

RURAL HOUSING LOAN SCHEME

Preamble	<p>With a view to provide housing facilities to the masses which is a basic need of human beings, the GOI and State Govt. are attaching utmost importance to the financing of housing sector. Several housing schemes for this are in operation. With a view to supplement these schemes, it has been decided by the Coop. Bank to start housing finance for acquisition, construction, repair/alteration etc. This scheme has particularly been designed for rural people, where other financing institutions are reluctant to advance. The scheme shall be called the "Scheme for Financing Rural Housing" and is applicable to individual/members of house building cooperative societies in the state of Punjab and Chandigarh(U.T.)</p> <p style="text-align: right;"><small>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16264 dated 30.10.07)</small></p>
1. Area of Operation	<p>Loan shall be advanced to individual and member of Group Housing Cooperative Societies in the area of operation Banks in the state of Punjab and Chandigarh U.T.</p> <p style="text-align: right;"><small>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16264 dated 30.10.07)</small></p>
2. Eligible Borrower	<ul style="list-style-type: none"> • Individuals • Cooperative Housing Societies
3. Purpose of Loan	<p>Loan shall be advanced under the scheme for purchase of built up house, construction of a new house or repair/ renovation/addition/alteration of existing house in rural areas._</p> <p style="text-align: right;"><small>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16264 dated 30.10.07)</small></p>
4. Ceiling on the cost	<p>The loan for a dwelling unit may not exceed Rs.15.00 lacs. In case land is being acquired the cost of land may be reckoned as margin money otherwise cost of land should not be included in the project cost.</p> <p style="text-align: right;"><small>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16264 dated 30.10.07)</small></p>
5. Quantum of Bank loan for Individual	<p>The quantum of loan shall depend upon repaying capacity of the borrowers, subject to 85% of cost of construction or value of property to be purchased.</p> <p><u>For construction/purchase of new House</u></p> <ol style="list-style-type: none"> a) maximum loan – Rs.15.00 lacs b) Margin Money – 15% c) Repayment period – Upto 15 years in monthly/half yearly installments. Due date shall be 30th June and 31st December every year.

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	<p><u>For Renovation/Repair/Addition/Alteration:</u></p> <p>a) Maximum loan – Rs.1 lacs (for repair/ addition /alteration of House)</p> <p>b) Margin money – 15%</p> <p>c) Repayment period – 10 years in monthly/half yearly installments.</p> <p>Loan eligibility shall be calculated on the basis of repayment capacity of the borrower. The repaying capacity shall be determined on the basis of land holding and other known sources of income and commitments/subsistence towards his family. A reasonable installment to income ratio i.e. normally upto 35% of the gross income can be taken as repayment capacity of the borrower. Income of the co-applicant can also be considered for loan eligibility.</p> <p style="text-align: right;">(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16264 dated 30.10.07)</p>
6. Period of Loans	<p>The maximum period of loan shall be upto 15 years and loan shall be repayable in equated monthly/half yearly installments. The first installment shall become due after expiry of 9 months from the date of drawl of first installment in case of construction and whereas in case of purchase of built up house, it shall start after expiry of 3 months from the date of purchase.</p>
7. Rate of Interest	<p>Interest rate of Rural Housing shall be determined by financing bank from time to time and debited to loan account. Penal interest @ 2% over and above the normal rate shall be charged in case of default, on the default amount for the default period.</p> <p style="text-align: right;">(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16264 dated 30.10.07)</p>
8. Security	<p>The security of the loan shall be first mortgage charge on the house property to be financed by the bank by way of registered regular mortgage. In addition to it collateral security shall be taken @ 100% of the loan amount in the form of agriculture land. Value of agriculture land as per norms fixed by the District Collector from time to time should be taken into consideration. In case of employees of the Govt., semi govt., Boards Corporation, etc., constructing house within rural areas, loan can be advanced on primary security i.e. mortgage of house to be financed alongwith two good sureties and undertaking under section 39 of Punjab Cooperative Societies Act., 1961.</p> <p style="text-align: right;">(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16264 dated 30.10.07)</p>

