



GENERAL RULES

Loan and Advances will be sanctioned to the Members only as per these Rules and on such Terms and Conditions as specified by the sanctioning Authority of the Bank. However, the loans against own deposits can be sanctioned to the non-members. Loans and Advances against Gold ornaments, L.I.C. policies, NSC/KYP and Consumer Loan can be sanctioned to the Nominal Members also.

The Loan Application shall be in the prescribed form available in the Bank and shall be given against the payment as may be fixed by the Board from time to time.

Processing charges will be recovered from the concerned borrower at the time of disbursement of loan.

The Borrower shall be bound by the Bye-Laws of the Bank, these Rules and Reserve Bank of India Guidelines/Directives in force from time to time.

The Board of Directors and the Chairman and the Loan Committee and the Branch Manager & Officers of the concerned branch to whom the powers are delegated by the Board will be Sanctioning Authority for the Loan/Overdraft up to a limit specified by the Board. The Loans and Advances so sanctioned shall be ratified in the meeting of the Board.

Complete check list be handed over to the Member/s desirous of taking loan at the time of issuing the Application Form, to enable the applicant to submit the information at ONE TIME ONLY..

Any attempt to conceal the information or give incomplete/false/evasive information on the application form or otherwise will be liable for rejection of Loan Application.

The Bank reserves its right to recall the loan along with interest at any time during the continuance of the loan.

The security offered by the Borrower preferred to be owned by him and Borrower/Owner must have a clear Marketable Title over it, in case of immovable property.



Types of loan/advance	Proportionate linkage
Secured loan/ advance except against fixed deposits and Gold Loans	2.5% of the sanctioned loan amount
Unsecured loans/ advances	5% of the sanctioned loan amount

Loan application-

An application for loan shall be in the appropriate form prescribed by the bank for different types of loans/ advances. The application form should contain all the required information to enable the bank to assess credit worthiness of the proposal, extent of credit required, and the geniuses of the purpose for which the amount of loan is to be used and the repaying capacity of the application.

Loan limit:-

sr. no	Loan type	Limit	Maximum period of repayment	Margin
1	Loan against fixed deposited	90% of FD	90% Of FD	10% subject to R.B.I directive
2	Gold	20,00,000	Upto 12 Month	25% OF MARKET VALUE
3	Vehicles	20,00,000	Upto 60 Month	20% OF MARKET VALUE
4	Housing loan	25,00,000	Upto 240 Month	25% OF MARKET VALUE
5	Education	20,00,000	Upto 120 Month	



6	Personal loan	2,00,000	Upto 60 Month	
7	Overdraft/CC	35,00,000	Upto 12 Month	25% value
8	Loan against NSC/KVP	500000	Upto 60 Month	
9	Loan against INSURANCE	500000	Upto 60 Month	
10	Finance for housing (including/ alternation/ repair)	5,00,000	Upto 120 Month	
11	Housing Loan Staff	15,00,000	Upto 240 month	10% OF MARKET VALUE
12	Personal Loan staff	5,00,000	Upto 100 Month	

Staffs may be given real estate loan so that they can purchase land and construct building or buy a flat for residential purpose only. The EMI should work out to 75% of their gross income. It should be revisited after a year and it should be worked out to 50% of their gross income.

Staff personal loan in combination with real estate loan should eventually work out to EMI with minimum of 50% of the gross income. **Housing loan – (staff housing loan) & personal Loan Staff Interest Rate is 4% Per annum**

Bank may permit unsecured advances without surety up to Rs. 10000 only in respect of purchase/discount/withdrawal against third party cheques for a temporary period of 30 days in emergency cases.

Unsecured loan should be within Rs. 2 lakhs.