

PUNJAB NATIONAL BANK
HUMAN RESOURCES DEVELOPMENT DIVISION
HO: Plot No.4, Sector 10, Dwarka, New Delhi - 110075

March 27, 2020

TO ALL OFFICES

In Supersession of Circulars			
Loans & Advances			
No.	Date	No.	Date
89	12.08.2013	100	16.09.2013
144	30.12.2014	16	16.02.2015
33	12.05.2015		
HRDD			
727	02.12.2015	756	05.04.2017
766	24.11.2017	792	14.03.2019

HRDD CIRCULAR NO. 821

MASTER CIRCULAR - SCHEME FOR CONVEYANCE LOAN TO STAFF MEMBERS

The Staff Welfare and Benefits were duly approved by the Board to be effective from 01/04/2020 for all staff members after amalgamation of Oriental Bank of Commerce & United Bank of India into Punjab National Bank.

Accordingly, consolidated guidelines on Scheme for Conveyance Loan to Staff Members are available in the **Annexure**.

All concerned are advised to note the contents of this circular for meticulous compliance.

(RAJESH VERMA)
GENERAL MANAGER

Annexure

1. ELIGIBLE EMPLOYEES

All Employees and Officers confirmed in the Bank are eligible for Vehicle Loan. **However, Officers are eligible for Two- Wheeler Loan under the Staff Vehicle Loan Scheme in probation period also.**

2. MAXIMUM LIMIT

Cadre	Type of Vehicle		
	Two-Wheeler	Car	Second Hand Car
Officers	Rs.1.50 Lac	Rs.10.00 Lac	Rs.10.00 Lac
Clerks	Rs.1.50 Lac	Rs.7.00 Lac	Rs.7.00 Lac
Subordinate	Rs.1.50 Lac	Nil	Nil

Part time employees are also eligible for full amount as eligible for regular (Full Time) employees.

3. PURPOSE

- New Vehicle from an authorized dealer.
- 2nd hand Car not more than 5 years and free from all encumbrances (Not permitted for Two Wheelers)

4. COMPONENT OF FINANCE

Cost of Vehicle including one time RTO charges, Road Tax and 1st year Insurance Premium.

5. REPAYMENT PERIOD

- **Car Loan –**
 - **In case of new car-** In 180 months (Principal in 130 months and Interest in 50 months)
 - **In case of Old car-** 180 months ‘or’ expiry date of Registration, whichever is earlier (In the above proportionate ratio)
- **Two Wheeler Loan –**
 - In 84 months (Principal 69 months and Interest 15 months)

6. RATE OF INTEREST

- 6.75% p.a. 'or' One year MCLR (Simple), whichever is lower for Car Loan
- 7.00% p.a. 'or' One year MCLR (Simple), whichever is lower for Two Wheeler Loan

7. MAXIMUM PERMISSIBLE AGE FOR REPAYMENT

- 70 years, in case of pension optees and within overall repayment period, whichever is earlier.
- In other cases, date of superannuation and within overall repayment period, whichever is earlier.

8. MARGIN

- For New car: 10%.
- For Old car: 10%. Second hand vehicle loan will be 90% of the valuation arrived at after providing depreciation of 10% p.a. on the current invoice value of the vehicle on WDV basis or the purchase price subject to a maximum of Rs.10 Lac/ Rs.7.00 lacs, whichever is less.

9. SECURITY

Hypothecation of Car/ Scooter/ Motor Cycle/ Moped purchased with bank's loan.

10. NET TAKE HOME

40% for Gross Income up to Rs.50000/- **and** 30% for Gross Income above Rs.50000/- after taking into account all deductions including notional interest of sanctioned Staff Clean OD Limit.

Take home salary of the employee, after taking into consideration all the existing deductions, installment of the proposed loan and monthly interest on OD (limit amount), should be maintained at applicable level as per Gross income at the time of sanction. Deduction in respect of loans availed by the employee where there is any moratorium and repayment is to commence from a future date, will also be taken into account while deriving the take home salary.

The same is proposed for new accounts and for others to be maintained at the same level as per existing sanction.

11. TRANSFER OF OUTSTANDING IN EXISTING CAR LOAN ACCOUNT OF MEMBER OF STAFF UNDER CAR LOAN SCHEME AT CONCESSIONAL INTEREST RATE AND/OR AT INTEREST RATE APPLICABLE FOR PUBLIC IN THE NAME OF SPOUSE WORKING IN THE BANK

Where both husband & wife are working in our bank and one of them leaves the bank's service, outstanding in existing car loan account of the staff under concessional scheme and/or under public scheme may be transferred in the name of his/her spouse working in the Bank on the following terms and conditions:

- a. The spouse in whose name the car Loan outstanding will be transferred should otherwise be eligible to raise car Loan in terms of applicable scheme.
- b. The car Loan account to be transferred in the name of his/her spouse should be running regular and no inspection irregularity is outstanding in the account.
- c. All other loan accounts of the transferee are regular.
- d. The car should be transferred in the name of his/her spouse along with Bank's charge noted in the RC Book. Accordingly, insurance policy should also be amended in the joint name of the transferee spouse/bank.
- e. The balance outstanding in the Car Loan Account should continue to be credited with regular monthly installments and should be adjusted in the stipulated installments, as per original sanction.
- f. Recovery of Car Loan should start from the month in which outstanding of Car Loan has been transferred.
- g. Documents will be obtained in consultation with Law Division at CO/ZO or bank approved counsel.
- h. Authority to permit transfer/continuing Car Loan in the name of spouse will be the authority competent to sanction the car loan.
- i. All other terms & conditions of the car loan scheme for members of staff at concessional rate of interest will continue.