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9. Sanction and disbursement of Loan	<p>The loan shall be sanctioned after it is ascertained that the applicant fulfils all the requirements and enjoys reputation as a good pay master. For construction loan, the borrower should be in possession of plot with unquestionable and indisputable title. In case of built up house, the payment shall be made @ 75% of total value of the house/Loan sanctioned. Payment shall, however, be made to third party in lump sum after getting margin money from the borrower and remaining 25% shall be released after obtaining Mortgage Deed in favour of the Bank. For construction of house, loan shall be disbursed in 2 installments, which is as under:-</p> <ul style="list-style-type: none"> i) 1st installment at the time of starting construction upto plinth level 50% ii) 2nd installment after completion upto Roof level. 50% <p>2nd installment shall be disbursed after ensuring proper utilization of previous installment.</p>
10. Processing Fee & Other Charges	<p>Processing Fees and other charges @ 0.25% of loan amount shall be charged._</p> <p style="text-align: right;"><small>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16264 dated 30.10.07)</small></p>

11. Documentation & general requirements.	<p>Following documents are required for financing under Rural Housing Scheme :-</p> <ol style="list-style-type: none"> 1. Application form 2. Loan Agreement. 3. D.P.Note 4. Two latest attested passport size photographs of the borrowers. 5. Proof of residence. 6. Source of Finance for own contribution. 7. Copy of approved drawing of the proposed dwelling unit to be constructed/purchased from Sarpanch/ Numberdar. 8. Agreement of sale deed. 9. Details of cost/estimate from approved Architecture/ Valuer/ Engineer of the house to be purchased/ constructed /renovated /addition to be made. 10. Non-encumbrance certificate. 11. Latest Jamabandi and Girdawari. 12. Certificate of ownership of land/property situated within Red Line (i.e. Phirni) of the village from the Sarpanch/Numberdar/Partwari.
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	<ol style="list-style-type: none"> 13. The borrower shall mortgage his existing property : to be constructed/purchased in favour of the bank for the full value of loan. 14. The borrower shall be required to submit collateral security @ 100% of the loan amount. <p><u>Additional Documents from Employees:</u></p> <ol style="list-style-type: none"> I. Salary Certificate. II. Undertaking U/S 39 III. Post Dated Cheques IV. Completion Certificate.
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(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16264 dated 30.10.07)

URBAN HOUSING LOAN SCHEME

1. Short title, Extent and Commencement	<p>a) This scheme may be called Urban Housing Loan Scheme to individuals and members of house Building Societies by The Punjab State Cooperative Bank/Central Coop.Bank(s) in the State of Punjab. (amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)</p> <p>b) The scheme shall be implemented through the branches of the PSCB/Central Cooperative banks concerned and shall be limited to urban areas falling in the area of operation of the lending Bank. (amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)</p> <p>c) It shall come into force from the date as the Registrar Coop.Societies Punjab Chandigarh decides.</p>

2. Definitions	<p>In this Scheme unless the context otherwise requires :-</p> <p>a) 'Act' means, the Punjab Cooperative Societies Act 1961 as amended from time to time.</p> <p>b) 'Bye-laws' means the registered byelaws of the State / Central Cooperative Banks concerned.</p> <p>c) 'Bank' means State/Central Cooperative Bank registered under the Act.</p> <p>d) 'Committee' means the Governing body of the Cooperative Bank by whatever name called to which the management of the affairs of the bank is entrusted.</p> <p>e) 'Government' means Government of Punjab.</p> <p>f) 'Nominal Member' means a person admitted to membership of the bank under Act. Rules and Bye-laws.</p> <p>g) 'Officers' means the President, Vice President, Chairman, Vice Chairman, Managing Director, Manager, Liquidator and Administrator includes any other person empowered under the rules or the bye laws to give direction in regard to the business of the bank.</p> <p>h) 'Registrar' means a person appointed to perform the function of the Registrar of Cooperative Societies under the Act.</p> <p>i) 'Rules' means the Punjab Cooperative Societies Rule 1963.</p> <p>j) Urban area means area falling under Nagar Panchayat, Notified Area Committee, Municipal Council, Municipal Corporation and Cantonment Board.</p>
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(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)

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	<p>k) Family member means Spouse, Son, Son's wife, Unmarried Daughter.</p>
	(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)
3. Purpose	<p>Loan shall be advanced for the purchase of plot, purchase of built up house, construction of house or repair, renovation, additions, alteration, etc in the existing house. Loans shall also be given for acquiring a plot, flat house in an existing or proposed Cooperative House Building Society and approved scheme of PUDA, Housefed, Improvement Trust or any other Govt Agency.</p> <p>Loan can also be advanced for take over of an existing loan advanced by any other bank/financial institution subject to the condition that</p>

