



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

Dated: 17.09.2013

To


All Circles' IFA

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

MOU with **State Bank of India** for extending various loans to BSNL employees has been signed on **2nd September, 2013**. *This agreement is valid upto 20.08.2014*. The general terms and conditions and Rate of interest are given in **Annexure- I of MOU (copy enclosed)**.

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: (i) Copy of Agreement
(ii) Annexure-I**


(V.V.Sankaran)
DGM (BFCI)
Ph. 23715103, 23329670
Fax: 23734033



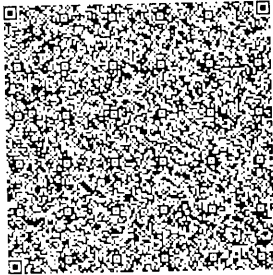
सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No. : IN-DL40473124243806L
 Certificate Issued Date : 23-Jul-2013 12:04 PM
 Account Reference : IMPACC (CR)/ dl835310/ DELHI/ DL-DLH
 Unique Doc. Reference : SUBIN-DL83531079802805064037L
 Purchased by : STATE BANK OF INDIA
 Description of Document : Article 5 General Agreement
 Property Description : 11, PARLIAMENT STREET, NEW DELHI-110001.
 Consideration Price (Rs.) : 0
 (Zero)
 First Party : STATE BANK OF INDIA
 Second Party : NA
 Stamp Duty Paid By : STATE BANK OF INDIA
 Stamp Duty Amount(Rs.) : 50
 (Fifty only)



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

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is made on 21st August 2013.

BETWEEN

Signature
21/08/13

चन्द्र शेखर गुप्ता
CHANDRA SHEKHAR GUPTA
उप महाप्रबन्धक (गै. कर. सी. आई.)



Statutory Alert:

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M/S BHARAT SANCHAR NIGAM LTD (BSNL), a company incorporated under the Companies Act 1956 having its registered office/Corporate office at 3rd Floor, BSNL BHAWAN, Harish Chandra, Mathur Lane, New Delhi-110001 through Shri Chander Shekhar Gupta DGM (BFCI – III) (duly authorized 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

State Bank of India (SBI), a statutory Corporation, constituted under the State Bank of India Act, 1955, having its Corporate Office at “State Bank Bhavan”, Madame Cama Road, Mumbai 400021 and one of its Local Head Office at 11, Parliament Street, New Delhi 110001. State Bank of India through Shri Deepak Chopra, DGM (PBBU - I) (duly authorized 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 “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 Bhavan, Harish Chandra Mathur Lane, Janpath, New Delhi-110001. BSNL is the largest telecom operating company in India having 2.5 lakhs employees across the country.
2. For the convenience of employees, BSNL desires to enter into MOU with SBI in respect of Retail Segment Loans.
3. In pursuance of the above, BSNL invited Scheme wise rate of interest of various Retail Segment Loans offered by State Bank of India for its employees on all India basis.
4. Bank submitted the existing Rate of Interests applicable to all customers on various Retail Segment Loans such as Housing loans, Car Loans, Personal Loan: (SBI Saral, Express Credit), and Education Loan etc offered by SBI.



श्री चण्डर शेखर गुप्ता
CHANDER SHEKHAR GUPTA
उप महाप्रबन्धक (वैयक्तिक बैंकिंग)
Property Corp. Manager (PBBU - I)
भारत संचार निगम लि., नई दिल्ली-110001


श्री दीपक चोप्रा
उप महाप्रबन्धक
एव व्यवसाय प्रमुख
(वैयक्तिक बैंकिंग)
प्रधान कार्यालय, नई दिल्ली

5. The basic terms and conditions in respect of the loan facility along with Current Rate of Interests for BSNL employee (s) (hereinafter referred to as the "Borrower(s) at the time of taking the loan) are annexed as Annexure I to this MOU.
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 following terms and conditions mentioned below:

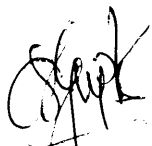
NOW THIS DEED WITNESSETH AS FOLLOWS:

1. That Bank may grant the loan to BSNL's employee(s) under the following head as per their requirement in accordance with Bank's guidelines/norms prevalent at the time of consideration of the proposal of the loan
- (a) Housing Loan including Repair/Renovations/Addition/Alteration Loan.
 - (b) Car Loan.
 - (c) Education Loan.
 - (d) Personal 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), applicable rate of interest and Eligibility etc. w.r.t. the loan facilities applicable in respective cases will be as per Bank's -norms/guidelines prevailing at that time.
3. That the loan facilities shall be sanctioned by the appropriate authorities of the Bank in accordance with Bank's norms without any relaxations or concessions. However if after execution of this MOU if any consensus is arrived at in respect of extending any concession/relaxation to employees of BSNL, the same may be made available to them in accordance with the consensus arrived at between the Bank and the BSNL.
4. That the maximum limits for the loan facilities are subject to the income/repaying capacity of Borrowers and as per the laid down instructions in accordance with Bank's Approved Circulars for different loans.
5. That the security for the loan facilities shall be as applicable on the respective schemes as per Bank's norms guidelines.


DEPUTY GENERAL MANAGER (PERSONAL)
BSNL, NEW DELHI

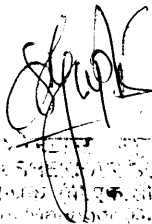

उप महाप्रबन्धक
एव व्यवसाय प्रमुख
(वैयक्तिक बैंकिंग)
भारतीय स्टेट बैंक
प्रधान कार्यालय, नई दिल्ली

6. In case of sanction of the loan to the employees of BSNL, they undertake to record the mandate of their employee for deduction of loan installment from their salary and remittance to the respective branches of the bank.
7. That EMI/NMI Ratio, Loan to Value Ratio and minimum take home salary as per Bank's extant instructions applicable to different loan facilities shall be meticulously observed by the parties. The loan proposal will be processed by the Bank in accordance with the Bank's guidelines and if it is decided to sanction loan the same shall be subject to fulfillment of terms and condition mentioned in sanction letter to be issued by the Bank.
8. 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.
9. That the Bank shall charge processing charges on the loan as per Bank's extant instructions, subject to change from time to time without prior notice.
10. BSNL undertakes that their salary disbursement authority shall remit the loan installment deducted from the salary of the employee latest by 10th of each month without fail.
11. That repayment of loan shall commence as per Bank's extant instructions, subject to change from time to time without prior notice.
12. That this deed shall be binding upon the parties, their successors and assigns.
13. 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, tele copy 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.
14. 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. However it is clarified that the jurisdiction in regard to recovery of arrear to be lent to the employees of BSNL will be with the respective court tribunal within whose jurisdiction the respective loan disbursing branch is situated.


 BSNL
 भारतीय डाक सेवा
 157, मन्दापूर रोड, नई दिल्ली-110002
 (व्यक्तिगत बैंकिंग)
 भारत सरकार, नई दिल्ली-110002
 2017/2018



15. That no amendment, notification or release from or waiver of any provision hereof shall be effective unless in writing and signed by the parties.
16. 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.
17. That this deed and the rights and obligations hereunder shall be construed in accordance with and governed by the substantive laws of India.
18. 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.
19. 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 on 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.
20. This MOU shall be binding upon both the parties on all India level.
21. 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.
22. All other terms and conditions as per MOU shall be applicable on both the parties.


उप महाप्रबन्धक
एच व्यवसाय प्रमुख
(वैयक्तिक बैंकिंग)
प्रधान कार्यालय, तह सिल्लिका

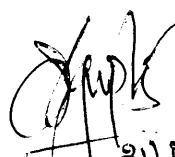


23. The Bank reserves the right to amend Terms and Conditions of the loan whatsoever it may be, without prior notice, as per Bank's policies and RBI guidelines from time to time.

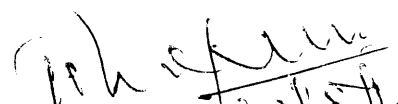
24. This agreement is valid for a period of twelve months i.e. up to 20th August 2014.


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

For and on behalf of
Bharat Sanchar Nigam Ltd.



