

LIC EMPLOYEES' CO-OPERATIVE BANK LTD

LICOBANK ROAD, UDUPI

Email : licobank@gmail.com Ph. 0820-2520826, 2534826

APPLICATION FOR PERSONAL LOAN LONG TERM/MEDIUM TERM)

Inward No:
L.T./M.T.Loan No.
AMT / ALT No.

To:

The Secretary

Being an employee of Life Insurance Corporation of India and a member of LIC Employees' Co-operative Bank Ltd., Udupi. I give the required particulars about me and request you to grant loan of Rs..... {Rupees.....} (Amount should equally be divisible by No. of Instalments)} from the Bank to be expended for the purpose stated below, subject to your rules. I shall repay the loan with interest in equal monthly instalments. Also I request you to allot me additional shares necessary for granting me the loan.

1. Membership No.:	2. S.R No.:	3. Name :				
		Designation :				
		L.I.C of India B.O/D.O				
4. Date of commencement of Service / /		Mobile No.:				
5. Date of Birth : / /		PAN :				
6. Date of Retirement:		7.No.of Dependents				
8. Basic Pay Rs.	Gross Pay Rs.	Deduction Rs.		Net Pay Rs.		
9. Other Income Rs.	Source of Income Rs.			Monthly / Year		
10. Purpose of loan with details (Vide rule No.4)						
11. Particulars of other loans availed : Emergency Loan						
				L.T /M.T Loan / SMT / SLT /LML		
1. Loan No.						
2. Loan Availed on :						
3. Fully repaid on :						
Please adjust my existing Emergency / M.T / L.T / SMT/SLT/Loan from this loan						
12. Particulars of Court Cases against me:						
13 Name of surety for this loan	M.No.	Date of Birth	Servicing since	Gross Pay Rs.	Net Pay Rs.	Office /B.O/D.O. Place of Work
1.						
2.						
14. Whether member of any other Co-op. Society / Bank?						
15. Particulars of borrowings from the above Society / Bank or from any other Source						
16. Particulars of borrowings from L.I.C for House construction:						

I Solemnly declare that the particulars given by me as above are true and correct to my knowledge and belief and that there is no court attachment against my pay. I agree to abide by the loan rules of the Bank now in force and as may be altered from time to time without notice to me.

Place:

Date:

Signature of the Applicant

I/ We declare that the information given by the applicant is correct and in case he / she fails to repay the loan in full with interest in accordance with the rules and conditions and bye-laws of the Bank, I/ We hereby undertake jointly and severally to repay any dues of the above loan with interest thereon to the Bank under same terms as the Borrower and do hereby authorize that in the event of the failure of recovery of dues under the above loan and interest from the salary of the principal borrower for any reason you may recover the dues from my / our Salary in any proportion

Signed by us at _____ on the _____ day of _____ 20...

1. _____ 2. _____

(Signature of Suretie's)

Name: _____ M.No.: _____ Name: _____ M.No.: _____

- Notes:**
- 1) **Salary Certificate of applicant and surety duly attested by the authorized officer with seal and designation showing item wise details of pay and allowances and also deductions and net "take-home" pay must accompany this application.**
 - 2) **Witness in the agreement form and Promissory Note must be other than surety.**
 - 3) **There should be no Striking off or correction in the Agreement form, Promissory Note even with authentication by full signatures, using correction fluid (Whitener) is not allowed.**
 - 4) **Do not write Date / month in agreement and promissory note.**
 - 5) **When the borrower or surety are from different working areas, witnesses must be from respective area only.**