12. PENAL INTEREST

In terms of letters of hypothecation, default in the payment of any of the installments of the loan or the interest, if any, on its due date, will attract penal rate of interest @1%, on the defaulted amount from the date of default.

However, in the interest bearing loan accounts, interest rate as prescribed in the conveyance loan scheme would continue to be charged during the dismissal/suspension period of the employee (who are subsequently reinstated)

and penal interest would not be charged in such cases. In cases where interest free loan is sanctioned, and if there is default in repayment of loan installments due to dismissal/suspension (who are subsequently reinstated) or leave on loss of pay duly sanctioned by the competent authority, Death of the Borrower interest as well as penal interest is not to be charged on such loans.

13. RESCHEDULEMENT OF CONVEYANCE LOAN ACCOUNTS OF STAFF MEMBERS WHO HAD BEEN DISMISSED/SUSPENDED BUT SUBSEQUENTLY REINSTATED:

- a. The loan accounts of staff members who had been dismissed/suspended but subsequently reinstated, may be rescheduled by the authority competent to sanction such loans. These loans after reinstatement should continue to be repaid in the total number of installments as per original sanction or the remaining period of service whichever is earlier. However, the period during which the staff remained suspended/dismitted, is not to be taken into account for calculating remaining installments.
- b. In cases where the remaining period of service is short and the total outstanding cannot be adjusted in the prescribed installments due to the stipulation of minimum take home salary; the outstanding, if any, at the time of superannuation will be recovered from the terminal dues of the employee.
- c. The interest bearing accounts of staff be upgraded to standard category after a period of one year, from the due date for first payment of interest or principal, as per the rescheduled repayment.

14. GUIDELINES WITH REGARD TO LOAN AGAINST SECOND HAND CAR:

➤ **Loan Limit**

Officer: Rs.10.00 lacs

Clerks: Rs.7.00 lacs

- **Margin:** 10%. Second hand Car loan will be 90% of the valuation arrived at after providing depreciation of 10% p.a. on the current invoice value of the vehicle on WDV basis or the purchase price subject to a maximum of Rs.10 Lac/ Rs.7.00 lacs, whichever is less.
- Second hand vehicle to be allowed only for cars and **not** for two wheelers and the same may be allowed to both officers and clerks. However, the Car should not be more than 5 years old.

- The year of manufacture of the car proposed to be purchased should not exceed Five years as on date of application of the loan. The general condition of the vehicle should be certified by an Automobile Engineer / Motor Vehicle Inspector acceptable to the Bank and such certificate should be annexed to the loan application. A valuation of the car proposed to be purchased should also be obtained from an approved valuer and annexed to the loan application.
- A certificate is to be furnished by the intending borrowing employee that the vehicle to be purchased with the Bank finance is road worthy.
- Disbursement of 2nd hand Car will be made in favour of the seller, on production of proof of registration in his/her name, and present value of the car should be got certified from a reputed auto dealer/garage/valuer. It will also be ensured that all taxes/fees etc are paid at the time of purchase of vehicle and insurance policy should be in force. The name of the Bank as financier should be got entered in the Registration certificate of the vehicle within reasonable time of purchase of car. Further, loan against 2nd hand vehicle will be sanctioned on the basis of present assessed market value stated in the valuation report OR the sum assured by the Insurance Company, whichever is less. For this purpose, the employee has to submit a copy of the insurance cover of the old car or a certificate from an Insurance Agent, stating the amount for which such car would be insured, apart from the valuation report of the auto dealer/garage/valuer.

15. SPECIAL SCHEME FOR AWARD STAFF OTHER THAN SUBORDINATE STAFF WHO JOINED BANK (PNB) SERVICE PRIOR TO 18.09.1989 (OLD SCHEME) AND THOSE WHO HAVE NOT GIVEN OPTION TO AVAIL CONVEYANCE LOAN UNDER NEW SCHEME:

- Purchase of a new Scooter/ Motor Cycle/ Moped (with or without gear) or Purchase of Old Scooter/ Motor Cycle not more than 5 years old.
- Eligibility - Permanent employees
- Amount - 90% of the invoice value of new vehicle to be purchased or in case of old vehicle, 90% of the current invoice value of the vehicle less depreciation @ 10% p.a. On WDV basis or purchase price whichever is less.
- Rate of Interest - Free of Interest.
- Repayment - Scooter/ Motorcycle - in 60 equal monthly installments and Mopeds - in 36 equal monthly installments.
- All other terms and conditions will be applicable as per new scheme.

16. CONVEYANCE LOANS TO AWARD STAFF OF ERSTWHILE NEDUNGADI BANK LTD (ENBL)

The guidelines relating to method of accounting/ charging interest, interest rate, repayment period, etc. applicable in respect of conveyance loan schemes for award staff of PNB shall be applicable in existing conveyance loan to Award Staff of ENBL sanctioned prior to date of merger and will be continued till the adjustment.

