rs. 70000 - Rs. 30000) for tenure of 5 years (i.e. time till which income of Rs. 70000 is expected which is up to 60 years) (maximum repayment is 7 years).

12.3 Calculation of eligible loan amount in case of more than one applicant

For cases where there are more than one applicant and age of the applicants/co applicants are not same, the total eligible loan amount is to be calculated as under:

Total eligible loan quantum = Sum of eligible loan quantum of each applicant/co-applicant (as mentioned in S.No 12.1)

13.	13.1 Processing charges	<ul style="list-style-type: none">0.5% of sanctioned loan amount; max ₹5,000 + GST.Full waiver if any applicant is a staff member of the Bank.
	13.2. Prepayment charges	No prepayment penalty to be levied if the loan is adjusted by the borrower from his own verifiable sources.
	13.3. Take-over penalty	2% of the outstanding loan amount, as per the applicable repayment terms and conditions
	13.4. Penal charges	In case of default or delayed payment, a penal charge at the rate of 2% on the instalment/s that are delayed to be applied.
	13.5. Stamp duty on security documents	As per state stamp act



		<p>13.6. All field functionaries are advised to ensure that while conveying the terms and conditions of sanction, the borrower should be informed about the expenses along with the sanction letter so that the borrowers are not put to inconvenience at a later date.</p> <p>13.7. Processing charges, Vahan registry charges, Vetting charges (wherever applicable) to be collected before disbursement of loan.</p> <p>13.8. Other charges are applicable as per the prevailing service charges circular</p> <p>13.9. All the charges should be mandatorily recovered from SB account and not from the loan account.</p>
14	Security	<p>14.1. The loan is to be secured through hypothecation of vehicle for which the loan is being granted.</p> <p>14.2. Banks's charges / lien to be noted with the Regional Transport Authority (RTA). Copy of acknowledgement by dealer to be held on record.</p> <p>14.3. In case of loan to company, Bank's charge is also to be noted with ROC.</p> <p>14.4. Copy of RC book to be held on record. The same should also be verified as per procedure laid down</p> <p>14.5. The details of the vehicle should be fed correctly in CBS. The security should be necessarily marked as 'Prime' security and actual cost of the vehicle along with margin provided by the borrower should be entered.</p>
15	Insurance	<ul style="list-style-type: none"> • The vehicle should be insured by the borrower with usual bank clause. • The sum insured shall not be less than the vehicle's cost or the sanctioned loan amount, whichever is higher. • The branch to explore the possibility of covering the vehicle with policy issued by our Bancassurance partners. • Third-party insurance must also be obtained.
16	Credit reports	<ul style="list-style-type: none"> • The credit history reports from credit rating companies such as CIBIL should be taken for all applicant/co-applicant(s) & guarantor(s) and should form the part of due diligence / appraisal • In case of loans to companies/firms Commercial CIBIL report to be verified invariably. • All credit assessments and related terms must comply with the prevailing guidelines and policies issued by the Credit Information Companies (CICs).
17	Guarantee	<p>A. In case of individual:</p> <ul style="list-style-type: none"> ❖ No Guarantee Required if the applicant's CIBIL (TransUnion) score is 650 or above. ❖ If the CIBIL score is below 650 or falls under TransUnion score categories of -1, 1 to 5, or 'New to Credit', the following shall apply: <ul style="list-style-type: none"> • A third-party guarantee shall be obtained from a person having net worth equivalent to the loan amount. • The requirement of third-party guarantee may be waived by the Regional Office on a case-to-case basis, subject to recording proper justification in writing.



		<p>B. In Case of Non-Individual Borrowers:</p> <ul style="list-style-type: none"> • For Companies: <ul style="list-style-type: none"> ○ Personal guarantee of all promoters/directors holding 20% or more shareholding shall be obtained. ○ Where no individual promoter/director holds 20% or more shareholding, the personal guarantee of key managerial personnel and/or collectively of directors shall be obtained to ensure that the bank's exposure is adequately secured. • For Partnership Firms / LLPs: Personal guarantee of all partners shall be obtained.
18	Loan to Firms/ Company	<ul style="list-style-type: none"> • Loan can be availed by Company/ Firm for professional use, i.e. for purchase of 4W-Vehicle only for usage by their Directors /Partners/proprietors/ employees • Branches to take precaution that the vehicle purchased out of Bank's finance should not be used for taxi purpose. • Guarantee Requirements: <ul style="list-style-type: none"> ○ The company to provide guarantee of its promoter/director, as detailed in point 17 ○ Partnership firm including Limited liability partnership (LLP) to provide guarantee of all the partners • Consideration of Depreciation for Loan Eligibility: <ul style="list-style-type: none"> ○ Adding back of depreciation for calculating eligible loan amount can be permitted by sanctioning authority subject to following conditions: <ul style="list-style-type: none"> ➤ Depreciation amount to be calculated based on the average of last 3 years audited balance sheet of the business or current year's depreciation whichever is lower ○ Profitability of the unit/borrower (business unit) to be ensured while considering adding back of depreciation for arriving at eligibility. The Unit/ Borrower (business unit) should be in profit as per ITR for the last two years. (Example: A firm has submitted last 2 years balance sheet, wherein firm shows loss in one year and profit in other year. The applicant has requested for adding back of depreciation. After adding back, the depreciation the firm will shows the profit. In such cases we cannot consider the application as the firm is not in profit for both years.
19.	Loan to Staff of our Bank	<ul style="list-style-type: none"> • All provisions of this scheme are applicable for loans to the Bank's staff & their relatives and they be treated on par with general public • All terms and conditions as per the Credit/ Loan Policy in respect of staff related advances should be complied with <ul style="list-style-type: none"> ➤ Note: This loan cannot be clubbed with 'Staff Vehicle Loan' scheme.



