



No. 1-9/BFCI/Staff Loan/12-13

Dated: 08.11.2012

To


All Circles' IFA

SUB : MOU Signed with Union Bank of India for extending various Loan Schemes to BSNL Employees.

MOU with **Union Bank of India (UBI)** for extending various loans to BSNL employees has been **signed on 2nd November, 2012**. This agreement is valid from 02.11.2012 to 02.11.2013. The general terms and conditions and Rate of interest are given in **Annexure-1** of MOU

A copy of the agreement has been placed on our intranet web site i.e. www.intranet.bsnl.co.in under the head Director (Finance) and sub-head Budget & Finance Control.

Encl: Copy of Agreement


(C.S.Gupta)
DGM (BF III)
Ph. 23715103, 23329670
Fax: 23734033

Copy to:

1. The Deputy General Manager, Union Bank of India, 14/15- F, Connaught Place, New Delhi-1

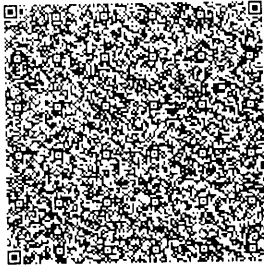


INDIA NON JUDICIAL

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Certificate Issued Date : 02-Nov-2012 10:20 AM
Account Reference : IMPACC (IV)/ dl716803/ DELHI/ DL-DLH
Unique Doc. Reference : SUBIN-DL71680379695797542133K
Purchased by : UNION BANK OF INDIA
Description of Document : Article 5 General Agreement
Property Description : NA
Consideration Price (Rs.) : 0
(Zero)
First Party : UNION BANK OF INDIA
Second Party : NA
Stamp Duty Paid By : UNION BANK OF INDIA
Stamp Duty Amount(Rs.) : 120
(One Hundred And Twenty only)



Please write or type below this line.....

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is made as of this 2nd the day of Nov. 2012 .

BETWEEN

M/s. Bharat Sanchar Nigam Limited (BSNL), a company incorporated under the Companies Act, 1956, having its registered office corporate office at 3rd Floor, Bharat Sanchar Bhawan,

यूनिऑन बँक ऑफ इंडिया

Statutory Alert:

1. The authenticity of the Stamp Certificate can be verified at Authorised Collection Centers (ACCs), SHCIL Offices and Sub-registrar Offices (SROs).
2. The Contact Details of ACCs, SHCIL Offices and SROs are available on the Web site "www.shcilestamp.com"

उप महाप्रबंधक
14/15-एफ, कनाट प्लेस, नई दिल्ली

Harish Chandra Mathur Lane, Janpath, New Delhi-110001, through Smt. Yojana Das, General Manager and Shri. C. S. Gupta, Dy General Manager, (duly authorised to enter into the present MOU), hereinafter referred to as “BSNL” (which term shall mean and include its successors in title, subsidiaries, associates, affiliates, and assigns) of the **ONE PART**.

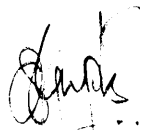
AND


Union Bank of India, a body corporate, constituted under the Banking Companies (Acquisition & Transfer of Undertaking) Act, 1970, having its head office at Union Bank Bhawan, 239, Vidhan Bhawan Marg, Nariman Point, Mumbai-400021, through Shri H.K. Behra, General Manager and Shri S. K. Gupta, Dy General Manager, (duly authorised to enter into the present MOU), hereinafter referred to as “Bank” (which term shall mean and include its successors in title, subsidiaries, associates, affiliates, and assigns) of the **OTHER PART**.

BSNL and Bank are collectively referred to as “the parties”.

WHEREAS:

1. M/s. Bharat Sanchar Nigam Limited (BSNL) is a company incorporated under the Companies Act, 1956 and has its registered office/corporate office at 3rd Floor, Bharat Sanchar Bhawan, Harish Chandra Mathur Lane, Janpath, New Delhi-110001. BSNL is the largest telecom operating company in India having 3.2 lakhs employees across the country.
2. To benefit its employees, BSNL desires a Special Loan Package for its entire staff strength on All India basis.
3. In pursuance of the above, vide letter no. 1-9/BBF/Staff Loan/2011-12 dated 03.09.2012, BSNL invited Bank’s proposal for various loans facilities for its employees on all India basis.
4. Vide letter no. RBD:SAN:1010/12-13 dated 03-10-2012, Bank submitted its proposal incorporating the basic terms and conditions governing the loan along with the specimen copies of the agreements/documents required to be signed by BSNL’s employee(s) (hereinafter referred to as the “Borrower(s)”) at the time of taking the loan.
5. Consequently, Bank has, at the request of BSNL, agreed in principle to lend and provide loan facilities to BSNL employees/Borrower(s), on the terms and conditions set out in the letter of offer no. REF NO: CP: 119:12-13 dated 14.10.2012.


