

Head Office
Personnel Department
12, Old Court House Street
Calcutta – 700 001.

Circular No. CHO/PMG/13/98
Date : July 20, 1998

CIRCULAR TO ALL BRANCHES/OFFICES

**Sub : COMPREHENSIVE PERSONAL LOAN SCHEME
FOR MEMBERS OF STAFF AT COMMERCIAL
RATE OF INTEREST.**

We are pleased to inform our branches/offices that a Comprehensive Personal Loan Scheme (other than those covered under Officers' Service Regulations/Bipartite Settlements) for members of staff at commercial rate of interest has been approved by the Bank's Board of Directors in its meeting held on 27th June 1998 on the following terms and conditions.

1. **TYPE OF FACILITY :** Demand Loan.
2. **PURPOSE :**
 - 2.1 To meet the expenses for children's higher education abroad or in professional colleges in India and their marriages ;
 - 2.2 To meet shortfall in the cost of house/flat to be purchased, expenditure on major repairs/renovation of the house/flat ;
 - 2.3 To meet expenses in connection with treatment for serious illness of self/dependants/close relatives ;
 - 2.4 To finance partly/fully for purchase of four/two wheeler vehicles and also for major repairs thereto ;
 - 2.5 Purchase of consumer durables such as Audio/Video/Home Appliances/ Personal Computers etc. ;
 - 2.6 Travelling expenses of self/dependants to visit a place outside India ;
 - 2.7 To repay the loans availed from other Institutions for the aforesaid purposes.

3. ELIGIBILITY :

Five years of completed service in the Bank. In case of employees who are availing loan under this scheme, the total deductions from the salary of the applicant on account of Provident Fund, Income Tax and other statutory deductions, if any, and instalments towards various loans including the proposed Comprehensive Personal Loan should not exceed 60% of the Gross Emoluments. In other words, the carry home pay of an employee under no circumstances be less than 40% of his Gross Emoluments.

4. QUANTUM OF LOAN :

One month's pay for every completed year of service, maximum 10 months 'Pay', subject to the following ceilings :

Officers	:	Rs. 90,000/- (maximum)
Clerical Staff	:	Rs. 60,000/- (maximum)
Subordinate Staff	:	Rs. 30,000/- (maximum)

Pay – for this purpose includes Basic Pay, Stagnation Increments, Officiating Allowance, Professional Qualification Allowance and increment component of Fixed Personal Allowance, Special Allowances etc. which are qualifying for Provident Fund.

5. REPAYMENT :

The period of recovery should be so fixed that the entire loan is recovered within the period of service of the employee or 84 monthly equated instalments whichever is less (i.e. instalment will be fixed taking into account the interest element).

6. RATE OF INTEREST :

0.5% above Prime Lending Rate + Interest Tax to be compounded quarterly.

7. SANCTIONING AUTHORITY :

7.1 Regional Managers – for all staff members working in the Region ;

7.2 Chief Managers/Asstt. General Managers of EL/VL Branches – for the staff members working in their branches ;

7.3 Zonal Managers – for staff working in Zonal Office and also for staff members deputed to RRBs etc. within their Zone ;

7.4 Asstt. General Manager, Personnel – for staff members working at Head Office including Inspecting Officers :

7.5 In case where disciplinary action is pending/initiated/contemplated the loan will be considered by the respective Zonal Managers/Dy. General Manager, Personnel at Head Office.

8. LOAN ON SUBSEQUENT OCCASIONS :

Request for loan on subsequent occasions will be considered after a lapse of one year from the date of closure of the previous loan.

9. SECURITY AND DOCUMENTATION :

9.1 Lien against Provident Fund (Letter for marking lien should be obtained and sent to PF Department immediately after disbursement) ;

9.2 Application Form as per specimen enclosed ;

9.3 Demand Promissory Note ;

9.4 Letter of waiver.

10. SUPERVISION AND FOLLOW-UP :

It shall be ensured that the monthly instalments and the interest compounded quarterly are promptly recovered so that the account remains regular.

A separate loan ledger may be kept for this category of loan if the number is large. The particulars of Loan Ledger Folios of Marriage Loan & Consumer Loan are to be mentioned in the Comprehensive Loan Ledger for effective control.