20.	Delegated Authority for Sanction	Amount based Delegation: The delegated powers for sanctioning loans are detailed below In lakh				Rs.
		Sanctioning Authority	Branch Manager		Hub/ CPCs Powers (Where Applicable)	
			2-Wheeler	4-Wheeler	2-Wheeler	4-Wheeler
		OJM Grade-I	1.00	5.00	1.00	5.00
		Manager MM Grade-II	1.50	10.00	2.00	15.00
		Senior Manager MM Grade-III	2.00	10.00	3.00	20.00
		Chief Manager SM Grade-IV	2.50	15.00	3.50	30.00
		AGM SM Grade-V	3.00	20.00	4.00	35.00
		CAC headed by Regional Manager			5.00	50.00
		CAC headed by General Manager -Credit			7.50	100.00
		CAC headed by Chairman			10.00	200.00
		Board			Full Power	

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Deviations

Deviation	Approving Authority
<p>I. All Income Tax Returns (ITRs) should be filed within the same assessment year. However, acceptance of one or more ITRs filed in the next assessment year shall be treated as a deviation.</p> <p>Note: ITR filed beyond due date but within the same assessment year not to be treated as deviation.</p>	<p>Deviations of this nature shall be approved by the next higher-level sanctioning authority.</p> <p>However, if the proposal falls within the sanctioning powers of the CAC headed by the RM, the same committee is authorized to approve the deviation, as it is empowered to permit such relaxations within its delegated authority.</p>
<p>II.</p> <ul style="list-style-type: none">• Deviation in age norms of borrowers• Deviation in inter-se relationship between applicants i.e. accepting co-applicants other than the permitted in the scheme• ITR related deviations:<ul style="list-style-type: none">✓ Calculating the eligible loan amount based on one ITR instead of 2 (wherever applicable).✓ Any other ITR related deviation.	<p>Credit Approval Committee (CAC) headed by the Regional Manager</p> <p>However, if the loan amount or authority requirement exceeds the CAC-RM's delegated powers, then both the loan sanction and the deviation must be placed before the next higher competent authority (e.g., Head Office) for approval</p>



		<p>III. Registration of Vehicle outside the state of Andhra Pradesh</p> <p>For Telangana state and Yanam district in Puducherry UT, may be approved by the Credit Approval Committee (CAC) headed by the Regional Manager & above, subject to creation of our bank hypothecation charge with respective RTO</p> <ul style="list-style-type: none"> In case a proposal with deviation, the proposal will be sanctioned by the delegated authority as per lending power and only deviation will be approved by the Competent Authority in deserving/justified cases. Sanction letter/details will be given/communicated to the respective borrower only upon receipt of the approval from the Competent Authority Delegated authority will consider and approve the deviations on a case-to-case basis for the deserving cases only <p>It must be ensured that there is no deviation to the basic intent of the scheme and that there is no violation of norms set by RBI/IBA/Gol/Statutes.</p>
22	Due-Diligence:	<ul style="list-style-type: none"> ❖ Mandatory verifications: <ul style="list-style-type: none"> Resident and employment/business verification Salary slips, Form 16, PAN, Bank statements, ITR Quotation and background verification of car dealer Post-inspection of vehicle post-delivery Internet search on car dealer to be made to cross verify the Telephone No. and GST No. as mentioned in the quotation. <p>However, in all the cases, branch should establish direct contact by visit to the place of car dealer to confirm issuance of quotation by them and also to obtain details of account to transfer money in electronic mode (NEFT/RTGS). Details of such verification/Due diligence of quotation to be invariably mentioned in the pre-sanction inspection report.</p> <ul style="list-style-type: none"> Branch officials/ marketing officers to complete the Due-diligence on applicant, co-applicant(s) and guarantor(s). For loans ≥ ₹20.00 lakh (Rural), ₹30.00 lakh (Semi-Urban), ₹75.00 lakh (Urban), ₹100.00 lakh (Metro), verification must be led by a Regional Office officer of at least Branch Manager rank. Further, branch to ensure compliance of post-sanction inspection of vehicle immediately and obtain copy of RC & Insurance policy with noting of charge in Bank's favour. Noting of Bank charge in the ROC in case loan is given to the company. Due diligence on the dealer through personal visit to be done prior to sanction of loan. In case of sub-dealer, further due diligence to be done with the authorized /main dealer and/or company and the bank where the sub-dealer is maintaining the account Enhanced Due diligence is required in case of persons who have provided personal guarantee while taking loan for Private Ltd Company/Ltd company/Firm. CIBIL/CRILIC report regarding Firm/Company should be pulled and reads satisfactory