	<p>the loan account should have remained in the standard category of assets for atleast last 2 years in the previous financial institution.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)</p>
4. Eligibility	<p>An individual residing in the area of operation of the Bank may apply for the loan in his individual name or along with another person being joint owner of the land/property as co-applicant. The applicant and co-applicant, if any will be enrolled as nominal members of the bank under the Act, Rules and Bye Laws.</p> <p>Note : The Borrower should not have defaulted in any other loan.</p> <p>The applicant shall be eligible for a total house building loan not exceeding 75% of the total cost of house (cost of construction + cost of plot if plot is to be purchased) and the loan out of it for purchase of plot will not exceed 50% of the total loan sanctioned. The remaining, exceeding or upto 50% shall be utilized for construction of house thereon".</p> <p>The employees of the Punjab State Cooperative Bank or Central Cooperative Banks who have already availed house loan under Govt. of Bank Scheme from the Punjab State Coop. Bank or Central Cooperative Banks can also get loan under the scheme subject to maximum of Rs.25 lacs under both house loan scheme. It will be further subject to the repaying capacity of the employee in accordance with their last salary statement. Further this loan to employee will be against second charge on the said property.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)</p>
5. Quantum of Loan	<p>The quantum of loan will depend upon the repayment capacity of applicant to be calculated by the bank as under :</p>

	<p><u>21 yrs. To 45 yrs of age.</u> 48 times of the net monthly income (NMI) or 4 times of Net Annual Income (NAI)</p> <p><u>Above 45 years</u> 36 times of Net Monthly Income (NMI) or 3 Times of Net Annual Income (NAI)</p> <p>Income of the spouse or family member can be considered if spouse or family member is co-applicant or guarantor. Maximum loan amount for construction of house or purchase of house/flat, purchase of plot + construction thereon under this scheme is Rs.25 lacs or 75% of total cost of construction, purchase of house (cost of construction + cost of plot, if plot is to be purchased), whichever is less.</p> <p>The loan for purchase of plot will not exceed 50% of the total loan sanctioned.</p> <p>For repair/renovation maximum amount of loan shall be Rs.1 lacs.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)</p>
6. Interest	<p>Rate of interest shall be charged as fixed by the bank from time to time with quarterly rests. In case of default a penal interest @ 2% p.a. over and above the normal rate on the defaulted amount for default period shall also be charged.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)</p>
7. Period of Loan/ Repayment of Loan	<p>Maximum period (including moratorium period) shall be 15 years or attaining the age of 65 years whichever is earlier. In case of repair/renovation /addition/alteration loan cases maximum period shall be 10 years.</p> <p>Repayment of the loan shall, however, be in monthly equated installment to be started from 9 months after the first installment of loan disbursed. In case of the farmers availing loan under this scheme, repayment of loan may be in half yearly installments i.e. 30th June and 31st December every year.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)</p>
8. Security	<p>Security for the loan is a first mortgage of the property to be financed normally by way of deposit of original title deeds.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)</p>

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9. Disbursal of Loan	<p>The loan shall be disbursed after the property is technically appraised, all legal documentation completed and borrower having invested own contribution in full (own contribution is the total cost of proposed property – Bank loan).</p> <p>In case of purchase of plot + construction, the disbursement shall be in 3 installments as follows:-</p> <p style="text-align: center;">For purchase of plot – 50% Upto roof level – 25% After roof level – 25%</p> <p>Loan will be disbursed at one go for purchase of a built up house. However, for construction on pre-owned plot, the disbursement shall be in two installments.</p> <p>1st Installment for construction after plinth level – 50% 2nd Installment for construction of the building after roof level – 50%</p> <p>Loan for repair, additions, alterations and renovation shall be disbursed in two equal installments. The second and subsequent installment of loan shall be disbursed only after ensuring the utilization of previous installment to Bank's satisfaction. Bank shall not be bound to accept progress construction as assessed by builder.</p> <p style="text-align: right;"><small>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)</small></p>
10. Fee & Other Charges	<p>A processing fee @0.25% of the loan amount sanctioned will be charged.</p> <p style="text-align: right;"><small>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)</small></p>
11. Documentation – Pre-sanction Stage.	<ol style="list-style-type: none"> 1. Identify proof. 2. Residential Proof. 3. Self attested recent passport size photographs of the applicant and co-applicant (two). 4. Copy of Income-tax Return for the three years duly acknowledged by ITC concerned. 5. Sources of Finance for own contribution. 6. Non-encumbrance certificate. 7. Search report & legal opinion alongwith photograph of the property. 8. Original title deed. 9. Spot Physical verification.