Brief Particulars of the Rules about grant of loans

- 1) **EMERGENCY LOAN** : Rs. 300000/ only in lump, repayable in 48 monthly instalments following the month in which loan is granted at prevailing rate of interest p.a payable for each month from the month in which loan is paid till that in which loan is repaid. However, depending upon the member's net salary lower amount can be availed in multiples Rs.500/- only. Further loan eligible only after the recovery of 12 monthly installments.
- 2) **MEDIUM TERM LOAN** : Any amount subject to rule 5 below, repayable in not more than 60 equal monthly installments following the month in which the loan paid with applicable rate of interest p.a payable monthly and may be changed from time to time as per decision of the Board or R.B.I Directions.
- 3) **LONG TERM LOAN** : Any amount subject to Rule 5 below, repayable in not more than 144 equal monthly instalments following the month in which loan is paid. Interest is charged at prevailing rate p.a payable monthly and may be changed from time to time as per decision of the Board or R.B.I Directions.
- 4) **PURPOSE** : Full details of the purpose should be written so that the loan committee may assess whether the amount applied for is necessary for the purpose stated and whether the purpose stated is genuine or not.
 - I For the purpose of purchase of House site / Purchase of House / House Construction:
 - i) Legal opinion by an Advocate – Advocate's fees is to be born by the member.
 - ii) Original Title Deed (to be deposited in the Bank till the clearance of loan)
 - iii) Approved plan and Estimate of Expenditure to be incurred.
 - iv) Inspection Report by persons authorized by the Bank; expenses of which is to be born by the member.
 - II For the purpose of House Repairs: All the items referred to In items, i, iii, iv.
 - III In the case of "Marriage Expenses" the following details will be necessary:
 - i) Name of the person to be married and exact relationship to the applicant.
 - ii) Place and date of marriage and whether the person to be married is entirely dependent on the applicant and if not who are the other relations who bear expenses is also to be stated.
 - iii) Estimated Expenses of the marriage

Applicant's Signature

1. _____ 2. _____
Signature of Surety/ies

IV In case of the “ Medical Expenses” name and exact relationship and ailment of the person for whom the expenses are to be incurred, the name of the Doctor or the Hospital etc. treating the patient, whether the patient is entirely dependent on the applicant and if not, who are the other relations who bear the expenses, the total expenses that are to be incurred etc. should be stated. In the case of “Domestic Expenses” the full details and nature of expenses that are incurred have to be stated. In the case of all other purpose also all the necessary details must be stated. All these details required be stated on a separate sheet of paper under the signature of the applicant. If all the necessary details are not given, the sanction of loan will have to be delayed until all the details got and found satisfactory. When part of fresh loan sought is for clearing earlier loan, the applicant should state so and give particulars for the balance.

- 5) **LOAN LIMIT** : Maximum total limit of Emergency loan, Medium Term Loan or Long Term Loan is least of the following
- i) Rs. 15,00,000/-
 - ii) 5, 10, 15, 21 and 25 times of the gross pay (excluding all allowances that are liable to be reduced for nonperformance of duty for any period for which basic pay and other allowances are not so reduced) if applicant’s service in LIC is less than 3 years, less than 5 years, less than 10 years, less than 15 years and more than 15 years respectively.
 - iii) 20 times the share capital of the member
 - iv) Amount that will satisfy other rules stated herein.
 - v) Loan granted under SLT / SMT is separate.
- 6) **SURETY** : For Emergency Loan, Medium Term loan or Long Term Loan if loan does not exceed Rs. 3,00,000/- one surety is enough. with minimum 3 years service. For loan between Rs. 3,00,000/- above and upto Rs.10,00,000/- one surety with minimum 5 years service. And for loan of Rs. 10,00,000/- above and upto the maximum limit of Rs.15,00,000/- one surety with minimum 10 years of service or 2 sureties with minimum 5 years of service or 7 & 3 years of service or 6&4 years of service is required. Additional surety must be furnished when the bank so requires. A person having stood as surety cannot withdraw without Bank’s consent.
- 7) Maximum amount for which a member can stand as surety is Rs.16,00,000/- whereas surety limit for SMT / SLT of Rs.3,00,000/- is separate. The amounts for which a particular member has already stood as surety and for which he can further stand as surety can be disclosed to that member only. In other words disclosure of surety details of one member to another member will not be entertained.
- 8) Other conditions : Borrower and surety must be getting net take-home pay of 25% of monthly gross salary (after allowing for recovery of loan to be granted) as defined 5 (ii) above Credit will be given only T.D., R.D. or any other savings deposit with the bank and deduction particulars certified by Employees’ Co-operative Consumer’s Society as made entirely towards day-to-day provisions purchased as necessities of life (subject to limit of 25% of gross salary as defined above) and not containing instalment for costly articles purchased on hire purchase or such other basis. Sureties and the principal borrower should not be defaulters during last twelve months.
- 9) If there is gap between member’s becoming a permanent confirmed employee in L.I.C in udupi, Dharwad, Shimoga, Balgaum or Raichur division and complying with the requirements for membership of the Bank he shall be eligible for loan only after such gap or 3 months whichever is earlier from the date on which membership is allowed.