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Processing & Sanction

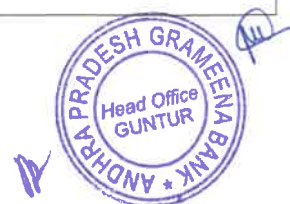
- The customer must be explained about the various features, terms, charges and applicable interest rate and informed about the documents to be submitted under the Vehicle Loan scheme. Branch to collect the necessary documents from the customer
 - All the copies of the basic documents collected from the customer should be verified with the original copies and an endorsement there-to should be recorded on the photocopies by the branch officials. Concerned officials should certify the same with his/her name and signature.
 - Simultaneously, Branch/Concerned to conduct due-diligence of the customer as stated in point no. 22 above
 - The Branch should also obtain a credit history report of the Applicant(s)/Guarantor from a credit bureau
 - If Bank is satisfied with the credit worthiness of the borrower and documents genuineness verified, branch will calculate eligibility of loan amount based on income and repayment capacity.
 - After submission of all related documents and its verification (KYC/Income Documents/Proforma Invoice/valuation report etc), branch/office to sanction the proposal as per norms. Finally, on approval of the proposal Branch may issue a final sanction letter under acknowledgment of the borrower and full processing, CERSAI, vetting & charges to be collected.
 - The sanction will be valid for a period of 6 months from the date of final sanction
 - The Branch may obtain Aadhaar Number, wherever applicable and note the same in Banks record
 - If the borrower/s is maintaining salary account/Operative account with other bank, NACH mandate and 6 security cheques (Blank cheques in the name of the Bank) prior to disbursement are mandatory to be obtained.
 - Key Fact Statement (KFS) shall be mandatorily provided to the borrower before handing over the letter of sanction. The contents of KFS shall be explained to the borrower and an acknowledgement shall be obtained that he/she has understood the same
 - Borrower hereby acknowledges the receipt of Key Facts Statement from the Bank in the format prescribed by Reserve Bank of India and same may be read as part and parcel of this Loan Agreement.
- ❖ Verification of Income Tax Return (ITR) Guidelines:
Income Tax return is the basic and important document to be obtained mandatorily to ascertain the income and repayment capacity of the borrower. Hence before accepting the income as reported in IT returns for calculation of loan eligibility, proper scrutiny is to be made to confirm genuineness of the IT return. following procedure to check the validity of ITR: -



		<ul style="list-style-type: none"> No alteration in any printed figures and the address; PAN no printed in ITR should tally with that reported in the application form/KYC document. Re-verify the last 6 digit of E-filing Acknowledgement Number matches with the date of filing as per ITR forms. ITR-V submitted but not verified contains a barcode, in that case, barcode number is mentioned below barcode image. The barcode starts invariably with PAN followed by ITR form number and 15-digit acknowledgement number. This should be checked and correctness to be ensured. The Status of ITR return should mandatorily be checked in income Tax website https://www.incometaxindiaefiling.gov.in by clicking link ITR status-> Enter PAN and ITR Acknowledgement number to ascertain whether the said ITR is at verified stage. As unverified ITR would render the same as invalid. Field functionaries should ensure that the ITR submitted as income proof is in "Verified" status before considering it for assessment of Loan. Verified ITR means, it is processed successfully by Income Tax Department without any further notice to Assessee.
24	Security Documents/ Documentation	As per the prevailing instructions and in accordance with the applicable provisions of the Loan Policy Guidelines (limited)
25	Other Documents	<ul style="list-style-type: none"> Declaration of partnership (In case loan to partnership firms) Letter of undertaking from partners (In case loan to partnership firms) Undertaking for disclosure to CIBIL from borrower/guarantor RTO transfer forms - Form- 20, 28, 29, 30 & 35 as applicable in respective States along with the letter from borrower Any other documents as stipulated in sanction advice Board resolution - In case of loan to companies
26	Disbursement	<ul style="list-style-type: none"> Having operative account with Bank is mandatory for availing the loan. The loan account can be opened only when the operative account number is linked with the loan account. Operative account will be used to debit all the charges and recovery thereon. Customer will be required to prefund operative account to the tune of processing fees, Vahan Registry charges, vetting charges, review charges and Insurance etc. System will not allow the user to debit the loan account towards any of these charges. Note: Current account need not to be opened for customers belonging to Corporates/LLP/Partnership Firms enjoying credit facilities from other banks/FIs for availing Vehicle Loan If the party is maintaining salary /operative account with other bank, NACH/ECS mandate and 6 security cheque (Blank Cheque in the name of the bank) are mandatory. EMI interest applied monthly; first EMI due one month from disbursement date Interest accrued will be booked monthly for accounting (Centralized)