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	<p>10. Purchase agreement of property.</p> <p>11. Income Proof/J-Form.</p> <p>12. Loan application Form</p> <p><u>Post – Sanction Stage</u></p> <ol style="list-style-type: none"> 1. Loan agreement. 2. Demand Promissory Note. 3. Mortgage Deed 4. Letter of Lien and Set Off 5. Letter of Waiver 6. Letter of Guarantee <p><u>Employed applicants :</u></p> <p>Undertaking from the employee under section 39 of Punjab Cooperative Societies Act, 1961.</p> <p style="text-align: right;"><small>(amended vide RCS Circular letter No.Credit/CA-2/HF/201/1/16240 dated 30.10.07)</small></p>
12. Insurance	Comprehensive insurance in the joint names of the borrower and the bank shall be made of the property mortgaged against fire, riots earthquake lighting floods etc. Incase of default bank will be at liberty to get a policy renewed by debit to house loan account of the borrower.
13. Additional Documents in construction cases	<ol style="list-style-type: none"> a) Construction Plan approved by a competent authority. b) Detailed Cost estimate from Registered Architect/ Civil Engineer. c) A photocopy of registered title deeds or allotment letter (in case of member of Cooperative House Building Societies)
14. In purchase of Built Up House cases.	<ol style="list-style-type: none"> a) Agreement of sale/sale deed/detailed cost estimate from approved engineer. b) In case of allotment of flat/houses, photocopy of allotment letter and details of balance payment, if any.
15. Disputes	If at any stage any dispute arises,it will be settled/referred under the Punjab Cooperative Societies Act 1961.

PERSONAL LOAN

A specially designed Personal Loans Scheme has been framed which aims at providing credit facility for meeting out socio-economic needs of employees such as child's education, furnishing your home, buying a computer, son/daughter's marriage, holiday tour with your family or any other basic requirements without giving any purpose of the loan.

The main features of this scheme are listed below:-

Eligibility Criteria

1. Class	Salaried employees of Punjab Government, PSUs, Boards, Corporations Aided Schools/colleges, Universities, Public Sector Banks, Premier Medical Institutions, General Insurance Companies, Punjab State Cooperative Bank District Central Cooperative Banks, Cooperative Organizations in the State of Punjab or any any other organization as approved by the Board of Directors of the respective bank. The BOD of the respective bank can make addition or deletion to this list. <small>(amended vide RCS Circular letter No.Credit/CA-2/PI-215/1/ 14918 dated 11.10.07)</small>
2. Age	Minimum 21 years and Maximum 57 years. <small>(amended vide RCS Circular letter No.Credit/CA-2/PI-215/1/ 14918 dated 11.10.07)</small>
3. Service Tenure	1 year after the confirmation/regularization. <small>(amended vide RCS Circular letter No.Credit/CA-2/PI-215/1/ 14918 dated 11.10.07)</small>
4. Loan Limit	15 times of gross monthly salary or Rs.4 lacs, whichever is less.
5. Tenure	Maximum – 7 years.
6. Processing Fee	Processing Fee of Rs.100/- in lump sum per case irrespective of the loan amount sanctioned to be charged at the time of sanctioning the loan. <small>(amended vide RCS Circular letter No.Credit/CA-2/PI-215/1/ 14918 dated 11.10.07)</small>
7. Rate of Interest	As decided by the Bank from time to time with quarterly rests. <small>(amended vide RCS Circular letter No.Credit/CA-2/PI-215/1/ 14918 dated 11.10.07)</small>
8. Repayment of Loan	Loan is repayable in equated monthly installments in the form of post-dated cheques. The 1 st installment will start after one month. The loan will be repaid before retirement.
9. Security	No collateral security is required, only two guarantor know to the bank.
10. Option to prepay loan	Borrower can make the part pre-payment of loan. No penalty will be charged. <small>(amended vide RCS Circular letter No.Credit/CA-2/PI-215/1/ 14918 dated 11.10.07)</small>
11. General	No employee will be given this loan facility, which has defaulted in repayment of loan under any other scheme.