Applicant’s Signature

1. _____ 2. _____
Signature of Surety/ies

- 10) Loan to be granted must be exactly divisible by the number of monthly instalments of repayment. **Applications in prescribed form with demand promissory note, loan agreement and receipt form without mentioning the date should be submitted properly completed and signed by applicant and surety.** Full details of purpose must be stated. Surety should not be witness in any form. Certificate from L.I.C showing full details of gross salary and deductions for last month shall also be submitted in respect of applicant and surety.
- 11) More than one loan of same kind is not allowed. If the borrower repays the entire loan already availed within a period of 12 months, grant of fresh loan can be considered either after a period 3 months from the date of such repayment or after a period of 12 months from the date of existing loan whichever is earlier.
- 12) Repayment instalments shall not extend beyond retirement of borrower or surety. Hence birth date and date of retirement of applicant and surety must be stated in the application.
- 13) Loan interest will be charged on monthly EMI basis.
- 14) Loans sanctioned shall be availed within one month from the date of sanction after which the application lapses.
- 15) All loans and interest dues will be recovered from salary wherever convenient. For administrative convenience some adjustments may be necessary. However, repayment of the dues is entirely the responsibility of the borrower and sureties. If amount is not recovered and paid to the bank in time fine and penal interest will be charged until all dues are cleared.
- 16) Surety is cautioned to see that whenever the principal borrower ceases to be L.I.C Employee he/she informs, the bank and the L.I.C. (Branch, Divisional and Zonal) Office before the P.F., Gratuity, Group insurance and other benefits are settled by L.I.C. so that the dues may be recovered from such benefits payable by L.I.C
- 17) If any kind of loan not recovered for 3 consequent month, the entire outstanding loan balance of said loanee member / associate member will be treated as overdue and Bank reserves the right to recover the entire dues either from sureties salary / through legal process. The Bank can also modify / change the rules as per R.B.I directives issued from time to time.

18) Associate Members Loan :

- a. **Loan Limit :** Rs. 50,000/- (Maximum)
- i) Rs. 7,000/- (Service in L.I.C 3 years to 5 years)
 - ii) Rs. 25,000/- (above 5 years upto 15 years)
 - iii) Rs. 50,000/- (15 years and above) respectively
- b. **Recovery Instalments:** 60 monthly instalments for AMT loan and 100 instalments for ALT loan. Other conditions as applicable to general members.
- c. **Surety Limit :** Associate members who have completed 15 years service in L.I.C. can stand as surety for Rs. 50000/- and a member who has completed 3 years of service can also stand as surety, subject to within his surety limit.
- d. Rate of interest, further loan eligibility etc. as applicable to general members loan.

Applicant's Signature

1. _____ 2. _____
Signature of Surety/ies

LT/ MT/Loan No.

