

# **PERSONAL LOAN SCHEME FOR GOVT. EMPLOYEES & ITS ENTERPRISES**

## **1. SCHEME APPLICABILITY**

Branches of Harco Bank at Chandigarh and Panchkula

## **2. ELIGIBILITY**

Confirmed / permanent employees of State / Central Govt. and their Boards/ Corporations / undertakings.

### **NOTE:-**

- (i) At the time of processing of loan the borrower's place of posting should be at Chandigarh / Distt. Panchkula.
- (ii) The prospective borrower's post should not be transferable outside to Haryana and Chandigarh;
- (iii) Those branches whose NPA of previous financial year exceeds to 5% p.a. subsequent sanction of loans by the branch will automatically stand withdrawn only till the NPA percentage improves to below 5% p.a..
- (iv) Employees who are placed under suspension are not eligible under the scheme during the period of their suspension.
- (v) The minimum length of service must be completed of 3 years.

## **3. PURPOSE**

To meet the urgent requirements of personal nature such as education, marriage of children, foreign travel, family functions, medical expenses etc.

## **4. MINIMUM NET MONTHLY INCOME**

Rs.20,000/- per month gross pay for eligible customers.

OR

Subject to change from time to time by the Bank.

Statement of salary account of prospective borrower minimum for last six months be obtained. This is to facilitate ascertaining general conduct of the account including other borrowings.

Last three months salary certificate/slip of prospective borrower be obtained showing details of salary/emoluments. The salary certificate/slip be duly verified by the employer and should bear signatures of officer authorized to disburse salary and allowances. Such official may also indicate the mode (i.e. cash or cheque or through bank account) of payment of salary/emoluments.

- Obtain last three years' Income Tax Returns;
- Obtain all other loan account statements of prospective borrower of last 6 months.

5. **NATURE AND AMOUNT OF LOAN**

Term loan and overdraft with reducing D.P. basis Minimum and maximum amount of loan would be Rs.50,000/- and Rs.15,00,000/- respectively.

6. **Extent of loan :-** Maximum Rs.15.00 Lakhs or 15 times of the gross salary whichever is lower.

7. **MARGIN :-** NIL

8. **REPAYMENT PERIOD. – 60 months or residual service period whichever is less.**

8.1 (a) **Term loan**

60 equated monthly installments (EMIs) comprising of principal & interest OR remaining period of service, whichever is earlier. Installment to commence one month after disbursement of loan.

8.1(b) **Overdraft:**

The overdraft limit shall be adjusted within a maximum period of 60 months by reducing Drawing Power (DP) equivalent to EMI amount at the beginning of every month.

The sanctioning Authority to ensure that the likely period of stay of the borrower is commensurate with the repayment period allowed.

Obtention of maximum 60 advance cheques (PDCs) signed by the borrowers be ensured towards repayment of equated monthly installments or of such number of cheques, which equal remaining period of service along with Letter of Deposit. The obtaining of advance cheques shall, however, be applicable where check off facility is not available. Check off facility means where the employer undertakes to deduct the monthly installment from the salary and remit the same towards adjustment of the loan till its liquidation and also confirm/undertake attachment of terminal dues of borrower employees.

9. **RATE OF INTEREST – Fix rate option**

- i) **Salary account of prospective borrower not with Harcobank;**

CIBIL Score 800 and above	12½% p.a.
CIBIL Score 700 and below 800	13% p.a.
CIBIL Score 600 and below 700	13½ % p.a.
CIBIL Score below 600	not accepted.

i) a)

CIBIL Score (0 to – 1 )	15% p.a.
CIBIL Score (1 to upto 5 )	15½% p.a.

- **0.25% less rate of interest will be charged to applicable rate of interest wherever DDO gives the consent to remit the EMIs to loan sanctioning branch after deducting the prospective borrower's salary;**

ii) **Salary account of prospective borrower with Harcobank;**

CIBIL Score 800 and above	11½% p.a.
CIBIL Score 700 and below 800	12% p.a.
CIBIL Score 600 and below 700	12½ % p.a.
CIBIL Score below 600	not accepted.

ii)a)

CIBIL Score (0 to – 1 )	15% p.a.
CIBIL Score (1 to upto 5 )	15½% p.a.