Shri. C. S. Gupta
Dy General Manager
Union Bank of India
14/15-एफ, कन्नाट प्लेस, नई दिल्ली


Shri. H.K. Behra
General Manager
कृषि युनियन बैंक ऑफ इंडिया
उप महाप्रबंधक
14/15-एफ, कन्नाट प्लेस, नई दिल्ली

6. The Loan will be evidenced by the Loan Agreement and other Loan Documents (hereinafter referred to as the "Loan Documents") to be executed between Bank and Borrowers. In consideration of the loan facilities, the parties have agreed to execute the present Memorandum of Understanding on the terms and conditions mentioned below:

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. That Bank shall grant the loan to BSNI's employee(s) under the various head as per their requirement and the same are as follows:
- (a) Housing Loan including Repair/Renovation/Addition/Alteration Loan & Home Improvement Loan.
 - (b) Car Loan
 - (c) Two Wheeler Loan
 - (d) Personal Loan
 - (e) Educational Loan
 - (f) Natural Calamity Loan

The loans under the various heads as mentioned above are collectively referred to as the "loan facilities".

2. That the general terms and conditions, Purpose of loan, Maximum amount, Margin Money, Multiple of salary, Recovery of installments (EMI+Interest) and Eligibility etc. w.r.t. the loan facilities applicable in respective cases are annexed herewith as Schedule-I.
3. That the Financial Quotations i.e. Floating Rate of Interest, Fixed rate of Interest and Average time for Loan Sanction, for the loan facilities applicable in respective cases are annexed herewith as Annexure - I.
4. That the loan facilities shall be sanctioned by the appropriate authorities of the Bank with all the agreed concessions and relaxations.
5. That the maximum limits for the loan facilities are subject to the income/repaying capacity of Borrowers.
6. That the security for the loan facilities shall be as applicable on the respective schemes.
7. That salary mandate to be registered by BSNI, for recovery of installments from the salaries of Borrowers and remittance to the respective branches.

कृते बऱुनियऱु बँक ऑफ इंडिया

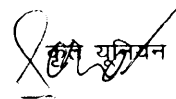
उप महाप्रदधक
14/15-एफ, कऱुनाट प्लेस, ढई दऱुल्लु

8. That minimum net take home salary of 25% shall be maintained after meeting the loan installments.
9. That the loan shall be sanctioned in such a manner that at no stage the net take home salary after meeting loan installment is less than 25% of the gross salary after meeting all liabilities/deductions viz. GPF, EMI, Income Tax, Insurance etc. In case of reemployed persons/persons employed on compassionate ground, pension of employee shall be included for calculating 25% carry home salary.
10. That in case of retirement/resignation/termination/death of Borrower, BSNL undertakes not to release terminal benefits without obtaining prior written "No Objection Certificate" from the financing branch of Bank.
11. That the Bank shall not charge processing charges on the loan.
12. That the Bank shall charge the interest on monthly rests on the daily reducing balance basis. DDOs must pay the recovered amount of EMI from the salary of the employee latest by 10th of each month without fail. When the concerned DDO has made payment within due time, Bank shall not pass on interest charges to the borrowers owing to delay on bank's behalf.
13. That fixed rate of interest shall remain fixed during the entire tenure of the loan subject to reset clause at an interval of every 3 years.
14. That Bank shall not charge penal interest for prepayment/foreclosure of loans in case the employee pays back the loan from his/her own sources. In case loan is taken over by other bank institutions prepayment penalty @ 2 % p.a. for the outstanding loan amount will be levied.
15. That repayment shall commence one month after disbursement of the loan.
16. That this deed shall be binding upon the parties, their successors and assigns.
17. That any notice, demand or request under this deed shall be in writing, and shall be delivered by personal service or shall be sent by postage prepaid, registered or certified mail, telexed, telecopied or sent by person or overnight courier return receipt requested, addressed, if to the parties, at the respective address set forth in the heading of this deed, or at such other address as the addressee may designate in writing. Each notice, demand or request hereunder shall be deemed given on the date it is delivered, in the case of personal service, or the date it is deposited with the Postal Service, in the case of certified or registered mail.
18. That the parties shall hereby irrevocably submit to the exclusive jurisdiction of the Court and Tribunals in New Delhi for purposes of any suit, action or other proceeding which relates to this deed.