17. CONTINUATION OF STAFF CAR LOANS AT PUBLIC INTEREST RATE AFTER RETIREMENT OR LEAVING THE BANK'S SERVICE

The amount outstanding, if any, in the car loan account of the employees at interest rate applicable for public/ under public scheme at the time of retirement including voluntary retirement or resignation may be allowed to continue at specific request of the employee, at the sole discretion of the sanctioning authority on the following broad terms & conditions:

1.	Interest rate	On the entire balance outstanding remaining under Vehicle Loan Staff scheme, the interest rate as applicable to public would be charged. The interest rate would be determined based on the repayment period fixed from the date of retirement/leaving the bank's service.
2.	Repayment	Loan availed under car loan scheme for workmen staff : The loan along with interest is to be repaid within maximum period of 60 months from the date of retirement or leaving the Bank's service. However, the total repayment period (i.e. both during the service and thereafter) should not exceed 200 months. Loan availed under car loan scheme for public The total repayment period (i.e. both during the service and thereafter) should not exceed the repayment period as prescribed under public scheme i.e presently 60 months in case of old cars and 84 months in case of new cars. Sanctioning authority, while considering these cases, should keep in view the income source of employee (viz. rental income, interest income, pension, income from some profession/service, family income, etc.) to determine his repaying capacity. Sanctioning Authority shall ensure that the employee shall be able to repay the amount of remaining instalments.

3.	Security	<p>a) Existing hypothecation of the car will continue.</p> <p>b) One suitable guarantee acceptable to the Bank. However, CMs/CHs & above may waive the requirement of guarantee on merits of each case.</p> <p>c) In cases where an employee is drawing pension, a letter of undertaking shall be obtained to the effect that in the event of default in repayment of instalments including interest, the same may be recovered from his/her pension account. (an undertaking to this effect has been incorporated in the supplementary letter of hypothecation) (PROFORMA 'G')</p>
4.	Miscellaneous	<p>➤ Authority competent to sanction car loan to staff members shall be the sanctioning authority to consider such cases.</p> <p>➤ All other guidelines of the car loan scheme for public shall be applicable.</p>

18. CAR LOAN TO OFFICERS PROMOTED FROM CLERICAL CADRE UNDER CAR LOAN SCHEME FOR OFFICERS AT CONCESSIONAL INTEREST RATE.

- a) Car Loan to Clerical staff on promotion as officer, if otherwise eligible for car loan as per Car Loan Scheme for Officers at concessional interest rate may be converted to concessional interest rate as applicable under car loan scheme for officers at their specific request by the incumbents of the branches maintaining such accounts.
- b) The instalments shall be re-fixed keeping in view the remaining repayment period and balance outstanding.
- c) The staff desirous of such conversion shall execute supplementary agreement as available in **Proforma 'H'**.
- d) The revised interest rate shall be applicable from the date of supplementary agreement. In case such request is not received, the existing rate of interest stipulated under Car Loan Scheme for Workmen Staff shall continue

19. SANCTIONING AUTHORITY:

As per Loans & Advances circular on loaning powers & guidelines for exercising such powers at various levels for the Members of Staff.

20. ADDITIONAL LOAN UNDER PUBLIC SCHEME:

Additional Loan for Car or Two Wheeler may be sanctioned over and above the eligibility under Concessional Conveyance Loan Scheme. Eligibility criteria, Interest Rate and other terms and conditions will be applicable as per the Public Scheme. Supplementary Agreement to be taken as per **PROFORMA 'F'**.

There is no ceiling on cost of the vehicle proposed to be purchased. However, the employee may avail additional loan for purchase of vehicle under public scheme is allowed and the rate of interest is the lowest rate applicable to public. Permission from Competent Authority will be required (For Car loan only) in case the margin contribution is from sources other than own liquid funds and/or contribution from spouse. **The margin requirements will remain as similar to Staff Car Loan @10% even for loan under public scheme. Interest rates will also be the best rate of interest under public scheme.**

21. OTHER CONDITIONS:

- On the date of retirement (In case of Pension Optees), over and above the eligible amount of Vehicle Loan depending on applicant's pension will be adjusted from his/ her superannuation benefits and remaining outstanding amount will remain under Staff Vehicle Loan Scheme upto extended period after retirement. Discretionary Power for the same will be vested with respective sanctioning authority.
- The borrowing employee to give a declaration that he/she holds a valid driving license (applicable in case of two-wheelers only) prior to sanction of conveyance loan OR an undertaking is to be maintained declaring to furnish the same within six months from the date of sanction.
- The vehicle financed will be comprehensively insured by the borrower with usual Bank's Clause. In case the employee fails to do so, the Bank will have the discretion to get it insured and recover the cost so paid from the employee's salary payable for the month immediately succeeding the month in which the insurance is affected.
- Wherever the eligibility criteria is linked with the period of service, Ex-servicemen re-employed in our Bank, will be given weightage, for their becoming eligible for conveyance loan, by the number of years of service rendered by them in the armed forces subject to their being confirmed in our bank and having put in at least total service as applicable under the Scheme.
- With a view to safeguard Bank's interest in cases where the borrowing employee ceases to be in the employment of the bank before adjustment of the loan, an undertaking should be obtained from the borrowing employee

authorizing the Bank to utilize the proceeds of PF/Gratuity and other dues payable to him, if any, towards the adjustment of the loan.