**Note: In case prospective borrower after taking loan from Harcobank shifts his/her salary account to other Bank 1% extra rate of interest will be charged over and above the applicable rate of interest.**

iii) **Harcobank Staff;**

CIBIL Score 800 and above	10½% p.a.
CIBIL Score 700 and below 800	11% p.a.
CIBIL Score 600 and below 700	11½ % p.a.
CIBIL Score below 600	not accepted.

iii)a)

CIBIL Score (0 to – 1 )	15% p.a.
CIBIL Score ( 1 to upto 5 )	15½% p.a.

## 10. **PENAL INTEREST**

Upto upto 60 days of default      3% p.a. on default amount over and above

Above 60 days of default                      the normal rate of interest.  
3% p.a. on entire outstanding amount  
over and above the normal rate of interest.

**11. LATE PAYMENT CHARGES :-**

- a) Late payment charges                      Rs. 750/- (Plus taxes if any) after 7 days
- b) Cheque bounce charges                      Rs. 750/- (Plus taxes if any) per cheque.  
**(Also applicable to Harcobank staff)**

**12. PROCESSING FEES**

- i) **Processing fee – PUBLIC :-** 1% of the loan amount (minimum Rs. 1000/- and maximum Rs. 5000/-plus taxes)
- ii) **Processing fee – HARCOBANK STAFF :-** NIL

**Note: Obtain processing fee before disbursement of loan.**

**13. PRE-PAYMENT CHARGES :-      NIL**

**14. SECURITY**

- i) Third Party guarantee of one employee acceptable to the Bank in case where salary account not maintained with Harcobank Branch;
- ii) Third Party guarantee of one employee or insurance of loan amount in cases where salary account maintained with Harcobank (except Harcobank staff);
- iii) The Guarantor(s) CIBIL Score below 600 will not be accepted;
- iv) Advance cheques (PDCs) wherever applicable;

**Note:-Security Cheques can be replaced by charging Rs. 1000/- plus taxes by sanctioning authority.**

**15. GENERAL TERMS AND CONDITIONS**

- a) i) The carry home pay (including deduction of proposed personal loan installment) of an employee drawing salary upto Rs. 10.00 lakh annual under no circumstances should be less than 50% of his/her gross emoluments;

- ii) The carry home pay (including deduction of proposed personal loan installment) of an employee drawing salary above Rs. 10.00 lakh annual under no circumstances should be less than 40% of his/her gross emoluments;
- b) As the personal loan granted under the scheme is clean in nature, utmost care should be exercised in sanction/conduct of the account, therefore, the concept of KYC norms be meticulously followed of the borrower as well as the guarantor (s);
  - c) Net salary means gross salary of the officer as per salary certificate less deductions for various loan installments, provident funds, income tax & other statutory dues, etc.
  - d) Affidavit of Rs. 5/- be obtained declaring that no further loan will be raised either from Harcobank or any other Bank under the same similar scheme till full repayment of personal loan from Harcobank;
  - e) While allowing finance under the scheme within the city, Incumbents Incharge may ensure that borrowers' place of work is in close vicinity of the branch so that recovery aspect can be kept under proper control by the Branch.
  - f) Recommending incumbents should invariably mention the date of visit at Borrower's residence/work place in his recommendations and also mention the name of visiting Officer/official of the Branch.
  - g) A registered letter indicating the amount of loan sanctioned and its tenure of repayment be sent to the employer for information.
  - h) It has been decided to capture the Permanent Address of the borrower besides obtaining the present address.
  - i) Atleast three post dated cheques be obtained from each and every borrower.
  - j) Further, advance cheques be obtained from the borrower alongwith letter of deposit for debiting the amount of installment to his/her account.

- k) However, where the employer agrees to check-off facility viz undertakes to deduct the monthly installment from the salary and remit the same directly till liquidation of loan, advance cheques may not be obtained.
- l) The requirement of obtaining of acknowledgement of irrevocable Letter of Authority may not be insisted upon as obtaining of advance cheques provides Bank with a recourse under Section 138 of Negotiable Instrument Act against the defaulting borrowers. Incumbents to take action as per Bank's extant guidelines/Law in respect of advance cheques which are received bank unpaid.
- m) A letter addressed to the employer by Registered Post informing details of Personal Loan raised by the employee from the Bank. The acknowledgement of this letter by employer not to be insisted when post-dated cheques for payment of installments are obtained from the borrower.
- n) Sanction of loan will be sole discretion of the Bank;
- o) Loan should be disbursed within one month after sanction of loan;
- p) a. If the borrower is defaulter of upto Rs. 1000/- of Credit card in CIBIL Score, then the sanctioning power will be of one step higher rank;  
  
b. If the borrower is defaulter of above Rs. 1000/- of Credit Card in CIBIL Score loan request is not acceptable.
- q) Three months liability of other Bank loan can be waived while calculating the loan eligibility.