कृते यूनियन बैंक ऑफ इंडिया
उप महाप्रबंधक
14/15-एफ, कनाट प्लेस, नई दिल्ली

19. That no amendment, notification or release from or waiver of any provision hereof shall be effective unless in writing and signed by the parties.
20. That this deed may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
21. That this deed and the rights and obligations hereunder shall be construed in accordance with and governed by the substantive laws of the India.
22. If any provision hereof is found by a court of competent jurisdiction to be prohibited or unenforceable it shall be ineffective only to the extent of such prohibition or unenforceability, and such prohibition or unenforceability shall not invalidate the balance of such provision to the extent it is not prohibited or unenforceable, nor invalidate the other provisions hereof.
23. In the event of any dispute or difference relating to: arising from or connected with this MOU, such dispute or difference shall be referred by either party to the arbitration of one of the Arbitrators in the Department of Public Enterprises to be nominated by the Secretary to the Government of India, in charge of Bureau of Public Enterprises. The Arbitration and Conciliation Act 1996 shall not be applicable to the Arbitration under this clause. The award of the Arbitrator shall be binding upon the parties to the dispute, provided, however, any party aggrieved by such award may make a further reference for setting aside or revision of award to the Law Secretary, Department of Legal Affairs, Ministry of Law & Justice, Government of India. Upon such reference, the dispute shall be decided by the Law Secretary, whose decision shall bind the parties finally and conclusively. The parties in the dispute will share equally the cost of arbitration as intimated by the Arbitrator.
24. That the bank shall nominate at least one branch (in case their more than one branch of the bank) at each Secondary Switching Area (Telecom Revenue District) for sanction, payment of loan and payment of EMI recovered by BSNL. This MOU shall be binding upon both the parties on all India level.
25. Either party can terminate the MOU by giving a notice of 90 days in writing. However, all the clauses of the MOU shall be binding and enforceable in respect of outstanding loans on the date of termination irrespective of such termination.



यूनिऑन बैंक ऑफ इंडिया

उप महाप्रबंधक
14/15-एफ, कनाट प्लेस, नई दिल्ली

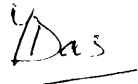
26. All other terms and conditions as per MOU shall be applicable on both the parties.

27. This agreement is valid for a period of twelve months i.e. upto 2nd date of November 2013.


IN WITNESS WHEREOF, the parties have caused their respective Common Seal to be affixed to these presents on the day, month and year first hereinabove written, at New Delhi.

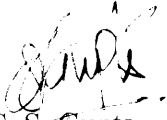
M/S. BHARAT SANCHAR NIGAM LIMITED

UNION BANK OF INDIA

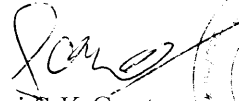

Smt. Yojana Das
General Manager
Bharat Sanchar Nigam Limited
Corporate Office, New delhi

श्रीमति योजना दास
Mrs. YOJANA DAS
नियंत्रक (बजट वित्त नियन्त्रण एवं विकास)
General Manager (BFCl)
भारत संचार निगम लि., नई दिल्ली
E. S. N. Ltd., New Delhi

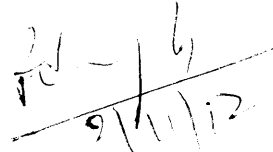

Shri S.P. Goel
Field General Manager
Union Bank of India
FGMO, Delhi


Shri. C. S. Gupta
Dy General Manager
Bharat Sanchar Nigam Limited
Corporate Office, New delhi