- If both husband and wife are working in the Bank, eligibility for separate or joint loan quantum can be clubbed.
- Period of 2 years should lapse before considering another Staff Vehicle Loan and old loan should be liquidated
- The new vehicle will be purchased from an authorized dealer, and the same will be got registered jointly in the name of the borrower and Bank. Payment of the vehicle, by way of disbursement of Loan and margin will be directly remitted to the seller.
- Employees who have availed vehicle loan facility under General scheme may be allowed to convert the facility into revised vehicle loan subject to fulfilling the other eligibility criteria.
- Employees who have availed vehicle loan under earlier schemes will have the option to switchover the outstanding loan to the new scheme with regard to interest rate only, after submitting specific request to this effect to the respective sanctioning authority. The revised interest on the existing Vehicle loan will be applicable on outstanding principal amount only from the date of sanction and there will be no change in the interest already charged prior to date of sanction of revised ROI. There will be no change in the repayment schedule of the existing Vehicle loan. Conversion of outstanding additional loan/loan taken by officers/award staff under public scheme may also be permitted to the extent of revised limits from the date of request.
- Employees, who have already availed the loan facility for Car, can also avail the facility for 2-wheeler by continuing the Car loan, subject to his/her total liability (existing principal outstanding and proposed loan) not to exceed the maximum eligibility of the Car loan in respective cadre, at the time of sanction. Moreover, if any staff member has already availed Two Wheeler Loan, he/she may avail Car Loan simultaneously within his/her entitlement of car without adjusting existing Two Wheeler Loan.
- Request for takeover of loans from other Banks/ FIs and conversion of loan raised by the employee from our Bank also, under Vehicle Loan Scheme for General Public will be allowed to be converted into the Staff Vehicle Loan Scheme as per the eligibility of the staff member in normal course at any point of time.
- Repayment of loan to commence from the following month in which the loan is disbursed.

- The vehicle purchased will be hypothecated to the Bank and will be got registered in the joint names of the Borrowing employee as Hypothecator and the Bank as Hypothecatee.
- In cases where the borrowing employee purchases car/scooter/motor cycle from some other person in whose name the Allotment Letter stands and takes delivery of the vehicle direct from the show room, the stipulated depreciation of 10% p.a. for the first year may not be charged for the vehicle, if the date of Sale Deed by the allottee in favor of the borrowing employee is the same as the date of delivery of the vehicle from the show room, subject to the provision that the sale of the vehicle is not restricted under any provision of law.
- The employees will be eligible for availment of new loan after fully adjusting the previous loan, but not earlier than 2 years from the date of availment of previous loan. This clause will however not be applicable for first time availing the loan for Car where the loan for 2-wheeler is already availed and whether the same is outstanding or stands fully repaid.
- For computation of eligibility criteria wherever linked with period of service in the Bank, leave on loss of pay for longer duration exceeding 3 months, the period of leave without pay be deducted.
- The bank can reject any loan application under the scheme without assigning any reason whatsoever thereof.
- Loan at concessional interest rate should not be sanctioned where the vehicle is proposed to be purchased from close relatives such as father/mother/son/daughter etc. However, conveyance loan for purchase of vehicles may be allowed from close relatives (except from spouse and dependent children) where loan is allowed under public scheme.
- The bank will have the right to recall the entire advance in case of default in repayment of two consecutive installments.
- Officers / Award Staff under suspension will not be eligible to apply for any loan under this scheme.
- The vehicle must be purchased in the name of the Officer / Award Staff borrower and registered with the Regional Transport Authority in his own name.
- The vehicle purchased with the loan amount will be hypothecated to the Bank and will be registered with the Regional Transport / Motor Vehicles / Public Vehicles Office to the effect, till the interest thereon is fully liquidated. Copy of Smart Card / Blue Book /Registration certificate is to be submitted with loan disbursing branch by the employee.
- An Officer / Award Staff who is sanctioned a loan for purchase of vehicle, will give in writing that his/her successors, legal representatives or

administrators will repay the loan outstanding on this account, in case he/she dies prematurely before the loan with interest thereon is repaid in full.

- Payment for the purchase of the Vehicle will be effected through the Bank by means of a Pay Order / Demand Draft/ RTGS/ NEFT in favour of the Vendor after ensuring margin contribution by the employee. The relative invoice copy will be produced by the Officer / Award Staff for inspection and payment, and the same will be retained with the security documents.
- The loan will be continued to be maintained at the Branch where the same was initially disbursed.

DOCUMENTATION

For all types of vehicles, i.e. Car/Scooter/ Motor Cycle/Moped

- Letter of request-cum-sanction letter (**PROFORMA `A'**)
- Letter of hypothecation as per specimen (**PROFORMA `B'**)
- Consideration voucher in duplicate (Original for documents and true copy for Day Book).
- Letter of authority for deduction of monthly instalment direct from the salary as per specimen (**PROFORMA `C'**).
- Letter of authority authorising the bank to utilise the gratuity and other dues payable to him/her on ceasing to be in the service towards adjustment of the conveyance loan (**PROFORMA `D'**).
- Letter of authority authorising the bank to utilise the PF payable to him/her on ceasing to be in the service towards adjustment of the conveyance loan (**PROFORMA `E'**).

LETTER OF REQUEST CUM SANCTION LETTER

- CONVEYANCE LOAN

To be submitted in duplicate

The Manager,
Punjab National Bank,

Dear Sir,

Reg: LOAN FOR PURCHASE OF CAR/ SCOOTER/ MOTOR- CYCLE/ MOPED/CYCLE

I request you to grant me loan of Rs. (Rupees) for the purpose of purchasing new/old* (type of vehicle) from M/s/Shri for which proforma invoice or allotment letter/agreement to sell (in case of old vehicle) is enclosed. I am eligible for the loan applied for under the Conveyance Loan Scheme for members of staff being a confirmed employee of the bank with completed service of years having joined the bank on.