		<ul style="list-style-type: none"> • Disbursement (loan + margin) to be made directly to dealer via PO/DD/NEFT/RTGS, as per Invoice • Bank must not charge commission on PO/DD/NEFT for such disbursements • Margin cash payment cap: ₹50,000 or 10% of vehicle cost, whichever is lower, unless through banking channels • Stamped receipts of entire value of the vehicle to be obtained and held on record.
27	Post disbursement / Follow-up / Monitoring	<ul style="list-style-type: none"> • Disbursing branch to carry out post disbursement inspection of the vehicle immediately after its delivery by the dealer/seller. Branch to record Chassis Number and Engine number of the vehicle, preferably pencil imprint to be obtained and held on record. • As mParivahan motor vehicle registry is integrated with CERSAI, registration of charges relating to motor vehicle is to be made only on the VAHAN registry and not on mParivahan. Any vehicle registered with mParivahan registry shall deemed to be registered with CERSAI for the purpose of SARFAESI Act, 2002. • Copy of RC Book and Insurance policy to be obtained and held on record; Branch to verify that Bank lien is noted with RTA. • Vehicle details to be checked on VAHAN Sewa portal on the parivahan website, ensure our charge on the vehicle • Branches/Offices are advised to maintain the quality of advance by diligently conducting pre / post sanction inspections. • Periodic inspections to be carried out as per guidelines • As per Central Motor Vehicle Rules (CMVR), "The No Objection Certificate (NOC) shall be issued to the vehicle owner by the bank/branches within seven working days, from the day on which loan repayment is completed." It is further informed that treating no response within the stipulated time of seven working days as deemed NOC may also be considered.
28	Review of Loans	All vehicle loans are subject to annual review to verify asset status, ensure charge registration, and confirm repayment compliance. The review must be conducted every 12 months from the date of first disbursement or the last review, whichever is later.
29.	Precautions / Prevention of procedural lapses:	<ol style="list-style-type: none"> I. Identification of the prospective borrowers and his/her place of residence as well as workplace are the first and foremost norms of the Know Your Customer principle. II. Pre-sanction and post-disbursal inspection should be invariably carried out independently and the report be held on record. During the course of such inspections discreet enquiry should be made from independent sources of genuineness of the prospective borrowers and their existence. III. Pre-sanction inspection should cover all verification viz. office address verification, residential address verification, verification of employer, salary slip, verification of Bank Passbook / statement and to ascertain whether the authority issuing letter of undertaking is competent to issue such undertaking etc. A report covering all the above aspects should be held in file.



		<p>IV. Credit information reports from credit information companies like CIBIL/Equifax/ Experian/ Crif to be pulled out and verified for any adverse credit history</p> <p>V. Margin money should be collected upfront before disbursement of loan. If the same is paid prior to sanction, proper verification should be made to establish the same.</p> <p>VI. In the case of new borrowers, enhanced due diligence to be undertaken by personal visit to the place of residence/business/office by Branch officials themselves independently and to make thorough enquiries.</p> <p>VII. The branch to release the loan proceeds by way of pay order/e-remittance to the dealer directly with a covering letter. The letter is to be handed over to the dealer by the branch officials in person against proper acknowledgement</p> <p>VIII. In such cases, a thorough scrutiny and authenticity of the bank account statement to be carried out by branch officials. If necessary, a visit to be made to the bank where the accounts are maintained.</p> <p>IX. Vehicle insurance to be obtained immediately and requests for obtaining the same at a later date should not be entertained.</p> <p>X. Branch should not depend on brokers / middlemen for scouting proposals. Avoid such proposals.</p> <p>XI. Branch should not accept applications received from dealers without proper scrutiny and verifying the antecedents of the customers.</p> <p>XII. Strict adherence to extant norms viz. eligibility, income criteria, income proof, income proof verification, assessment capacity etc</p> <p>XIII. Confine finance strictly to operational area of the Branch</p> <p>XIV. Do not handover documents to brokers / middlemen for execution by borrowers. Documentation to be strictly done within the Branch premises and in the presence of Branch officials concerned.</p> <p>XV. After disbursement, post disbursement inspection to be to be carried out and report should be held in the files along with all relevant bills / invoices towards purchase of vehicle</p> <p>XVI. It should be ensured that hypothecation charge on the vehicle is registered with RTA / ROC in case of companies simultaneously along with registration of vehicle. The noting on the RC to be verified and a copy of the RC bearing such noting should be held in the file</p> <p>XVII. The disbursement should be after ensuring stipulated margin. All charges / processing fee / insurance charges should be recovered from the borrower before disbursement of loan.</p> <p>XVIII. GST number Verification in GST Website: Verification of GST number in GST Website for all the Retail Loans wherever GST number provided / made available under Housing Loan, Vehicle Loan etc. “Genuineness of Quotation / Invoice to be ensured by verifying the GST number in GST Website”.</p> <p>XIX. Lodging 2nd set of Key for vehicle loans is not required.</p>
30	Documentation (Indicative List)	<p>a. Application: As per the existing e-RRB guidelines.</p> <p>b. KYC of the applicant (Latest Photos, ID proof preferably PAN and address proof which includes AADHAR, Driving License, Passport (if any)</p> <p>c. Assets & liabilities (property) statement of applicant/s, Guarantor/s along with supporting documents.</p>