11. The eligibility for quantum of advance for the officers/employees who have already availed consumer loan for buying consumer durables and for meeting expenditure on religious/social obligations under Government guidelines as circulated vide our Circular No. CHO/PMG/10/91 dated 18.03.1991 and CHO/PMG/15/94 dated 27.04.1994 or Special Loan to meet marriage expenses as per Staff Circular Letter No. SCL/98/82 dated 15.10.1982 shall stand reduced to the extent of balance outstanding in these accounts as per example given below :

Example for Computation of eligibility for Comprehensive Personal Loan limit :

EXAMPLE – 1 :

Where a clerical staff has applied for a Comprehensive Personal Loan of his full eligibility under the scheme i.e. Rs. 60,000/-.

Outstanding balances in his Loan A/cs are as under :

i) Marriage Loan	Rs. 4,500.00
ii) Consumer Loan	Rs. 7,800.00
TOTAL	<u>Rs. 12,300.00</u>

Under the circumstances, his eligibility for Comprehensive Personal Loan will be as under :

Quantum of eligibility as per Scheme	Rs. 60,000.00
Less : Outstandings in Marriage Loan and Consumer Loan	Rs. 12,300.00
	<u>Rs. 47,700.00</u>

11.1 Further, hereinafter availment of Consumer Loan under Bank's Circulars No. CHO/PMG/10/91 dated 18.03.91 and CHO/PMG/15/94 dated 27.04.94 or Special Loan to meet marriage expenses vide Bank's Circular No. SCL/98/82 dated 15.10.82 shall depend on non-availment of like amount under Bank's Comprehensive Personal Loan Scheme.

EXAMPLE – 2 :

Where Employee's eligibility for Comprehensive Personal Loan is Rs. 30,000/- ;

and he has availed Comprehensive Personal Loan and the balance outstanding is for Rs. 15,000/-;

and he is not having any outstanding in Consumer Loan and Marriage Loan ;

Under the circumstances, his total entitlement for Consumer Loan under Bank's Circulars No. CHO/PMG/10/91 dated 18.03.91 and CHO/PMG/15/94 dated 27.04.94 and Special Loan to meet marriage expenses vide Bank's Circular No. SCL/98/82 dated 15.10.82 should not exceed Rs. 15,000/- ;


If at this stage, he wants to avail Marriage Loan of Rs. 10,000/- his eligibility for Consumer Loan under Bank's Circulars referred to above would be Rs. 5000/- or vice-versa ;

if at this stage, he wants to avail only Consumer Loan of Rs. 15,000/- his entitlement for Marriage Loan would be – NIL.

In sum, at any point of time, total loan outstanding under Comprehensive Personal Loan, Consumer Loan and Marriage Loan should not exceed the stipulated eligibility limit for Comprehensive Personal Loan.

GENERAL INSTRUCTIONS

The Comprehensive Personal Loan Scheme has come into effect from 27.06.98, the date of approval of the said scheme by the Board of Directors. Loans under the scheme would be granted subject to terms and conditions stipulated in the scheme. This scheme is need based and not for any speculative purpose.



(C. R. BAKSI)
ASSTT. GENERAL MANAGER
(PERSONNEL)

Enclos :

1. Specimen Application Form.
2. Letter of Lien on Provident Fund.

Head Office
Personnel Department
12, Old Court House Street
Calcutta – 700 001.

Circular No. CHO/PAS/8/98

Dated : 18.11.1998

**TO ALL BRANCHES / OFFICES
IN INDIAN UNION**

**Sub : Comprehensive Personal Loan Scheme for
Members of Staff at Commercial Rate of Interest
— Extension of Loan to the Permanent Part—Time
Employees.**


Attention is drawn to our Circular No. CHO/PMG/13/98 dated 20-07-98 in the matter of introduction of Comprehensive Personal Loan Scheme for members of staff at commercial rate of interest w.e.f. 27.06.98.

It has been further decided to extend the Comprehensive Personal Loan to the Permanent Part-time Employees of the Bank in the Subordinate Cadre working in scale wages on pro-rata basis with the terms and conditions as stipulated in the aforesaid Circular. The quantum of loan for such category of employees would be as under :

One month's pay for every completed year of service, maximum 10 months' 'pay' subject to the following ceilings :

- 1) Permanent part-time Employees working on 1/3 Scale Wages : Rs. 10,000/-.
- 2) Permanent part-time Employees working on 1/2 Scale Wages : Rs. 15,000/-.
- 3) Permanent part-time Employees working on 3/4 Scale Wages : Rs. 22,500/-.

In this regard, all other terms and conditions of the Comprehensive Personal Loan Scheme for members of staff as provided in Bank's Circular No. CHO/PMG/13/98 dated 20.07.98 should be followed scrupulously.