I am holder of a valid driving licence** (photo copy enclosed).

I agree to deposit the prescribed margin money with the bank and to execute the necessary documents.

Details of my monthly emoluments and deductions for the month of are as under:-

Table with 2 columns: Deductions (Rs.) and Total. Rows include BP, DA, Spl.All., HRA, CCA, Other, PF, PF Loan, I. Tax, Festival, Loan, Housing, Loan, Notional Interest on OD, Other, and Total.

* Details of old vehicles

- Registration Number.

- Date of purchase of vehicle by the seller from the dealer

** Applicable for two wheeler Auto

I have/have not availed Conveyance Loan facility earlier. (The previous loan, if any, availed on _____ for purchase of _____ stands fully adjusted on _____).

I authorise the bank to pay the amount as per Proforma Invoice/as per Agreement to sell, to Shri/M/s _____ on my behalf. I agree to hypothecate the vehicle to be purchased as a security for securing the said advance of Rs. _____ to be repaid in _____ monthly instalments along with interest @ _____. I undertake to get the vehicle registered jointly in the name of bank. I also undertake to keep the hypothecated vehicle insured for its full value by taking comprehensive policy with bank clause.

I agree to abide by all terms & conditions of the scheme applicable from time to time, which I have read thoroughly.

Place _____

Yours faithfully,

Dated:

(SIGN. OF THE APPLICANT)

Designation _____ Office _____

Res. Address _____

The particulars given by the applicant are verified. He is eligible for the loan under the scheme. Hence recommended for sanction.

Dy. Manager/Officer/Spl. Asstt.

Name :

SANCTIONED RS. _____ VEHICLE LOAN TO BE DISBURSED THROUGH B.O. _____

Chief/Sr. Manager/Manager Name & GBPA No. :

A/c No. TL/ _____ / _____ Monthly Instalments Rs. _____

W.E.F. _____ NOTED FOR REMITTING TO _____ B.O. _____

ESTABLISHMENT INCHARGE

LETTER OF HYPOTHECATION

(For advances against Car/Scooter/Motor Cycle/
Moped/Bicycle to the members of staff)

The Manager

Place _____

Punjab National Bank

Date _____

Dear Sir,

1. In consideration of your allowing or agreeing to allow an advance of Rs. _____ (Rupees _____) for purchase of _____ (mention the name and description of the vehicle its make & registration number etc.) hereinafter called as 'the hypothecated vehicle'. I hypothecate and charge with the Bank the said hypothecated vehicle as security for the payment of the said loan, interest, costs and other charges on the following terms and conditions agreed to by me.

2. That the said hypothecated vehicle shall be used by me for my personal use. I agree that I will not sell, mortgage, give on lease or on hire or otherwise part with the possession or encumber the said hypothecated vehicle in any way till the repayment of all my liabilities.

3. That I undertake to keep the said hypothecated vehicle insured for its full value by taking comprehensive policy in the name of Bank as hypothecatee/mortgagee and myself as hypothecator/mortgagor with agreed Bank clause with any Insurance Company approved by the Bank.

4. That I agree that the amount of loan advanced will be paid by me regularly in equal monthly instalments of Rs. _____ and the interest, if any, shall be paid by me when the same falls due but the entire amount of loan and interest, if any, will be paid within a period of _____, the first monthly instalment shall be paid after one month of the date of the loan.

5. (a) That the advance of Rs. _____ has been made to me by the bank interest free.

(b) That the advance of Rs. _____ has been made to me by the bank at the following interest rate on account of my being a member of the staff of the bank:

(i) @ _____ p.a. on the first Rs. _____

(ii) @ _____ p.a. on the subsequent Rs. _____

(iii) @ _____ p.a. on balance Rs. _____ with _____ rest. In case the interest is not paid by me in its entirety; it will form part of the principal and carry interest at the above mentioned rate.

(c) The loan will remain interest free/ carry interest as above mentioned during which I remain in the services of bank.

(d) In the event of discontinuation of my service from the bank for any reason whatsoever or failure to adjust the outstanding advance out of the dues payable to me at the time of my ceasing in the service of the bank, the outstanding amount then unpaid shall bear and carry interest at applicable rate.

Notwithstanding the foregoing, I shall pay to the bank interest at such other rate(s) as shall from time to time be fixed by the Bank and intimated to me. The bank shall have the discretion to change the rate of interest as well periodicity of rests.

6. That in case of default in the payment of any of the instalments of the loan or the interest, if any, on its due date I agree to pay increased interest at the rate of _____% p.a. over and above the agreed rate of interest with agreed rests on the defaulted amount from the date of default.

7. That in case I fail to pay any three instalments (not necessarily consecutive) it shall be lawful for the Bank to recall by a demand in writing the entire outstanding amount in account and I agree to pay the same notwithstanding the period of instalments fixed as aforesaid.

8. I also agree that in case the amount outstanding in the account is not paid by me after demand in writing by the bank, it shall be lawful for the bank and its officers to call on me and take possession of the hypothecated vehicle. In case of default on my part to deliver possession, it shall be lawful for the bank and its officers to take possession of the hypothecated security from me and sell the same by private contract or otherwise as pledge/attorney for and on my behalf for adjustment of my loan account at my risk and responsibility, and get the same transferred in the name of the purchaser by signing the necessary documents without reference to me and I undertake to pay the amount of shortfall if any.