- d. Composite Hypothecation agreement.
- e. Guarantor agreement.
- f. Demand Promissory note (As applicable)
- g. Income proof i.e. last 2 year's ITR/Form 16, latest 3 salary slips (for salaried only) and proof of other Income if any (In case not reflecting in ITRs/Form 16).
- h. Bank statement of operative account for last 6 months.
- i. Original Quotation for the vehicle issued by the Authorized vehicle dealer.
- j. Advance/booking amount payment receipt.
- k. For Salaried Class:
 - 1. Latest ITR/Form-16
 - 2. Latest 3 months Pay slip
 - 3. Salary account statement for the last six Months.
 - 4. Proof of permanent employment for a period of minimum one year
 - 5. Copy of employee ID card
 For Non-Salaried Class:
 - 1. Latest IT returns with Computation of Income, Income & expenditure and Balance sheet
 - 2. Statement of account for the last one year for ensuring sufficient cash flows
 - 3. Proof of Business (ex: GST registration/Establishment certificate/License)
 - 4. In case of agriculture income, ITR/ Income certificate issued by Tahsildar for a minimum annual income of Rs.3.00 lakhs
- l. Driving license copy, If Borrower has no driving license, undertaking letter that he will engage a driver having license. (applicable for Four Wheelers Only).
- m. Stamped receipt from the seller for the amount received
- n. Form no.29 - of RTO - Transfer of ownership forms duly signed (black, undated) in duplicate.
- o. Form-20 - Application in the prescribed form signed by the borrower to RTO to register the vehicle in his name and our change is being got noted in the RC.
- p. Form 12 A - Tax Card, Form 30 - Report of Transfer of Ownership of Motor Vehicle, as applicable
- q. Comprehensive insurance policy assigned in the name of the bank and for risk of Strike, Riot, Civil Commotion (SRCC). However, branches need not insist on the risk of civil commotion if the insurance companies do not undertake such insurance.
- r. Vehicle should be verified physically.
- s. Credit Information reports have to be drawn by the branch and if any adverse remarks are found, branch may seek for additional information pertaining to the delinquencies (if any).



		Post sanction Papers: u. Acknowledgement of the sanction letter & Key Fact Statement, duly signed by the applicants/Guarantor/s v. Composite Hypothecation agreement. w. Guarantor agreement. x. Acknowledgement of delivery of vehicle y. ECS Mandate where ever applicable. z. Registration of the vehicle. XX. This is only an indicative list and any other document may be obtained as per the requirement of the specific case and stipulated from time to time.														
31	Scheme Codes	APGB RIDE EASY: VEHICLE LOAN SCHEME <table><tr><th>Scheme Code</th><th>Parameter</th></tr><tr><td>AVLTW</td><td>APGB VEHICLE LOAN TWO WHEELER</td></tr><tr><td>AVLFW</td><td>APGB VEHICLE LOAN FOUR WHEELER</td></tr><tr><td>AVLET</td><td>APGB VEHICLE LOAN ELECTRIC TWO WHEELER</td></tr><tr><td>AVLEF</td><td>APGB VEHICLE LOAN ELECTRIC FOUR WHEELER</td></tr><tr><td>AVLHT</td><td>APGB VEHICLE LOAN HYBRID TWO WHEELER</td></tr><tr><td>AVLHF</td><td>APGB VEHICLE LOAN HYBRID FOUR WHEELER</td></tr></table>	Scheme Code	Parameter	AVLTW	APGB VEHICLE LOAN TWO WHEELER	AVLFW	APGB VEHICLE LOAN FOUR WHEELER	AVLET	APGB VEHICLE LOAN ELECTRIC TWO WHEELER	AVLEF	APGB VEHICLE LOAN ELECTRIC FOUR WHEELER	AVLHT	APGB VEHICLE LOAN HYBRID TWO WHEELER	AVLHF	APGB VEHICLE LOAN HYBRID FOUR WHEELER
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32	Asset Classification	Asset classification for Term Loan accounts shall be carried out as per the prevailing IRAC (Income Recognition and Asset Classification) norms of the Bank, in alignment with the applicable regulatory guidelines														
33	Utilization of mParivahan Portal	Steps for Verification: 1. Download mParivahan app 2. Register and enter RC number 3. Generate Virtual RC by verifying Chassis & Engine number 4. Ensure bank's name is listed under "Financier" 5. Save copy in the loan file														



ANDHRA PRADESH GRAMEENA BANK

(A Government undertaking sponsored by Union Bank of India)

