

# LIC EMPLOYEES' CO-OPERATIVE BANK LTD

LICO BANK ROAD, UDUPI

Email : [licobank@gmail.com](mailto:licobank@gmail.com) Ph. 0820-2520826, 2534826

## APPLICATION FOR LICOSNEHA LOAN

To,

Inward No:

LICOSneha  
Loan No.

The CEO,

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.....} 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 installments. 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 / Yearly		
10. Purpose of loan with details (Vide Rule No.4)						
11. Particulars of other loans availed :		L.T /M.T / SMT / SLT /LML/ Swift/ LICOSneha/ Loan				
1. Loan No.						
2. Loan Availed on :						
3. Fully repaid on :						
Please adjust my existing Emergency / M.T / L.T / SMT/SLT/ Swift/ LICOSneha /Loan from this loan						
12. CIBIL Score details:						
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
14. Applicant completed 15 Years of Service : YES <input type="checkbox"/> NO <input type="checkbox"/>						

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 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 rule and conditions and bye-laws of the Bank, I/we hereby undertake jointly and severally to repay the 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 with interest from the salary of the Principal borrower for any reason you may recover the dues from my Salary in any proportion.

Signed by me at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

**Signature of the Surety**

**Name :**

**M. No.:**

**NOTES:**

1. **Salary Certificate of applicant and surety 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 corrections in the Agreement form/promissory note even with authentication by full signatures. Using correction fluid (whitener) is not allowed.**
4. **When the borrower or surety are from different working areas, witnesses must be from respective areas only.**
5. **Do not write date/month in agreement / promissory note & receipt form.**

**Brief particulars of the Rules about grant of loan**

- 1) LICOSneha Loan: Any amount subject to Rule 3 below, repayable in not more than 84 equated monthly installments following the month in which the loan is 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.
- 2) 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**

\_\_\_\_\_  
**Signature of Surety**

**3) Loan Limit Rs. 10,00,000/-**

Any Permanent LIC Employee who is a member of LICO Bank can avail this loan.

- 4) **SURETY:** The maximum surety limit is Rs. 10 lakhs. A member who has completed 5 years of service can stand surety for this loan. Further, a member can also stand surety to multiple members within his/her surety limit of Rs. 10 lakhs.

**Those members who have completed 15 years of Service in LIC of India may avail the loan without production of surety.**

- 5) Other conditions: Borrower and surety must be getting 20% net take home pay of gross salary after allowing for recovery of loan to be granted as defined in 3 above.
- 6) If there is a gap between member's becoming a permanent confirmed employee in L.I.C in Udupi, Dharwad, Belgaum, Shimoga or Raichur Division and is complying with the requirements for membership of the Bank he/she shall be eligible for loan only after such gap or 3 months whichever is earlier from the date on which membership is allowed.
- 7) Loan to be granted must be exactly divisible by the number of monthly installments of repayment. Applications in prescribed form with demand promissory note, Loan agreement and receipt form without mentioning the date should be submitted properly completed by applicant and surety. Full details or purpose must be stated. Surety should not be a witness in any form. Salary Certificates duly signed by competent authority showing full details of Gross Salary, deductions and net salary for the last month (of both the applicant and surety) shall also be attached along with loan application.
- 8) 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 recovery of 12 monthly installments from the date of existing loan whichever is earlier.
- 9) Applicant may extend the repayment installments up to 6 years after retirement by giving **Joint Declaration Form**, whereas the remaining service of surety must be more at least by one year. Hence birth date and date of retirement of applicant and surety must be stated in the application.
- 10) Loans sanctioned shall be availed within one month from the date of sanction after which the application lapses.
- 11) 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 surety. If amount is not recovered and paid to bank in time, fine and penal interest will be charged until all dues are cleared.
- 12) 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.
- 13) If the repayment of any kind of Loan is not paid for consequent 3 monthly installments, the entire loan balance will be treated as overdue and the Bank reserves the right to take necessary legal action against the Principal Borrower/ Surety as per the directives issued by Reserve Bank of India from time to time.

**We have read the above rules**

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Applicant's Signature

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Surety's Signature

**LOAN AGREEMENT**

Loan No. ....

Whereas the undersigned Principal Borrower .....  
 S/o/D/o..... working in L.I.C of India D.O/B.O  
 .....and 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 in .....equal monthly installments 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 installments from the salary or other moneys  
 payable by L.I.C. of India. Know all men that should the said principal borrower fail to act in accordance  
 with the aforesaid terms, I the undersigned surety .....  
 S/o/D/o.....presently 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 as per Karnataka State Co-operative societies Act, R.B.I directives and the rules framed  
 there-under now in force or as amended from time to time and that in case any monthly installment 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 installments recovered from  
 the salary 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 the .....day of.....20.....

**Signature of the Surety**

**Signature of the Principal Borrower**

**WITNESS**

**WITNESS**

1) Signature :

2) Signature :

Name :

Name :

M.No :

M.No. :

S.R. No. :

S.R. No. :

Office & Address:

Office & Address :

**(Note: when the borrower or surety is from different working areas, witness must be from respective areas only)**