9. Notwithstanding the above, in case of default or non-observance of any of the terms and conditions of the loan and in case the hypothecated vehicle is lost or destroyed or otherwise becomes unavailable or untraceable as a result of theft or otherwise for any reason whatsoever or in case possession of the same is not handed over to the Bank as provided above or in case the bank so decides in its discretion, it shall have the right to immediately call upon me in writing to repay the entire amount outstanding in the account, despite the instalments fixed and I shall be liable to pay the same.

The hypothecated vehicle will be got registered with the appropriate transport authority in the joint name of myself as hypothecator and the Bank as hypothecatee.

Yours faithfully

(SIGNATURE)

Name: _____

Designation: _____

BO: _____

Address _____

(In Block Letters)

- NOTE: 1. To be stamped as an agreement and also a special power of attorney as per rate prevailing in each State.
2. This letter of hypothecation should not be attested.

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31/03/2020 17:35

LETTER OF AUTHORITY

The Manager

Punjab National Bank

BO:_____.

Sir,

Reg: * _____ **Loan of Rs.** _____

(Rupees _____) for ** _____

With reference to the Term Loan of Rs. _____ (Rupees _____) obtained by me from BO: _____ on _____ against *** _____, I hereby authorise you to deduct a sum of _____ Rs. _____ (Rupees _____) every month from my salary and remit the same to BO: _____ for credit of my aforesaid Term Loan Account with them until the loan is fully adjusted.

I agree and authorise you to utilise the amount of bonus and all other dues whatsoever, payable to me on my ceasing to be in the employment of the Bank or at the time of any payment of gratuity, PF, Bonus or other dues, towards payment of the amount due on the aforesaid loan.

The authority given to you herein is irrevocable unless and until the Bank's dues are repaid by me in full.

Thanking you, Yours faithfully

BORROWING EMPLOYEE

Place _____

Date _____

* Mention type of loan viz. housing/vehicle/relief loan, etc.

** Mention the purpose of loan.

***Specify nature of security.

PROFORMA 'D'

(To be Submitted in Duplicate)

Letter of authority, authorising the bank to utilise the gratuity and other dues, payable to the employee when he ceases to be in the employment of the Bank, towards adjustment of * _____ loan.

The Trustees
Punjab National Bank Employees'
Gratuity Fund Trust
New Delhi.

Reg: : * _____ Loan of Rs. _____

(Rs. _____)

Dear Sir,

Whereas a loan for Rs. _____ (Rupees _____) has been granted to me by Punjab National Bank on _____ to be availed by me at _____

And whereas I agree and authorise the bank to utilise the amount of Gratuity and all other dues whatsoever, payable to me on my ceasing to be in the employment of the Bank or at the time of any payment of such gratuity or other dues, towards payment of the amount due on the aforesaid loan.

I hereby authorise you to pay to the Bank to the extent of the outstanding balance on account of principal and interest unpaid, the amount of Gratuity, etc. and all other dues whatsoever, payable to me on my ceasing to be in the employment of the Bank, due to retirement, termination of service, demise or any other reason whatsoever, after demand by the Bank to be utilised towards payment of the outstanding, including the interest accruing due, on the loan.

This authority is irrevocable until the loan mentioned above with interest thereon is paid full.

Yours faithfully

Station: _____

Date: _____

**(Signatures, Name, designation and
PF a/c No. of the borrowing Employee)**

*Mention type of loan viz. Housing/Vehicle /Clean OD Facility/Relief Loan, etc.

PROFORMA-‘E’

(To be Submitted in Duplicate)

Letter of authority, authorising the bank to utilise the PF dues, payable to the employee when he ceases to be in the employment of the Bank, towards adjustment of *_____ Loan.

The Trustees
Punjab National Bank Employees'
Provident Fund Trust
New Delhi.

Reg: * _____ Loan of Rs. _____
(Rs. _____)

Dear Sir,

Whereas a loan for Rs. _____ (Rupees _____) has been granted to me by Punjab National Bank on _____ to be availed by me at _____.

And whereas I agree and authorise the bank to utilise the amount of Provident Fund and all other dues whatsoever, payable to me on my ceasing to be in the employment of the Bank or at the time of any payment of such PF or other dues, towards payment of the amount due on the aforesaid loan.

I hereby authorise you to pay to the Bank to the extent of the outstanding balance on account of principal and interest unpaid, the amount of Provident Fund etc. and all other dues whatsoever, payable to me on my ceasing to be in the employment of the Bank, due to retirement, termination of service, demise or any other reason whatsoever, after demand by the Bank to be utilised towards payment of the outstanding, including the interest accruing due, on the loan.

This authority is irrevocable until the loan mentioned above with interest thereon is paid full.

Yours faithfully

Station: _____

Date: _____

**(Signatures, Name, designation and
PF a/c No. of the borrowing employee)**

*Mention type of loan viz. Housing/Vehicle /Clean OD Facility/Relief Loan, etc.

SUPPLEMENTARY LETTER OF HYPOTHECATION

(For advances against Scooter/Motor Cycle to the members of staff)

(Additional Loan taken at BPLR/MCLR/Base Rate)

The Manager Place_____

Punjab National Bank

Date_____

Dear Sir,

In consideration of your allowing or agreeing to allow further advance of Rs. _____ (Rupees _____) (hereinafter referred as "further loan" for repayment of the loan availed under _____ (Name of the scheme) for purchase of _____ (mention the name and description of the vehicle its make & registration number etc.) hereinafter called as 'the hypothecated vehicle'. I hypothecate and charge with the Bank the said hypothecated vehicle as security for the payment of the said further loan, interest, costs and other charges on the following terms and conditions agreed to by me.