Head Office ::: GUNTUR

Process Note for APGB Ride Easy - Vehicle Loan Scheme

Section 1: Details of the Applicant

S.No	Parameter	Description
I	Details of the Primary Applicant	
	Name of the Applicant	
	Father's/Spouse's Name	
	Whether the applicant is APGB staff	
	Whether the applicant is Ex-Servicemen	
	Date of Birth & Age	
	Whether the applicant is a senior citizen (≥ 60 yrs)	
	Residential Address	
	Permanent Address	
	Mobile Number	
	Working location/address	
	KYC Proof details: (Enclose copies)	
II	For Salaried	
	Name of the Employer	
	Category of the employer (PSU/State Govt./Central Govt./Private/Other - specify)	
	Employee code, Submitted ID Proof (copy should be enclosed)	
	Payslips/Income proof provided for how many months	
	ITR submitted for how many years	
	Present Place of Employment	
	Work Experience in Years (with present employer)	
	Total Work Experience in Years	
	Past dealings with the bank and remarks (if any) (Satisfactory / Adverse (Give Remarks))	



III	For Firm/Company	
	Name of the Firm/Company	M/s.
	Constitution (Proprietorship/Partnership/Pvt. Ltd., etc)	
	Nature of Business	
	Business Address	
	Key Persons (No. of Partners/Directors)	
	Date of Establishment	
	GST/ Business Registration No. (copy should be enclosed)	
	ITR submitted for how many years	
	Net worth/Partners' Capital	
	Past dealings with the bank and remarks (if any)	

Section 2: Details of the Co- Applicant(s)/Guarantor

S.No	Parameter	Description
I	Details of the Co-Applicant 1:	
	Name	Mr./Ms.
	Father's/Spouse's Name	Mr./Ms.
	Relation with the Primary Applicant	
	Date of Birth & Age	
	Whether the applicant is a senior citizen	
	Residential Address	
	Permanent Address	
	Mobile Number	
	Occupation/Profession	
	Employer	
	Employer Category	
	Working Location/ Address	
	Monthly Income in Rs. (if applicable)	
	Net Worth in Rs.	



II	Details of the Co-Applicant 2: (if any)	
	Name	Mr./Ms.
	Father's/Spouse's Name	Mr./Ms.
	Relation with the Primary Applicant	Father/Mother/Spouse/Son/Un Married Daughter
	Date of Birth & Age	
	Whether the applicant is a senior citizen	
	Residential Address	
	Permanent Address	
	Mobile Number	
	Occupation/Profession	
	Working Location/ Address	
	Employer	
	Employer Category	
	Monthly Income in Rs. (if applicable)	
	Net Worth in Rs.	
III	Details of the Guarantor:	
	Name	Mr./Ms.
	Father's/Spouse's Name	Mr./Ms.
	Date of Birth & Age	
	Senior citizen	
	Residential Address	
	Permanent Address	
	Mobile Number	
	Occupation/Profession	
	Working Location/ Address	
	Employer	
	Employer Category	
	Monthly Income in Rs. (if applicable)	
	Net Worth in Rs.	



Section 3: Details of the Vehicle to be purchased

S.No	Parameter	Description
a.	Category of the Vehicle	
b.	Make & Model	
c.	Year of Manufacture	
d.	Type of the Vehicle (Fuel Based/Hybrid/Electric)	
e.	Colour	
f.	Seller/ Dealer Name	
g.	Address of the Seller/Dealer	
h.	On- Road Price including registration, insurance and road tax only (as per quotation given by Seller/Dealer)	Rs.
i.	Discount, if any	
j.	Margin Norm (Refer scheme guidelines)	
k.	Loan Amount Requested by the Applicant	Rs.

Section 4: Income Details of the Applicant / Co-Applicant(s)

(To be filled separately for each applicant whose income is considered for loan eligibility)

Primary Applicant

A. For Salaried Individual

Parameter	Details
Monthly Gross Salary (₹)	₹ _____
Annual Gross Income (₹)	₹ _____ (Monthly × 12)
Other Regular Income (₹)	₹ _____ (with ITR/proof)
Total Annual Income (₹)	₹ _____
Retirement Age (as per employer norms)	_____ Years
Years Left Until Retirement	_____ Years
Post-Retirement Income (Pension/Other)	₹ _____ (with valid proof)
Applicable Sustenance Amount (₹)	₹ _____ (as per norms)



Note:

In case of salaried applicants, **gross pension income post-retirement shall not exceed 50% of the present gross income**. This is to ensure realistic repayment capacity and prevent over-leverage during the post-retirement period.

EMI-Based Loan Structuring (Mandatory)

EMI Period	Income Considered (₹)	Maximum Permissible EMI	Remarks
(I) During Service Tenure	₹ _____	₹ _____	Based on net income after deducting obligations & sustenance
(II) Post-Retirement	₹ _____	₹ _____	EMI (II) must $\leq 1.5 \times$ EMI (I) to avoid repayment stress

Condition:

EMI (II) should not exceed 1.5 times EMI (I). Loan must be structured such that it is fully liquidated within the sanctioned tenure considering both phases.