श्री सी.एस. गुप्ता
Sri. C. S. Gupta
अधीक्षक (वित्त)
Dy. General Manager
भारत संचार निगम लि., नई दिल्ली
E. S. N. Ltd., New Delhi


Shri S K Gupta
Dy. General Manager
Union Bank Of India
Connaught Place, Delhi

Witness


Bhaarat Sanchar Nigam Limited
Corporate Office, New delhi

राजीव सिंह
RAJEEV SINGH
भारत संचार निगम लि. (सी.ए.)
Chartered Accountant (CA)
भारत संचार निगम लि., नई दिल्ली
E. S. N. Ltd., New Delhi

Witness


Union Bank Of India
Connaught Place, Delhi

ANNEXURE - I

RETAIL LENDING SCHEMES

EMPLOYEES OF BIHARAT SANCHAR NIGAM LIMITED (BSNL)

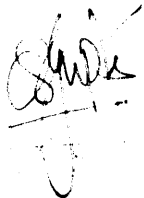
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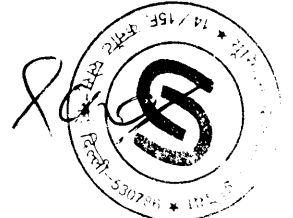
1. UNION HOME
2. UNION EDUCATION
3. UNION MILES
4. UNION COMFORTS
5. NATURAL CALAMITY LOANS

As under:-

1. UNION HOME

Feature	As per Union Home Scheme	As per existing MOU	Approved by HLCC
Purpose	<ul style="list-style-type: none"> ▪ Purchase/construction of house/ flat ▪ Repairs/improvement/extension ▪ Repayment of loan availed from other agency/Bank/NBFC ▪ For purchase of plot sold by Govt. recognized agencies, local development authorities, housing boards and construction of house thereon ▪ For purchase/construction of 2nd house/ flat. 	<ul style="list-style-type: none"> ▪ Purchase of plot from Housing Board/ Development Agency / Private Builders and construction of house thereafter ▪ Construction of house/ flat ▪ Repairs/renovation/ addition/alteration of house/ flat or purchase of old/ new flat/ house 	As per Union Home scheme



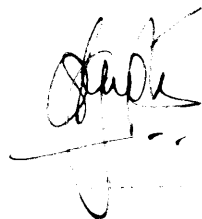
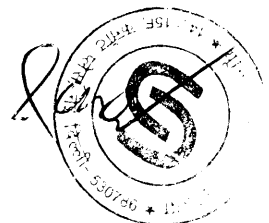


Feature	As per Union Home Scheme	As per existing MOU	Approved by HLCC												
Quantum of loan	As per eligibility, subject to maximum quantum of loan: <ul style="list-style-type: none"> ₹ 500 Lakh for Metropolitan cities including state capitals and NCR ₹ 300 Lakh for Urban areas other than metro ₹ 100 Lakh for Rural & Semi-urban centres 	100 times Basic Pay subject to maximum of ₹ 50 Lakh.	As per Union Home scheme, subject to repaying capacity.												
Minimum take home pay after all deductions including present EMI	Annual Income levels in ₹ Lakh <table border="1"> <tr> <td>Upto 3</td> <td>Sustenance (Percentage of Net)</td> </tr> <tr> <td>> 3 & upto 8</td> <td>45%</td> </tr> <tr> <td>> 8 & upto 12</td> <td>40%</td> </tr> <tr> <td>> 12 & upto 18</td> <td>35%</td> </tr> <tr> <td>Above 18</td> <td>30%</td> </tr> <tr> <td></td> <td>25%</td> </tr> </table>	Upto 3	Sustenance (Percentage of Net)	> 3 & upto 8	45%	> 8 & upto 12	40%	> 12 & upto 18	35%	Above 18	30%		25%	Take home pay of employees should not be less than 25% of the total emoluments after all deductions including GPF, GSLLI, Income Tax, EMI etc.	As per existing MOU
Upto 3	Sustenance (Percentage of Net)														
> 3 & upto 8	45%														
> 8 & upto 12	40%														
> 12 & upto 18	35%														
Above 18	30%														
	25%														
Rate of Interest	Loan amount Floating rate Up to ₹ 30 Lakh Base Rate % = 10.50% > ₹ 30 Lakh to ₹ 75 Lakh (Base Rate+0.25)% = 10.75% > ₹ 75 Lakh to ₹ 500 Lakh (Base Rate+0.50)% = 11.00%	BR + 0.50% i.e. 11.00% across all slabs/tenures	No concession. ROI as per Union Home scheme.												
Repayment Period	<ul style="list-style-type: none"> Maximum 300 months for construction/purchase of house/flat Maximum 120 months for repairs 	Maximum 240 months.													
Pre-payment penalty	<ul style="list-style-type: none"> No pre-payment penalty for self-closure. No takeover charge for floating rate home loans if the loan is closed on takeover by other bank/ FI or third party sources. 	No pre-payment penalty in loan repaid through own sources. If taken over by other banks / FI, then 2% pre penalty to be charged.	As per Union Home scheme												
Margin	<ul style="list-style-type: none"> Loan upto ₹ 200 Lakh: 20% Loan above ₹ 200 Lakh: 35% 	20%													
Processing charges	0.50% of loan amount subject to maximum of ₹ 15,000 (plus applicable service tax) <i>Processing charges are currently waived till 26/01/2013.</i>	Waiver of processing charges.													
Security	<ul style="list-style-type: none"> EM of the residential property (house/flat) or plot. In under construction property, interim security is to be provided. 	EM or simple mortgage of house / flat.	As per existing MOU												