2. That the said hypothecated vehicle shall be used by me for my personal use. I agree that I will not sell, mortgage, give on lease or on hire or otherwise part with the possession or encumber the said hypothecated vehicle in any way till the repayment of all my liabilities.

3. That I undertake to keep the said hypothecated vehicle insured for its full value by taking comprehensive policy in the name of Bank as hypothecatee/mortgagee and myself as hypothecator/mortgagor with agreed Bank clause with any Insurance Company approved by the Bank.

4. That I agree that the amount of loan advanced will be paid by me regularly in equal monthly instalments of Rs. _____ and the interest, if any, shall be paid by me when the same falls due but the entire amount of loan and interest, if any, will be paid within a period of _____, the first monthly instalment shall be paid after one month of the date of the loan.

5. (a) That the advance of Rs. _____ has been made to me by the bank interest free.

(b) That the advance of Rs. _____ has been made to me by the bank at the following interest rate on account of my being a member of the staff of the bank:

(i) @ _____ p.a. on the first Rs. _____

(ii) @ _____ p.a. on the subsequent Rs. _____

(iii) @ _____ p.a. on balance Rs. _____ with _____ rest. In

case the interest is not paid by me in its entirety, it will form part of the principal and carry interest at the above mentioned rate.

(c) The loan will remain interest free/ carry interest as above mentioned during which I remain in the services of bank.

(d) In the event of discontinuation of my service from the bank for any reason whatsoever or failure to adjust the outstanding advance out of the dues payable to me at the time of my ceasing in the service of the bank, the outstanding amount then unpaid shall bear and carry interest at applicable rate.

Notwithstanding the foregoing, I shall pay to the bank interest at such other rate(s) as shall from time to time be fixed by the Bank and intimated to me. The bank shall have the discretion to change the rate of interest as well periodicity of rests.

6. That in case of default in the payment of any of the instalments of the loan or the interest, if any, on its due date I agree to pay increased interest at the rate of _____% p.a. over and above the agreed rate of interest with agreed rests on the defaulted amount from the date of default.

7. That an advance of Rs. _____ (_____) has been made to me by the bank at concessional interest on account of my being a member of the staff of the bank. Now the limit of Conveyance Loan at concessional rate of interest has been enhanced from Rs. _____ to Rs. _____.

8. That the bank is authorised to debit the account in respect of the above said further loan and credit/remit the proceeds to the loan account No. _____ allowed under conveyance scheme at BPLR/MCLR/Base rate.

9. That in case I fail to pay any three instalments (not necessarily consecutive) it shall be lawful for the Bank to recall by a demand in writing the entire outstanding amount in account and I agree to pay the same notwithstanding the period of instalments fixed as aforesaid.

10. I also agree that in case the amount outstanding in the account is not paid by me after demand in writing by the bank, it shall be lawful for the bank and its officers to call on me and take possession of the hypothecated vehicle. In case of default on my part to deliver possession, it shall be lawful for the bank and its officers to take possession of the hypothecated security from me and sell the same by private contract or otherwise as pledge/attorney for and on my behalf for adjustment of my loan account at my risk and responsibility, and get the same transferred in the name of the purchaser by signing the necessary documents without reference to me and I undertake to pay the amount of shortfall if any.

11. Notwithstanding the above, in case of default or non-observance of any of the terms and conditions of the loan and in case the hypothecated vehicle is lost or destroyed or otherwise becomes unavailable or untraceable as a result of theft or otherwise for any reason whatsoever or in case possession of the same is not handed over to the Bank as provided above or in case the bank so decides in its discretion, it shall have the right to immediately call upon me in writing to repay the entire amount outstanding in the account, despite the instalments fixed and I shall be liable to pay the same.

12. The hypothecated vehicle will be continued to be registered with the appropriate transport authority in the joint name of myself as hypothecator and the Bank as hypothecatee.

This letter of hypothecation is supplementary to the letter of hypothecation dt.____ already executed by me.

Yours faithfully

(SIGNATURE)

Name:_____

Designation:_____

BO:_____

Address_____

(In Block Letters)

NOTE:

1. To be stamped as an agreement and also a special power of attorney as per rates prevailing in each State.
2. This letter of hypothecation should not be attested.

336832
31/03/2020 17:35

PROFORMA 'G'

1. To be stamped as an agreement.
2. This letter should not be Attested.

SUPPLEMENTARY LETTER OF HYPOTHECATION

Place : _____

Date : _____

The Manager

Punjab National Bank

Dear Sir,

REG.: CAR LOAN ACCOUNT NO. _____ OUTSTANDING
RS. _____ AS ON _____

1. Please refer to letter of hypothecation dated _____ (hereinafter referred to as Letter of Hypothecation) executed by me.

2. On my request, Bank has agreed to for continuation of loan amount/outstanding balance under the above Car Loan account with re-schedulement, as per the Car Loan Scheme applicable to public.