21/08/13
CHANDER SHEKHAR GUPTA
DY GENERAL MANAGER (BF- III)
BHARAT SANCHAR NIGAM LTD

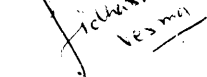
For and on behalf of
State Bank of India


DEEPAK CHOPRA
DY GENERAL MANAGER
STATE BANK OF INDIA
P.B.B.U – I, LHO – NEW DELHI



WITNESS:


1) (RAKESH KUMAR)
Dy. Manager (BAR CI)
CC, BSAI

2) 
(SIDHARTHA VERMA)
MANAGER LIMA NW-I
SBI, LHO NEW DELHI

ANNEXURE I

FEATURES OF VARIOUS RETAIL LOAN PRODUCTS*									
Name	Purpose	Max Amount	Margin	Maximum Loan Amount; SEC URITY	No. of Installments (EMI)	Eligibility	Processing Fees	Interest Rates linked to Base Rate (Base Rate: 9.70% w.e.f 04/02/2013)	
Home Loan	A) Purchase/ Construction of House/ Flat (including cost of interiors if part of project cost) and purchase of plot for Construction of House. B) Repairs/Renovation of residential house already owned. C) Reimbursement of investment in Housing made during the preceding 12 months.	No. Max limit Loan amount depends upon a) EMI/NMI ratio*** b) LTV Ratio ** c) Project Cost.	Up to Rs 75 lacs: A) House /Flat under Construction: 20%. B) House/ Flat for Ready possession: 15%	Maximum Loan amount will be lowest of loan amount assessed on the basis of: A) Project Cost. B) Permissible EMI/NMI Ratio. C) Maximum permissible LTV Ratio SECURITY: Equitable/ Registered Mortgage of the Residential property.	Max 30 Years(or) up to the age of 70 years (the age by which the loan should be fully repaid) of the borrower which ever is earlier.	Individuals above 18 years with regular source of Income for the Last 2 years. NOTE: For detailed Instructions, Pl visit your nearest Branch or visit Bank's website	a) Up to Rs 25 lacs: 0.25% of the loan amount. Min. Rs 1000/-	Up to Rs. 30 lac: 9.95% p.a. (0.25% above Base Rate)	
			Above Rs 75 lacs: A) House/ Flat under Construction: 25%. B) House/ Flat for Ready possession: 15%					b) Above Rs 25 lac & up to Rs 75 lacs: Rs 6500.	Above Rs. 30 lac: 10.10% p.a. (0.40% above Base Rate)
								c) Above Rs 75 lac: Rs 10000/-	
Car Loan	Purchase of New /Used Cars (CARE: USED CARS: Not more than 5 years old)	No ceiling of Maximum loan amount for New Vehicles. Max. Rs. 15 lac for Used Cars. (Loan on on road price)	15%	Maximum Loan amount: For Salaried the Maximum Loan amount that can be granted would be restricted to 48 times of NET MONTHLY INCOME / EMI/ NMI RATIO** In Old Cars: 30 times of NET MONTHLY INCOME / EMI/NMI Ratio not to exceed 50% SECURITY: Hypothecation of Vehicle and noting of charge in the book of RTO.	Max. repayment period 84 months (For Used Cars 84 months from the Date of original Purchase)	Individuals within age group of 21-65 years. (loan must be fully repaid before the borrower attains the age of 70 years.) Net annual income of the applicant or Co-borrower if any should be Rs. 250000/- p.a. and above. OLD CARS: Net annual income of the applicant or Co-borrower if any should	0.51% of the Loan Amount subject to minimum Rs 1020/- and maximum Rs 10200/-	NEW CARS: 10.45% p.a. for all tenures. ROI for Used Car Loans: Differ and vary as per Tenures. Up to 3 years: 16.95% p.a. Above 3 years: 17.20% p.a.	