2. UNION EDUCATION

Feature	As per Union Education scheme	As per existing MOU	Approved by HLCC																
Rate of Interest (fixed)	<table border="1"> <thead> <tr> <th>Loan amount</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Up to ₹ 4 Lakh</td> <td>14.25%</td> <td>13.75%</td> </tr> <tr> <td>> ₹ 4 Lakh to 7.5 Lakh</td> <td>14.75%</td> <td>14.15%</td> </tr> <tr> <td>Above ₹ 7.5 Lakh</td> <td>14.00%</td> <td>13.50%</td> </tr> </tbody> </table>	Loan amount	Male	Female	Up to ₹ 4 Lakh	14.25%	13.75%	> ₹ 4 Lakh to 7.5 Lakh	14.75%	14.15%	Above ₹ 7.5 Lakh	14.00%	13.50%	For both Male & Female					
Loan amount	Male	Female																	
Up to ₹ 4 Lakh	14.25%	13.75%																	
> ₹ 4 Lakh to 7.5 Lakh	14.75%	14.15%																	
Above ₹ 7.5 Lakh	14.00%	13.50%																	
Co-applicant	Either of the parents to be the co-applicant	Employee parent to be the co-applicant																	
Quantum of loan	<ul style="list-style-type: none"> ₹ 10 Lakh for studies in India ₹ 20 Lakh for studies abroad 	<ul style="list-style-type: none"> ₹ 10 Lakh for inland studies ₹ 20 Lakh for studies abroad 																	
Margin	<table border="1"> <thead> <tr> <th>Quantum of loan</th> <th>Margin</th> </tr> </thead> <tbody> <tr> <td>Upto ₹ 4 Lakh</td> <td>Nil</td> </tr> <tr> <td>Above ₹ 4 Lakh Studies in India</td> <td>5%</td> </tr> <tr> <td>Studies abroad</td> <td>15%</td> </tr> </tbody> </table>	Quantum of loan	Margin	Upto ₹ 4 Lakh	Nil	Above ₹ 4 Lakh Studies in India	5%	Studies abroad	15%	<table border="1"> <thead> <tr> <th>Quantum of loan</th> <th>Margin</th> </tr> </thead> <tbody> <tr> <td>Upto ₹ 4 Lakh</td> <td>Nil</td> </tr> <tr> <td>Above ₹ 4 Lakh Studies in India</td> <td>5%</td> </tr> <tr> <td>Studies abroad</td> <td>15%</td> </tr> </tbody> </table>	Quantum of loan	Margin	Upto ₹ 4 Lakh	Nil	Above ₹ 4 Lakh Studies in India	5%	Studies abroad	15%	
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Above ₹ 4 Lakh Studies in India	5%																		
Studies abroad	15%																		
Assignment of Life Insurance Policy	<ul style="list-style-type: none"> Term life insurance policy with prior consent of the student / parent to be obtained and assigned in favour of the bank. The branch should counsel the party on merits of the policy and obtain their consent. The policy should be in the name of student, for an amount not less than the loan amount and for the tenure covering course/ moratorium & repayment period. 	Assignment of policy equivalent of loan amount.	As per existing MOU																
Pre-payment penalty	No pre-payment penalty.	No pre-payment penalty.																	

