

**INTERNAL OFFICE MEMORANDUM**

**FROM: - CEO/ EXECUTIVE DIRECTOR**

**TO:** - **DGMs / Branch Managers / Legal Officials / Manager Credit at Head Office Manager Leasing at Head Office**

**SUBJECT DISBURSEMENT OF CREDIT FACILITIES - Rs 5 Mn AND ABOVE.**

Copy **AGM (Compliance) & Manger Audit**

**Date** **23rd May 2023**

**At the meeting conducted under the Special Legal Recovery Programme on 23.05.2023 the legal officers observed that lapses in security documentation are preventing initiation of the legal recovery process expeditiously as anticipated by the Management.**

**Therefore, to ensure accuracy and enforceability of security Documents it was decided to adopt the following procedures:-**

1. **Applicable Limit** – Credit facilities amounting to **Rs 5 Mn and above.**
2. On execution of Security documents by the borrower the Branch Managers should conduct the **primary verification** of documents for accuracy as per the requirements in Credit Policy and Procedures Manual Version III and credit circulars in force .
3. Thereafter, the Securities file should be referred to the Head office Credit Debarment for their verification and submission to the Legal Officials at Head office for **Secondary Verification**.
4. Proceeds of credit facilities should be disbursed only after accuracy of security documents are confirmed by a Legal Officer under ( c) above, ( **Proceeds of credit facilities should not be disbursed pending the said approval under any circumstances.)**

**Branch Managers and all officials involved in Credit Administration activities at Branches and at Head office are responsible to ensure compliance with the requirements herein with immediate effect**

Signed

**K G Leelananda**

**CEO/ Executive Director**