3. I agree that;

a) The Clause 7 of the Letter of Hypothecation be read and substituted as under:

“That in case I fail to pay any three instalments (not necessarily consecutive) or in the event of my ceasing to be in the service of the Bank for any reason whatsoever, unless the Bank permits continuation of the facility at interest rate as stated in clause 6 hereof, it shall be lawful for the Bank to recall by a demand in writing the entire outstanding amount in account and I agree to pay the same notwithstanding the period of instalments fixed as aforesaid.”

b) I confirm that the balance due in the above said term loan account is Rs. _____ as on _____ and acknowledge liability to repay the same.

c) With effect from _____ the interest shall be payable at the rate as applicable to public, which is presently at-----% p.a.. with monthly compounding or at such other rates and manner of charging the interest as may be fixed by bank from time to time. Further, interest tax at the rate as in force from time to time shall also be charged. In case the interest is not paid by the borrower in its entirety, it will form part of the principal and carry interest at the above mentioned rate. The interest payable by the borrower shall be subject to changes in interest rates made by Reserve Bank of India/Bank from time to time.

d) In the event of default in repayment of instalments including interest, the same may be recovered from my pension account/amount. (applicable only in those cases where borrowing employee is drawing pension).

4. I confirm that all other terms and conditions as already agreed to and mentioned in the Letter of Hypothecation in respect of Car Loan as referred above to continue be binding and remain in force. I further confirm that the security viz. hypothecation (above referred to) given to the above Car Loan continues and remain in force.

5. This agreement is in addition and supplementary to Letter of Hypothecation.

Yours faithfully,

(SIGNATURE)

Name: _____

Designation: _____

BO : _____

Address: _____

336832
31/03/2020 17:35

PROFORMA 'H'

TO BE STAMPED AS AN AGREEMENT

NOT TO BE WITNESSED

PUNJAB NATIONAL BANK

SUPPLEMENTARY AGREEMENT

This Supplementary Agreement is executed at _____ on this _____ day of _____ 20 between Shri _____ S/o _____ R/O _____ (hereinafter referred to as the 'Borrower' which expression shall unless repugnant to the context include its successors and assigns), of the one part and Punjab National Bank, a body corporate constituted under the Banking Companies (Acquisition & Transfer of undertakings) Act, 1970 having its Head Office at 7, Bhikaiji Cama Place, Africa Avenue, New Delhi – 110 066 and inter-alia BO at _____ (hereinafter referred to as 'Bank' which expression, unless repugnant to the context, shall include its successors and assigns) of the other part.

WHEREAS the Borrower is inter-alia availing Car Loan of Rs. _____ (Rs. _____ only).

WHEREAS the Borrower has executed a Loan agreement on _____.

WHEREAS the said Car Loan is secured by Hypothecation of the car.

WHEREAS the Borrower has executed the loaning and security documents as above said.

WHEREAS the Borrower has been promoted from Clerical to Officer.

WHEREAS the Borrower has approached the bank and requested for conversion of loan amount/outstanding balance under the above Car Loan Scheme to Car loan scheme for officers at concessional interest rate.

WHEREAS the bank, has, at the request of the borrower and having regard to the requirements of the borrower, agreed to convert above Car loan to concessional interest rate as applicable under car loan scheme for Officers.

NOW IN CONSIDERATION OF THE BANK continuing/agreeing to continue the banking facilities as aforesaid, the borrowers agree as under:

1. The borrowers confirm that the balance due in the above said car loan account is Rs. _____ as on _____ and acknowledge liability to repay the same.
2. The borrower agrees and undertakes to repay the outstandings in the said Car Loan of Rs. _____ (Rs. _____) in _____ instalments of Rs. _____. Notwithstanding the repayment of the loan and interest in instalments and other charges in the manner as stipulated herein, the borrower shall remain liable to pay any balance outstanding after adjustment of the above payments and such balance outstanding, if any, shall be payable alongwith last instalment.
3. The interest shall be payable at the following rates:
 - (i) @ _____ p.a. on the first Rs. _____.
 - (ii) @ _____ p.a. on the subsequent Rs. _____.

The loan will carry interest as above mentioned during which the borrower remains in the services of bank. In the event of discontinuation of service from the bank for any reason whatsoever or failure to adjust the outstanding advance out of the dues payable to the borrower at the time of his ceasing in the service of the bank, the outstanding amount then unpaid shall bear and carry interest at such rate(s) as shall from time to time be fixed by the Bank. The bank shall have the discretion to change the rate of interest as well periodicity of rests.

4. In case of default in payment of interest or instalments on the due date and/or in case the entire loan is recalled by the bank and/or in case the account becomes irregular for any reason whatsoever, the borrower agrees to pay increased interest @ _____% p.a. with agreed rests over and above the agreed rate of interest as under:
 - i) On the amounts in default from the date of default, or
 - ii) On the amount outstanding from the date of recall or from the date the account becomes irregular.

5. The borrower agrees that if the borrower defaults in payment of interest/instalment, the bank shall be entitled to recall the entire amount outstanding under the above said Car Loan account.
6. The borrower agrees to bear & pay interest tax if any in force. The bank shall have the discretion to decide the manner of computation and charging of the same in the account.
7. The borrower confirms that all other terms and conditions as already agreed to and mentioned in the loaning and security documents executed on _____ in respect of Car Loan above referred to continue and remain in force. The borrower further confirms that the security viz. hypothecation (above referred to) created to secure Car Loan continues and remain in force.
8. This agreement is supplemental to and not in-derogation of earlier agreements/documents executed in favour of the Bank.

In witness whereof, the parties here to have signed these presents on the day, month and year above mentioned.

Borrower

For PUNJAB NATIONAL BANK

Manager