B. For Pensioners / Post-Retirement Applicants

Parameter	Details
Monthly Gross Pension (₹)	₹ _____
Other Regular Income (with valid proof)	₹ _____
Total Monthly Income	₹ _____
Whether Gross Pension \leq 50% of Last Salary	Yes / No
Income Sufficient for EMI Post-Retirement	Yes / No
Applicable Sustenance Amount (₹)	₹ _____

Note:

The sanctioning authority may consider regular income sources such as **pension, rental income, or alternate employment** post-retirement, provided they are verifiable and stable.



C. For Self-Employed / Business Owners / Agriculturists

Parameter	Details
Nature of Business / Income	
Frequency of Income	Monthly / Quarterly / Seasonal
Proof of Income	ITRs / Audited Financials / Receipts
ITR - AY 20__ - __	₹ _____
ITR - AY 20__ - __	₹ _____
Average Net Income - (A)	₹ _____
Addback: Depreciation (if applicable) - (B)	₹ _____
Final Net Income Considered (A + B)	₹ _____
Applicable Sustenance Amount (₹)	₹ _____

Additional Clause: Income Beyond Retirement (Where Applicable)

If loan tenure extends beyond retirement, the following methodology shall apply:

Eligible Loan Quantum =

Loan amount @ **Lower Income Level** (e.g., pension/alternate income) for **full tenure**

+

Loan amount @ **(Higher Income - Lower Income)** for tenure during which higher income is available

Illustration:

Description	Value
Current Monthly Income (Age 55-60)	₹ 70,000
Expected Pension Income (Post-60)	₹ 30,000
Repayment Tenure	7 Years

Calculation:

- Loan eligibility @ ₹30,000/month for 7 years (entire tenure)
- Plus: Loan eligibility @ ₹40,000/month (difference) for 5 years (till retirement)

Branch to compute separately using amortization and sum both parts to determine total eligible loan.



Co-Applicant 1 (if income is considered)**A. Salaried**

Parameter	Details
Monthly Gross Salary (₹)	₹ _____
Annual Gross Income (₹)	₹ _____
Other Regular Income (₹)	₹ _____
Total Annual Income (₹)	₹ _____
Retirement Age	____ Years
Years Left Until Retirement	____ Years
Post-Retirement Income (₹)	₹ _____ (with proof)
Sustenance Amount (₹)	₹ _____

Apply EMI bifurcation logic and 1.5x cap rule if repayment tenure goes beyond retirement.

B. Pensioner

Parameter	Details
Monthly Gross Pension (₹)	₹ _____
Other Income (₹)	₹ _____
Total Monthly Income (₹)	₹ _____
Sustenance Amount (₹)	₹ _____

C. Self-Employed

Parameter	Details
Nature of Business	_____
Frequency of Income	_____
Proof of Income	_____
ITR - AY 20__ - __	₹ _____
ITR - AY 20__ - __	₹ _____
Average Net Income - (A)	₹ _____



Parameter	Details
Addback: Depreciation - (B)	₹ _____
Final Income Considered (A + B)	₹ _____
Sustenance Amount (₹)	₹ _____

Multi-Applicant Loan Eligibility Computation

Where more than one applicant's income is considered and their income levels/retirement ages vary:

Total Eligible Loan Quantum =

Sum of Eligible Loan Quantum of each Applicant, calculated individually using:

- EMI Bifurcation: Pre- and Post-Retirement
- Income beyond retirement logic
- Sustenance deduction
- $EMI (II) \leq 1.5 \times EMI (I)$ compliance

✓ General Compliance Checklist

- ☐ ITRs / Salary Slips / Pension Slips Verified
- ☐ Post-Retirement Income Proof Obtained
- ☐ Sustenance Norms Applied
- ☐ EMI Bifurcation Sheet Attached
- ☐ Loan Fully Liquidated by Tenure End
- ☐ Complies with Pension \leq 50% of Gross Salary Rule (for salaried)

Section 5: Credit Information Details

S.No	Parameter	Description
I	Credit Bureau used for Report Generation	
	CIC Score	1. Primary Applicant/Firm/Company: 2. Co- Applicant 1: 3. Co- Applicant 2: 4. Guarantor:
	Deviations if any	No Default/Suit Filed/Settled/Written Off History
	Remarks if any	

Section 6: Rate of Interest

Rate of Interest Applicable :

(in accordance with the credit score of the applicant/co-applicant(s) and as per the prevailing scheme guidelines)