**FOR HARCOBANK EMPLOYEES ONLY**

- i) Employees at the time of availing loan should be posted at Chandigarh and Panchkula;
- ii) If an employee transferred to DCCBs, the installment of loan will be serviced through LPC procedure / or PDCs.

**16. DOCUMENTS / CHECK LIST (PL – Govt. Employee)**

- i) Loan application form---- **Annexure-I.**
- ii) Term loan Agreement---- **Annexure-II**

- iii) Guarantee Deed (wherever applicable)-----**Annexure-III**
- iv) Irrevocable letter of authority (in duplicate) authorizing the employer to remit salary/installment and other amount payable to the Bank cum letter of acknowledgement from employer (wherever applicable) ----**Annexure-IV**
- v) Advance cheques ( P.D.Cs) with letter of deposit where check off facility is not available-----**Annexure-V**
- vi) Affidavit ----- **Annexure-VI**
- vii) Sanction letter ----- **Annexure-VII**
- viii) ITRs of last three years (wherever applicable)
- ix) Statement of account of prospective borrower minimum for last six months.
- x) Age, address, identity and income proof.
- xi) Last three months' authenticated Salary Slip/Certificate.
- xii) PAN CARD
- xiii) Adhaar No.
- xiv) Any other information/document, which may be necessary, as per the requirement in each case.

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## **17. EMI CHART**

### **THE HARYANA STATE COOPERATIVE APEX BANK LTD; CHANDIGARH**

**Monthly installment of loan of Rs. 1.00 Lakh at different interest rates for different loan repayment periods**

<b><u>ROI</u></b>	<b><u>1 yr</u></b>	<b><u>2 yr</u></b>	<b><u>3 yr</u></b>	<b><u>4yr</u></b>	<b><u>5 yr</u></b>	<b><u>6yr</u></b>	<b><u>7 Yr</u></b>	<b><u>8 yr</u></b>	<b><u>9 Yr</u></b>	<b><u>10 Yr</u></b>
5.00	8561	4387	2997	2303	1887	1610	1413	1266	1152	1061
5.25	8572	4398	3008	2314	1899	1622	1425	1278	1164	1073
5.50	8584	4410	3020	2326	1910	1634	1437	1290	1176	1085
5.75	8595	4421	3031	2337	1922	1646	1449	1302	1188	1098
6.00	8607	4432	3042	2349	1933	1657	1461	1314	1201	1110
6.25	8618	4443	3054	2360	1945	1669	1473	1326	1213	1123
6.50	8630	4455	3065	2372	1957	1681	1485	1339	1225	1135
6.75	8641	4466	3076	2383	1968	1693	1497	1351	1238	1148
7.00	8653	4477	3088	2395	1980	1705	1509	1363	1251	1161
7.25	8664	4489	3099	2406	1992	1717	1522	1376	1263	1174
7.50	8676	4500	3111	2418	2004	1729	1534	1388	1276	1187
7.75	8687	4511	3122	2430	2016	1741	1546	1401	1289	1200
8.00	8699	4523	3134	2441	2028	1753	1559	1414	1302	1213
8.25	8710	4534	3145	2453	2040	1766	1571	1426	1315	1227
8.50	8722	4546	3157	2465	2052	1778	1584	1439	1328	1240
8.75	8734	4557	3168	2477	2064	1790	1596	1452	1341	1253
9.00	8745	4568	3180	2489	2076	1803	1609	1465	1354	1267