TWO WHEELERS LOAN TO FARMERS

1. Eligibility Criteria

a) Eligible Borrowers	An agriculturist having land in his own name or his family member is eligible for the loan. The branch manager has to ensure that the applicant is a farmer which can be verified either from Kissan Credit Card or Fard Jamabandi or any other legal document. Applicant should not be defaulter of any loan. <small>(amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 14921 dated 11.10.07)</small>
b) Age	The age of the borrower should not be less than 21 years at the time of application and not more than 60 years at the time of maturity (repayment of loan). Proof of Age – Ration Card/Voter Card/School Leaving Certificate/Driving License.
c) Nominal Member	The borrower shall be enrolled as Nominal Member of the bank. If he or she is already a nominal member of the bank, then there is no need for admitting him/her again, his/her nominal membership number may be used for the purpose of loan.
d) Number and Type of Vehicle to be financed.	Only one new two-wheeler is eligible to be financed to a person. The old vehicle is not eligible to be financed under the scheme. The two wheeler may be of any make/model to be purchased from the authorized dealer/supplier of the Company.

2. Amount of Loan and Repayment

a) Maximum Amount	The maximum amount of loan that can be sanctioned under this scheme is Rs.50000/- or 75% of the value of the two-wheeler, whichever is less.
b) Period of Loan	The repayment period shall not exceed 5 years in any case.
c) Repayment of Interest	The rate of interest shall be determined by the bank from time to time. Penal interest shall be charged @ 2% over and above the agreed rate of interest on defaulted amount for the defaulted period with the half yearly rests. <small>(amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 14921 dated 11.10.07)</small>
d) Repayment	The loan will be repayable in monthly/half yearly installments resting 31 st March and 30 th September.

TWO WHEELERS TO FARMERS

3. Documents required with Application Form

(amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 14921 dated 11.10.07)

- i) Latest photographs of applicant and guarantors.
- ii) Proforma Invoice of two-wheeler form authorized dealer/supplier.
- iii) Copy of valid Driving License of applicant or his/her family member.
- iv) Photocopy of Election Identity Card/RationCard/Telephone Bill/Electricity Bill/Kissan Credit Card or any other document which establishes the identity of the applicant and provide proof of residence.
- v) Nominal Membership form for applicant, guarantors or their nominal membership numbers.
- vi) Photocopy of documents relating to collateral securities, if required particularly in the absence of guarantee.

4. Security of Loan

a) Hypothecation of Vehicle	The charge of the Bank on two-wheeler in the form of hypothecation shall be registered with the concerned registration authority. The Branch Manager will ensure the registration of hypothecation of vehicle in favour of Bank with the registration authorities.
b) Guarantee/ Sereties	The loan shall be financed against two sureties who shall also be nominal members of the bank. The Branch Manager will ensure the network of sureties. (amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 14921 dated 11.10.07)
c) Collateral Security	In case of non-availability of surities the borrower will provide collateral security to the extent of 100% of the cost of two wheeler. The collateral security may be in the shape of mortgage, pledge, lien assignment etc.

5. Disbursement of Loan

a) Third Party Payment	The cost of the two wheeler will be paid directly by the bank to the supplier or authorized dealer on the instructions from the applicant.
b) Precaution before disbursement	The Branch Manager must ensure that the following documents are in proper order before disbursing loan to the borrower. 1. Nominal Membership of applicant as well as of guarantors 2. Residential proof of applicant 3. Proforma Invoice duly countersigned by applicant.