<p>XPRESS CREDIT LOAN</p>	<p>The loan under the scheme is granted for any legitimate personal purpose. CARE: The Loan under Express Credit Facility will be granted only to the customer if they are maintaining Salary Account with the SBI. No Express Credit Loan will be provided in case of Customers whose Salary Accounts are not with SBI</p>	<p>Min: Rs 24000/- Maximum: 24 months NMI with a ceiling of Rs 15.00 lacs.</p>	<p>N.A.</p>	<p>Min: Rs 24000/- Maximum: 24 months. NMI with a ceiling of Rs 15.00 lacs.</p>	<p>Max. repayment period 60 months/ 5 years. EMI/ NMI </ 50%</p>	<p>EMPLOYERS: 1) Central & State Govt. 2) Quasi Govt 3) Profit making PSUs. 4) Educational Institutes of National repute 5) Compar.ies with CRA ratings as per norms approved by Bank from time to time EMPLOYEES: A)Permanent employees with a minimum 01 years length of service. B)Should have sufficient Cash flows to repay the loan from Salary as evidence from 06 months Salary slips, IT Tax Returns of 2 Years. C) Must Satisfy KYC</p>	<p>1% of the Loan Amount</p>	<p>A) 500 basis points above Base Rate i.e. 14.70% p.a. currently for all Loans under Category I (Full Check off) B) 550 basis points above Base Rate i.e. 15.20% p.a. currently for all Loans under Category II (Partial Check off). C) 700 basis points above Base Rate i.e. 16.70% p.a. currently for all Loans under Category III (No Check off)</p>
<p>SBI STUDENT LOAN</p>	<p>The Scheme seeks to extend financial assistance to deserving/ meritorious students for pursuing Higher Education in India and abroad where admission has been secured.</p>	<p><u>Studies in India:</u> Rs 10 lacs. <u>Studies in Abroad:</u> Rs 30 lacs</p>	<p><u>Up to Rs 4 lacs:</u> NIL Margin. <u>Above Rs 4 lacs:</u> Studies in India: 5% Studies Abroad: 15%</p>	<p>SECURITY: <u>Up to 4 lacs:</u> Co obligation of parents, No Security. <u>Above 4 lacs and up to Rs 7.5 lacs:</u> Parent/ Guardian as Co- borrower and Collateral security in the Form of Third Party Guarantee. Above Rs 7.5 lacs: Parent/ Guardian as co-borrower along with Tangible Collateral Security covering Full Loan Amount.</p>	<p>LOANS up to Rs 7.5 lacs: The loan to be repaid in 5-7 years, after commencement of repayment. LOANS Above Rs 7.5 lacs: Max 12 years after commencement of repayment. (REPAYMENT HOLIDAY/ MORATARIUM PERIOD: Course period + 1 year or 06 months after getting job whichever is earlier.)</p>	<p>Pl refer to Bank's Website for complete Details</p>	<p>No Processing Fee charges on Educational Loans. (In case of Education loans for Studies Abroad It will be required to make deposit of Rs 5000/- which will be adjusted in the Margin Money)</p>	<p>A) For loans above Rs 4 lacs : 350 points above Base Rate i.e. 13.20% p.a. B) Above Rs 4 lacs and up to Rs 7.50 lacs: 375 basis above Base Rate i.e. 13.45% p.a C) Above Rs 7.50 lacs: 175 points above Base Rate i.e. 11.45% p.a.</p>

SBI SCHOLAR LOAN	Sanction of Term Loan to students for pursuing Higher Education in India's Top Engineering , Law, Business, Medical and other Reputed Institutes	Up to Rs 30 lacs	Nil Margin	<p>List A. (Select 53 Institutions) I) Up to Rs. 20 lacs: Without any tangible collateral Security with parent/ Guardian as Co-borrower. II) Up to Rs. 30 lacs : With tangible collateral of full Value and Parent/ Guardian as Co-borrower.</p> <p>List B. (Select 61 Institutions) I) Up to Rs 7.5 lacs, with parent/Guardian as Co-borrower. II) Above Rs. 7.5 lacs & up to Rs. 30 lacs: With Collateral Security and Parent/ Guardian as Co-borrower</p>	Maximum 12 Years after commencement of repayment. Repayment starts 6 months after completion of the course. In case if second loan is availed : The student will be given a maximum period of 12 years after completing the second course to repay both the loans.	Pl refer to Bank's Website for complete Details.	<p>List A: 100 bps above base rate i.e., 10.70 % p.a. At present List B: 175 bps above base rate i.e. 11.45 % p.a.</p>
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DISCLAIMER : BANK RESERVES THE RIGHT TO CHANGE TERMS AND CONDITIONS / INTEREST WITHOUT PRIOR NOTICE
* Only Main points are taken. For Complete Features per Loan product including Security Required please refer to Bank's Website OR NEAREST BRANCH

** LTV (Loan to value of property: 90% till Rs 20lacs, 80% for Rs 20lacs to Rs 75 lacs & 75% for amount above Rs 75 lacs.
(Subject to LTV rule specified by RBI from time to time)

*** EMI/NMI Ratio in respect of Car Loans	
Up to Rs 5 lacs	50%
From Rs 5 lacs to Rs 10 lacs	60%
Above Rs 10 lacs	75%

****EMI/NMI Ratio in respect of Home Loans	
Up to Rs 60000/-	20%
Rs 60000/- to Rs 120000/-	25%
Rs 120000/- to Rs 2 Lacs	30%
Rs 2 lacs to Rs 5 lacs	50%
Rs 5 lacs to Rs 10 lacs	55%
Above Rs 10 lacs	65%