Feature	As per Union Education scheme		As per existing MOU		Approved by HLCC
Repayment period	Quantum of loan Upto ₹ 7.5 Lakh Above ₹ 7.5 Lakh	Maximum 120 months 180 months	Maximum 84 months. Repayment period to start 12 months after completion of course or 6 months after securing a job whichever is earlier		As per Union Education scheme
Security	Loan amt Upto ₹ 4 Lakh > ₹ 4 Lakh to ₹ 7.5 Lakh > ₹ 7.5 Lakh	Security No security is required. Suitable third party guarantee acceptable to the bank to be taken. Tangible collateral security of minimum value equivalent to the loan amount and interest accumulation during course & moratorium period, acceptable to the bank. The property offered as security should be in the name of borrower/co-borrower or other immediate family members (mother/ brother/ sister/ spouse).	Loan amt Upto ₹ 4 Lakh > ₹ 4 Lakh to ₹ 7.5 Lakh > ₹ 7.5 Lakh	Security Nil Collateral security in the form of a suitable third party guarantee Collateral security of suitable value	

3. UNION MILES

Feature	As per Union Miles scheme		As per existing MOU		Approved by HLCC
	2-wheeler	4-wheeler	2-wheeler	4-wheeler	
Rate of interest (fixed)	15.25%	New 10.95% Old 15.75%	New Upto 3 yrs 11.50% >3-5 yrs 12.00% Old Upto 3 yrs 13.00% >3-5 yrs 14.00%		No concession for new 4-wheeler i.e. 10.95% (fixed) as per Union Miles scheme. For old 4-wheeler & new 2-wheeler, ROI as per existing MOU.

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Feature	As per Union Miles Scheme		As per Existing MOU		Approved by HLCC
	2-wheeler	4-wheeler	2-wheeler	4-wheeler	
Eligibility & quantum of loan	4 times of net annual, maximum ₹ 1 Lakh	4 times of net annual, maximum: New: ₹ 75 Lakh Old: ₹ 10 Lakh	10 times of basic pay, maximum ₹ 0.50 lakh	20 times of basic pay, maximum ₹ 5 Lakh	As per existing MOU
Margin	15% of ex-showroom price	New: 15% of ex-showroom price Old: 50%	10% of ex-showroom price	New: 15% of ex-showroom price Old: 50%	
Minimum take home pay after all deductions including EMI for this loan	The minimum take home pay of the applicant shall be 40% of all emoluments inclusive of all deductions		The minimum take home pay of the applicant shall be 25% of all emoluments inclusive of all deductions		
Processing Charges	0.50% of the loan amount subject to maximum of ₹ 6,000 (plus service tax). <i>Processing charges are currently waived till 26/01/2013.</i>		Waiver of processing charges.		
Pre-payment penalty	No pre-payment penalty in loan repaid through own sources. If taken over by other banks/ FIs, then 2% pre penalty to be charged.		No pre-payment penalty in loan repaid through own sources. If taken over by other banks/ FIs, then 2% pre penalty to be charged.		
Security	<ul style="list-style-type: none"> ▪ Hypothecation of a vehicle financed by the bank ▪ Bank's lien to be noted with the transport authorities ▪ Guarantee of spouse 		As required under Union Miles scheme		
Repayment tenure	Max. 36 months	New-Max 84 months Old-Max. 60 months	Max. 60 months	Max. 60 months	New 4-wheeler: 84 months Old 4-wheeler & new 2-wheeler: 60 months