9.25	8757	4580	3192	2500	2088	1815	1622	1478	1368	1280
9.50	8768	4591	3203	2512	2100	1827	1634	1491	1381	1294
9.75	8780	4603	3215	2524	2112	1840	1647	1504	1394	1308
10.00	8792	4614	3227	2536	2125	1853	1660	1517	1408	1322
10.25	8803	4626	3238	2548	2137	1865	1673	1531	1421	1335
10.50	8815	4638	3250	2560	2149	1878	1686	1544	1435	1349
10.75	8827	4649	3262	2572	2162	1891	1699	1557	1449	1363
11.00	8838	4661	3274	2585	2174	1903	1712	1571	1463	1378
11.25	8850	4672	3286	2597	2187	1916	1725	1584	1476	1398
11.50	8862	4684	3298	2609	2199	1929	1739	1598	1490	1406
11.75	8873	4696	3310	2621	2212	1942	1752	1612	1504	1420
12.00	8885	4707	3321	2633	2224	1955	1765	1625	1518	1435
12.25	8897	4719	3333	2646	2237	1968	1779	1639	1533	1449
12.50	8908	4731	3345	2658	2250	1981	1792	1653	1547	1464
12.75	8920	4742	3357	2670	2263	1994	1806	1667	1561	1478
13.00	8932	4754	3369	2683	2275	2007	1819	1681	1575	1493
13.25	8943	4766	3381	2695	2288	2021	1833	1695	1590	1508
13.50	8955	4778	3394	2708	2301	2034	1846	1709	1604	1523
13.75	8967	4789	3406	2720	2314	2047	1860	1723	1619	1538
14.00	8979	4801	3418	2733	2327	2061	1874	1737	1633	1553
14.25	8990	4813	3430	2745	2340	2074	1888	1751	1648	1568
14.50	9002	4825	3442	2758	2353	2087	1902	1766	1663	1583

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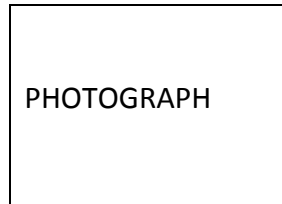
# Personal loan to Govt. employee

THE HARYANA STATE COOP.APEX BANK LTD; CHANDIGARH

BRANCH OFFICE \_\_\_\_\_ PANCHKULA/CHANDIGARH

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Application-cum-Appraisal/Sanction  
Form for Personal Loan for Govt. employees  
& its enterprises



Branch Office: \_\_\_\_\_

Date of Application \_\_\_\_\_

## Amount of loan applied for Rs. \_\_\_\_\_

1. Applicant's name \_\_\_\_\_

2. Father's/Husband's name \_\_\_\_\_

3(a) Permanent address \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(b). Correspondence address \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

© Office \_\_\_\_\_

4. Telephone Nos. \_\_\_\_\_

5

(i) Income Tax Pan No. \_\_\_\_\_ (ii) Voter ID No. \_\_\_\_\_

(iii) Passport No. \_\_\_\_\_ (iv) Driving Licence \_\_\_\_\_

(a) Individual type

(i) Salaried \_\_\_\_\_ (ii) Professional \_\_\_\_\_

(iii) Self employed \_\_\_\_\_

(b) Age \_\_\_\_\_ Single \_\_\_\_\_ Married \_\_\_\_\_

(c) Qualification \_\_\_\_\_

- (d) (a) House ownership: Owned(Self/spouse)\_\_\_\_\_ Owned (Parents)\_\_\_\_\_ Others \_\_\_\_\_
- (b) Is the house mortgaged \_\_\_\_\_
- (c) Value of house \_\_\_\_\_
10. (a) Years at current residence \_\_\_\_\_
- (b) Period of stay at present posting \_\_\_\_\_
11. Collateral security provide Yes/No \_\_\_\_\_
- (a) Type of collateral security provided \_\_\_\_\_property \_\_\_\_\_NSC/LIC\_\_\_\_\_ Others \_\_\_\_\_
- (b) Value of collateral security Rs. \_\_\_\_\_ Rs. \_\_\_\_\_  
Rs. \_\_\_\_\_
- 12 Employer information:
- (a) He/she works for Govt./Public Sector/Private Ltd; Co. and others \_\_\_\_\_and give annual income details.
- (b) Name of the employer \_\_\_\_\_ Length of service \_\_\_\_\_ Date of retirement \_\_\_\_\_ Total annual income Gross \_\_\_\_\_ Net Salary \_\_\_\_\_  
Annual deductions (Statutory savings, IT etc. in Rs.) \_\_\_\_\_
- 13 Average saving balance in last six months \_\_\_\_\_
14. Other loans taken (including previous loans from Harco Bank):-  
Limit Rs. \_\_\_\_\_ Present O/standing \_\_\_\_\_ Whether regular \_\_\_\_\_  
Monthly repayment (Rs.) \_\_\_\_\_
15. Purpose of loan \_\_\_\_\_
16. Repayment period \_\_\_\_\_
17. Monthly installment: (a) Amount \_\_\_\_\_ (b) Mode: (I) Advance cheques (II) Standing instructions \_\_\_\_\_
18. Guarantor : Whether available ? Yes \_\_\_\_\_ No \_\_\_\_\_
19. Name, Address & telephone numbers of two references:-  
Reference (I) \_\_\_\_\_ Reference (II) \_\_\_\_\_
20. Details of any pending court cases of Banks/Financial Institutions against applicant :  
(Enclose details on an Annexure, if needed).
21. I request for sanction of loan of Rs. \_\_\_\_\_ as Personal Loan on the basis of information given above.