Section 7: Calculation of Maximum Eligible Loan Amount

S.No	Particulars	Amount in Rs.Lakh
A	For Self-employed/Firm/Company: Average Gross Annual Income as per last 2 years income tax returns (ITR)	
	For Salaried: Income as per latest salary slip/pension $\times 12$ Or Income as per latest income tax return (ITR) Note: If loan period is beyond retirement: Gross pension income should not be more than 50% of present gross income	
B	For Self-employed: Average of tax paid as per last 2 years ITRs	
	For Salaried: Tax as per latest salary slip (as used in A) $\times 12$ Or Tax as per latest income tax return (ITR)	
	For Firm/Company: No tax to be deducted separately as net profit is arrived after tax	
C	Income Net of Taxes i.e. $C=A-B$	
D	For Salaried & self-employed: Total of all annual outgoes like EMIs, life/medical insurance premium, contribution to PPF/PF etc., which are recurring in nature Note: Voluntary investments such as VPF, MF, etc., need not be considered for calculations if the applicant gives an undertaking to stop the same.	
	For Company/Firm: Principal amount of existing loan to be deducted as net profit is being considered i.e., interest is factored in P & L account.	
E	Amount for sustenance (calculated as per scheme guidelines)	
F	Max. annual surplus available for repayment of proposed loan $F = C - (D + E)$	
G	Maximum EMI allowed for the proposed loan $G = F / 12$	
Eligible Quantum of Loan Calculation		
H	For Self-employed: Calculate the eligible quantum of loan based on the maximum possible EMI so that the entire loan is liquidated by the end of the tenure	Eligible Loan Tenure
		Applicable Interest Rate (p.a.)
		EMI per ₹1 lakh



	For Salaried: The maximum possible EMI is to be calculated separately for the period during service (I) and post-retirement (II) as EMI (I) and EMI (II) respectively. EMI (II) not to be more than 1.5 times of EMI (I) → This condition will avoid the cases where EMI (I) is less than the interest charged on the loan account during service tenure (I). Based on these EMIs, the loan amount is to be calculated such that the entire loan is liquidated by the end of the tenure.	
	For Firm: Calculate the eligible quantum of loan based on the maximum possible EMI so that the entire loan is liquidated by the end of the tenure.	
I	Cost of Vehicle proposed to be purchased less margin	
J	Loan amount requested by the borrower	
K	Eligible loan quantum = Least of H, I, J	

Section 9: Charges

S.No	Parameter	Particulars
	Processing Charges	
	Penal Charges in case of default/delayed payment	2% on the delayed instalment(s)
	Take over penalty	1% of the outstanding loan amount, as per applicable repayment terms and conditions
	Stamp duty on security documents	
	Annual Review Charges	
	Other -Specify if any	

Section 10: Sanction Terms

S.No	Parameter	Particulars
	Scheme Code	
	Loan Quantum in Rs.	
	Tenure of the Loan in months	
	Periodicity of Repayment	Monthly
	EMI in Rs.	
	Rate of Interest(after concessions, if applicable)	
	Interest Compounded	Monthly
	Mode of Disbursement	
	NACH Mandate consent	Obtained/Not Applicable
	Security	
	Remarks, if any	



Submissions of the branch:

We have

- a. obtained all necessary documents related to this loan proposal and ensured their correctness
- b. explained the key fact statements and obtained an acknowledgement from the borrower that he/she understood all terms and conditions
- c. obtained the consent letters for generation of credit information reports from applicant/co-applicant(s)/guarantor
- d. conducted due-diligence of the applicant/co-applicant(s)/guarantor and seller/dealer
- e. visited the dealer/seller and ensured the genuineness of the transaction and purchase to be made on dt. _____

Officer Due-diligence conducted:

Concerned official shall conduct comprehensive due-diligence before loan sanction and disbursement, including but not limited to:

- Verification of residence, employment/business, and income documents of the applicant, co-applicant(s), and guarantor(s) (Salary slips, Form 16, PAN, Bank statements, verified ITR).
- Physical verification and background check of the vehicle dealer, including confirmation of quotation authenticity through dealer visit, GST number verification online, and verification of dealer bank details for fund transfer.
- Credit history verification from credit bureau (CIBIL) for applicant, guarantor, and associated companies/firms with enhanced due diligence for personal guarantees.
- For loans above prescribed thresholds (Rural ₹20 lakh, Semi-Urban ₹30 lakh, Urban ₹75 lakh, Metro ₹100 lakh), due-diligence must be led or verified by a Regional Office officer of Branch Manager rank or higher.
- Verification of all submitted documents against originals with endorsements.
- Calculation of loan eligibility based on verified income and repayment capacity.
- Proper documentation and certification of due-diligence reports and inspection findings.



Certification:

I, _____ [Name & Emp. code],
_____ [Designation], have personally conducted/verified all
necessary due-diligence as per the scheme guidelines and confirm that the process
has been duly completed and documented. In case of any discrepancies or non-
satisfactory findings, I have referred the matter to the concerned authority for
further action and no sanction has been recommended till clearance is obtained.

Signature : _____

Date : _____

Branch / Office : _____

Recommendations of the Appraising Officer:

Recommendations:

Name & Staff code of the Appraising Officer:

Designation and Scale:

Branch & Region:

Signature with date:

Recommendations of the Branch Manager:

Recommendations:

Name & Staff code of the Branch Manager:

Scale:

Branch & Region:

Signature with date:



Sanctioning Authority Remarks:

I. Approved

II. Rejected: Reason for Rejection:

Date:

Place:

Signature of the Sanctioning Authority
Name & Designation of the Sanctioning Authority