LOAN AGREEMENT

Whereas the undersigned principal borrower S/D/W/O working in L.I.C of India D.O/B.Oand member No.with L.I.C Employees’ Co-operative Bank Ltd., Udupi has borrowed a sum of Rs..... (Rupees.....only) as loan from the LIC Employees’ Co-operative Bank Ltd., Udupi for the purpose stated in the loan application, agreeing to be bound to repay the said loan inequal monthly instalments of Rs. Each and the balance if any along with interest at percent per annum payable monthly on the outstanding balance of the principal amount of the loan till the full amount of the loan is cleared and discharged and has also agreed that the said Bank may get the loan recovered in instalments from the salary or other moneys payable by L.I.C. India. Know all men that should the said principal borrower fail to act in accordance with the aforesaid terms we the undersigned surety / sureties

1)..... S/D/W/O presently working in LIC of India D.O./B.O./S/O.and M.Noof LIC Employees’ Co-operative Bank Ltd., Udupi,

2).....S/D/W/Opresently working in LIC of India D.O./B.O./S/O. and M.No of LIC Employees’ Co-operative Bank Ltd., Udupi, along with the said principal borrower agree that, we are jointly and severally bound to the L.I.C Employees’ Co-Operative Bank Ltd., Udupi for the payment to be made and we bind ourselves and each of us jointly and severally for the whole loan and penal / interest and also to abide by the bye-laws and subsidiary rules of the bank now in force or to be hereafter framed and the Karnataka State Co-operative societies Act and the rules framed thereunder now in force and as amended from time to time and that in case any monthly instalment is not recovered from the salary of the Principal borrower by reason of Principal Borrower is not having enough salary in any month or for any other reason whatsoever, the Bank may get the instalments recovered from the salaries or other moneys payable by L.I.C. or in any other way from the surety / sureties in any proportion.

Signed by us at On theday of20.....

Signature of the Principal borrower

WITNESS

Signature :
Name :
M.No. :
S.R. No. :
Office & Address:

Signature of the Surety No.1

Signature of the Surety No.2

WITNESS

1) Signature :
Name :
M.No :
S.R. No. :
Office & Address:

WITNESS

2) Signature :
Name :
M.No. :
S.R. No. :
Office & Address:

LIC EMPLOYEES' CO-OPERATIVE BANK LTD.,
LICOBANK ROAD
UDUPI – 576101

RECEIPT

Voucher No :

Received Rupees

from the L.I.C Employees' co-operative Bank Ltd. Udupi being the MT / LT Loan No

Sanctioned to me by the Bank, as per particulars given below:

1. By Cash / Cheque / D.D./ NEFT / RTGS/ SB.No Rs.

2. Rs.

3. Rs.

4. Rs.

5. Rs.

Total

Rs. _____
=====

Place :

Date :

Name:

M.No.:

Affix one rupee
Revenue Stamp

Signature

Signature

BANK A/C PARTICULARS

- 1) Full Name :
- 2) A/c Type :
- 3) A/c Number :
- 4) Name of the Bank :
- 5) Place :
- 6) IFSC Code :
- 7) Mode of payment : RTGS/NEFT/A/c Transfer/Multicity Cheque/DD

**L.I.C. EMPLOYEES' CO-OPERATIVE BANK LIMITED.,
UDUPI/DHARWAD
DEMAND PROMISSORY NOTE**

Place:.....

Date:.....

ON DEMAND I,/WE.....M.No.....

2)(Surety No.1)M.No.

3)(Surety No.2)M.No.do hereby promise to pay the

L.I.C. EMPLOYEES' CO-OPERATIVE BANK LTD., UDUPI or order the sum of rupees.....

..... together with interest @..... percent per annum from this date for value received.

Rs.....

MT/LT Loan Account No:.....

<p>-----</p> <p>Signature of the Borrower Affix</p> <p style="text-align: right;">Rs. 1</p> <p>1) ----- Revenue</p> <p style="text-align: right;">Stamp</p> <p>Signature of the Surety</p> <p>2) -----</p> <p style="text-align: right;">Signature of the Surety</p>

Witness No.1:

Signature:.....

Name:

Member No:.....

Address:.....

Witness No.2:

Signature:.....

Name:

Member No:.....

Address:.....

Name of the Borrower.....

Member No:.....

Address:.....

1) Name of the Surety No.1 :.....

M.No. :.....

Address:.....

2) Name of the Surety No. 2:.....

M.No.:

Address:.....