4. UNION COMFORT

Feature	As per Union Comfort scheme	As per existing MOU	Approved by HLCC							
Rate of Interest	17.25% (fixed)	14.00% (fixed)	As per existing MOU							
Eligibility & Quantum of loan	6 times of monthly net salary subject to a maximum of ₹ 1 Lakh relaxable by Regional Head up to 12 times of monthly net salary or ₹ 3 Lakh whichever is lower.	10 times of monthly gross pay subject to a maximum of ₹ 5 Lakh								
Processing Charges	<table border="1"> <thead> <tr> <th>Loan amount</th> <th>Charges</th> </tr> </thead> <tbody> <tr> <td>Up to ₹ 10,000</td> <td>₹ 100</td> </tr> <tr> <td>> ₹ 10,000 to ₹ 50,000</td> <td>₹ 250</td> </tr> <tr> <td>> ₹ 50,000</td> <td>₹ 500</td> </tr> </tbody> </table>	Loan amount		Charges	Up to ₹ 10,000	₹ 100	> ₹ 10,000 to ₹ 50,000	₹ 250	> ₹ 50,000	₹ 500
Loan amount	Charges									
Up to ₹ 10,000	₹ 100									
> ₹ 10,000 to ₹ 50,000	₹ 250									
> ₹ 50,000	₹ 500									



Feature	As per Union Comfort scheme	As per existing MOU
Minimum take home pay after all deductions including EMI for this loan	The minimum take home pay should not be less than 40% of gross pay.	The minimum take home pay of the applicant shall be 25% of all emoluments inclusive of all deductions.
Repayment Period	36 months	Maximum 60 months provided loan tenure ends before the retirement of employee.
Pre-payment penalty	No pre-payment penalty in loan repaid through own sources. If taken over by other banks / FIs, then 2% pre penalty to be charged.	No pre-payment penalty in loan repaid through own sources. If taken over by other banks / FIs, then 2% pre penalty to be charged.
Security	<ul style="list-style-type: none"> ▪ Hypothecation of asset wherever applicable. ▪ Suitable third party guarantee 	Hypothecation of asset wherever applicable.

Approved by
HLCC

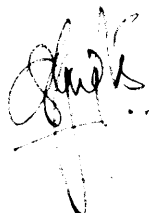
5. NATURAL CALAMITY LOANS

Features	As per existing MOU
Rate of Interest	14.00% (Fixed)
•	We have no such scheme. However, ROI proposed is in line with ROI proposed under Union Comfort.
Eligibility & Quantum of loan	5 times of basic pay, subject to a maximum of ₹ 50,000 to the employees whose family is affected in natural calamity.
Margin	Nil
Repayment period	Maximum 30 months
Pre-payment penalty	No pre-payment penalty
Security	Nil

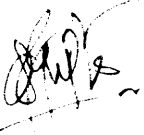

OTHER TERMS AND CONDITIONS APPLICABLE TO ALL THE SCHEMES ABOVE :

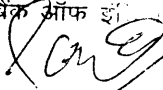
(1) ELIGIBLE INDIVIDUALS:

- i. Permanent employees of BSNL, having two years of regular service.
- ii. Employees on permanent deputation from Department of Telecom (DOT) to BSNL, having two years of regular service.
- iii. In case of educational loans taken for the ward of the BSNL employee, the employee (parent) will be the co-applicant of the loan.




- (2) Branch to ensure that the minimum net take home pay shall be maintained at 25% of the gross salary after meeting all liabilities/deductions including the EMI of proposed loan/s. [This condition is not applicable to educational loan].
- (3) BSNL to obtain mandate from its employees for recovery of loan instalment from their salary and remit the same to the Bank in single cheque.
- (4) BSNL to undertake not to release terminal benefits without obtaining written "No objection certificate" from the financing branch of the bank in case of retirement / resignation / termination/ death of borrower.
- (5) The interest will be charged on daily reducing balance at monthly rests. All the interest rates will be linked to the Base Rate (BR) of the Bank.
- (6) The floating rate of interest will be charged on Union Home, which will vary in accordance to the movement of BR. The fixed rate of interest will be charged on Union Education, Union Miles and Union Comfort and will not undergo any change once sanctioned.
- (7) All other terms & conditions as per the respective schemes. No deviations permitted.
- (8) The scheme will be implemented through all the branches of our Bank.
- (9) The sanction & disbursement of loan/s and recovery of EMIs will be done through identified branches of BSNL at each Secondary Switching Area (Telecom Revenue District). The list of such branches will be provided by BSNL.
- (10) The validity of the scheme will be one year from the date of MOU.

कुले यूनियन बैंक ऑफ इंडिया

सुप. महानगर शाखा
14/15-एफ, कनाट प्लेस, नई दिल्ली