(C. R. BAKSI)
ASSTT. GENERAL MANAGER
(PERSONNEL)

UCO BANK
APPLICATION FOR PERSONAL LOAN
(to be submitted in duplicate)

Name of the employee :
PFM NO. :
Designation :
Branch / Office :
Name of the Deptt. :
Date of Joining :
Date of Confirmation :

To
The Regional Manager /
Zonal Manager / Asstt. General Manager
UCO Bank

Through Branch Manager /
Head of the Deptt.

Dear Sir,

I shall be obliged if you kindly grant me a personal loan of Rs.
(Rupees) in terms of Head Office
Circular No. CHO/PMG/13/98 dated 20.07.98 for meeting the expenditure on
.....

I enclose herewith the necessary documentary evidence in this respect. I have not availed
any loan under this facility earlier / The loan availed by me earlier under this facility has been
liquidated on

2. I hereby authorise the Bank to recover the amount of the loan and interest thereon in
84 monthly equated instalments from the Salary and Allowances payable to me. I under-
take to abide by the rules and regulations governing the sanction of this loan. I also
solemnly affirm that the amount of loan would not be used for investment and speculative
purpose.
3. A lien may kindly be noted on my Provident Fund balance on account of the aforesaid
loan. In the event of my ceasing to be in the Bank's service before the loan is liquidated,
the balance outstanding and the interest if any due may be adjusted out of the Bank's
Contribution to the Provident Fund, if payable to me / my nominee in terms of the PF

Rules. If the Bank's contribution are not payable to me / my nominee or not sufficient to cover the outstanding, the outstanding may be recovered from my own contribution to PF and I hereby authorised the trustees accordingly and to that extent it shall be a good discharge to the trustees against all claims whatsoever, in respect of the said Fund.

4. The particulars of my salary and all deduction there from for the last month are furnished below :

Details of Pay

Basic Pay : Rs.
 Special Allowance : Rs.
 Dearness Allowance : Rs.
 CCA : Rs.
 House Rent Allowance : Rs.
 Other : Rs.
 i) Rs.
 ii) Rs.
 iii) Rs.
 Gross Salary : Rs.

Deductions

PF Contribution : Rs.
 PF Loan Instalment : Rs.
 PF Loan Interest : Rs.
 Insurance Premium : Rs.
 Income Tax : Rs.
 Professional Tax : Rs.
 Housing Loan : Rs.
 Vehicle Loan : Rs.
 Festival Advance : Rs.
 Others
 i) Rs.
 ii) Rs.
 iii) Rs.
 Total Deductions : Rs.

Less Total Deductions : Rs.

Net Take Home Pay : Rs.

Date :

Enclos :

(Signature of the Applicant)

FOR OFFICE USE

Basic Pay : Rs.
 Permissible Amount of Loan : Rs.
 Monthly Equated Instalment : Rs.
 Recovery to commence from : Month / Year

Scrutinised, found in order and recommended. The sanction of the personal loan will not result in the take home pay of the applicant falling below 40% of his gross salary.

Date :

Branch Manager / Head of Deptt.

Sanctioned a Personal Loan of Rs.

Date :

Sanctioning Authority

To :

The Trustees of UCO Bank

Employee's Provident Fund

Dear Sirs,

Re : Employee's Comprehensive Personal Loan Scheme

UCO Bank (hereinafter called 'the Bank') has sanctioned a sum of Rs.
(Rs. only) as a loan
to me under the Comprehensive Personal Loan Scheme applicable to the employees of the
Bank. In consideration of the said sum of Rs. (Rupees
..... only) which has been sanctioned and
agreed to be paid by the Bank to me under the said Comprehensive Personal Loan Scheme
vide Bank's Circular No. CHO/PMG/13/98 dated 20.07.98, I hereby irrevocably authorise
you irrespective of any nomination made or that may be made by me to pay on my behalf
to the Bank the entire amount lying to the credit of my account with you (both my and the
Bank's contribution) and payable to me on my ceasing to be in the service of the Bank
whether by resignation, discharge, dismissal, termination of service (by retirement,
voluntary or by operation of law) or for any other reason whatsoever so as liquidate the
balance of the amount that may be due and payable by me to the Bank for principal,
interest, costs, charges and expenses in respect of the said loan under the said scheme at
the time of my cessation of service under the Bank. The surplus, if any, after such payment
should be paid to me or to my nominee or my heirs, executors, administrators and legal
representatives, as the case may be.

The authority hereby given will be binding on my heirs, executors, administrators,
representatives and assigns and on any person in whose favour I have made or may make
a nomination.

Yours faithfully,

.....
Signature

Name (In Block Letters) :

Branch / Office :

P.F. Membership No. :

Date :