I declare that all the particulars and information given in the application form are true, correct and complete and upto date in all respects and I have not withheld any information. I confirm that I have/had no insolvency proceedings initiated against me nor have I ever been

adjudicated insolvent. I confirm that I had never been awarded an adverse judgement or decree in a court case involving breach of contract, tax malfeasance or other serious misconduct and never been a defaulter with Harco Bank/other financial institution. I agree to bear and pay the processing fees of Rs.1000/- and Rs.2000/- for a loan upto Rs.1.00 lac and above one lac respectively or as prescribed by the bank from time to time. I also agree to bear and pay an associate membership fees of Rs.500/- presently or as prescribed by the Bank from time to time. The processing fee once deposited will not be refunded. I authorize HARCOBANK or its agent to make references and queries relative to information in this application, which HARCOBANK considers necessary. I also authorize HARCOBANK or its agent to make information relating to my loan details and repayment history information to other Banks/financial institutions/credit Bureaus/agencies as may be required and shall not hold HARCOBANK liable for use of this information. I undertake to inform HARCOBANK regarding any change in my residence/employment and to provide any further information that HARCOBANK may require.

I have read and have been advised the terms & conditions relating the scheme for Personal Loan and I hereby agree to be bound by these rules or by the revised additional terms & conditions which may at any time hereafter be made while the loan obtained by me is still outstanding.

I also agree to pay interest as applicable and charged by the bank.

Yours faithfully,

Signature & name of applicant

Note: All columns of the form should be properly filled up and supporting documents wherever required should be attached.

**“FOR OFFICE USE ONLY”**

**BO** \_\_\_\_\_

**BRIEF CONFIDENTIAL REPORT OF INDIVIDUALS (BORROWER/GUARANTOR)**

1. Name & Address of Borrower/guarantor \_\_\_\_\_
2. Purpose of loan & Amount \_\_\_\_\_
3. Details of Immoveable Property  
(a) Situated at \_\_\_\_\_  
(b) Whether encumbered/unencumbered \_\_\_\_\_  
(c) Present Market Value (Approx.) \_\_\_\_\_  
(d) Source of verification \_\_\_\_\_
4. Past dealings with the Bank \_\_\_\_\_
5. Market report on borrower/guarantor \_\_\_\_\_
6. Any other relevant information \_\_\_\_\_

**COMMENTS/RECOMMENDATIONS OF BRANCH MANAGER**

(Mention the date of visit at Borrower(s) residence/work place).

**BRANCH MANAGER**

**GUARANTOR'S INFORMATION**



1. Name & address of the guarantor \_\_\_\_\_
2. Father's/Husband's name \_\_\_\_\_
3. Permanent address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. Office address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
5. Date of Birth \_\_\_\_\_
6. Qualification \_\_\_\_\_
7. Is he/she is an income tax payer:-  
Income Tax PAN No. \_\_\_\_\_ Voter ID No. \_\_\_\_\_  
Passport No. \_\_\_\_\_ Driving Licence No. \_\_\_\_\_
8. Telephone Nos. \_\_\_\_\_ ( R ) \_\_\_\_\_ ( O )
8. Type of guarantor: Self employed/Salaried/Professional (give details)  
Name \_\_\_\_\_ Designation \_\_\_\_\_  
Office address \_\_\_\_\_ Income \_\_\_\_\_

(Enclose photocopies of documentary evidence in support of the above)

Having fully apprised myself of the particulars submitted in loan application dated \_\_\_\_\_ for \_\_\_\_\_ (mentioned purpose ) loan to be considered by the Bank to Shri/Smt./Miss \_\_\_\_\_ Son/Wife/Daughter of Shri \_\_\_\_\_, I have decided to furnish my guarantee for repayment of the loan in case of default. I hereby declare that I know the above mentioned applicant (s) very well for the last \_\_\_\_\_ no. of years. The information furnished by me is true and correct to the best of my knowledge & belief.

SIGNATURE OF GUARANTOR

Date :  
Place :