TWO WHEELERS TO FARMERS

	<p>4. Check the following security document if in order</p> <ul style="list-style-type: none"> a) Demand Promissory Note b) Hypothecation Deed c) Letter of Guarantee d) Letter of Waiver e) Letter of Lien and Setoff
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6. **Post Disbursement**

a) Copy of Sale Letter	The Branch Manager should obtain copy of sale letter from the borrower within stipulated period. He should ensure that sale letter must be in the name of borrower and contain the name of the cooperative bank as financing institution.
b) Certificate of Registration	<p>Two wheeler should be registered within 90 days from the date of purchase failing which 2% charges will be levied on the outstanding amount</p> <p>The Branch Manager should obtain copy of Certificate of registration in the name of the borrower within 2 months of disbursement of loan. The certificate of registration must contain hypothecation in favour of the bank.</p> <p style="text-align: right;"><small>(amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 14921 dated 11.10.07)</small></p>
c) Insurance of Vehicle	Two wheelers shall be comprehensively insured for the face value covering all type of risks and the policy should be in the joint names of the bank and borrower with agreed bank clause.
d) Timely repayment	The Branch Manager must ensure the timely repayment of loan by the borrower.

CONSUMER DURABLE LOANS (SALARY/NON SALARY EARNERS)

Scheme for Granting Loans to Individual Salary and non-salary earners by the state and central cooperative banks for socio-economic needs

1. The bank may grant loans to individual salary earners and non-salary earners holding saving bank account or current account with the bank for purchase of consumer durables and meeting other socio-economic needs.

(amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 14920 dated 11.10.07)

2. The loan should be repayable in monthly installments but the total duration of loan should not exceed five years in any case.

3. The borrower should be enrolled as a nominal member of the Bank. The Borrower should be required to produce 2 sureties who should also be nominal members of the Bank.

4. In case of SALARY EARNERS, the amount of loan should not exceed Rs.1.00 lac per borrower or 75% of the cost of article to be purchased whichever is less, in accordance with the slabs fixed hereunder:-

- | | |
|---|-----------------------------|
| a) Total emoluments upto Rs.5000/- | - Loan Amount = Rs.25000/- |
| b) Total emoluments from Rs.5001/- to Rs.7500/- | - Loan Amount = Rs.40000/- |
| c) Total emoluments from Rs.7501/- to Rs.10000/- | - Loan amount = Rs.50000/- |
| d) Total emoluments from Rs.10001/- to Rs.15000/- | - Loan amount = Rs.75000/- |
| e) Total emoluments above Rs.15001/- | - Loan amount = Rs.100000/- |

In case of NON-SALARY EARNERS, the amount of loan should not exceed Rs.50000/- per borrower or 75% of the cost of article to be purchased in accordance with the slabs fixed hereunder:-

- | <u>Half Yearly Income</u> | <u>Amount Loan</u> |
|----------------------------------|--------------------|
| a) Up to Rs.18000/- | Rs.15000/- |
| b) From Rs.18001/- to Rs.27000/- | Rs.25000/- |
| c) From Rs.27001/- to Rs.40000/- | Rs.30000/- |
| d) More than Rs.40001/- | Rs.50000/- |

For category (d) copy of previous year income-tax return is essential.

(amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 14920 dated 11.10.07)

5. The loan should be advanced for acquiring new assets only. Purchase of second hand articles should not be financed in any case.

(Amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 6910 dated 02.05.08)

CONSUMER DURABLE LOANS (SALARY/NON SALARY EARNERS)

6. The bank should obtain salary certificate from the borrower. The borrower himself should be responsible for the repayment of his loan. However he should also produce a copy of authority letter addressed to the bank and also an undertaking to the effect that in case borrower commits default in repayment of his loan installments, then his salary or loan amount due will be credited to his loan account till the bank directs to do so. The bank shall inform the employer immediately after the sanction of loan.

(amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 14920 dated 11.10.07)

7. In case of default by the borrower, the bank will ask the employer of the borrower to deposit the due amount by deducting from the salary of the employee.

(amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 14920 dated 11.10.07)

8. The borrower should give standing instruction to debit the amount of installments or overdue installments together with interest due on that loan every month to his saving bank account or current account as the case may be.

(amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 14920 dated 11.10.07)

9. The bank should also obtain the following documents from the borrower :-
- a) Salary certificate/proof of income
 - b) Loan agreement.
 - c) Demand Promissory Note
 - d) An authority letter from the borrower under Section 39 of Punjab Cooperative Societies Act, 1961 for repayment of loan in case the borrower fails to repay the loan.
 - e) An authority letter from the borrower to recovery the installment/interest by debiting to saving/current account.
 - f) Letter of waiver.
 - g) Post dated cheques equal to number of installments should be obtained from the borrower.

(amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 14920 dated 11.10.07)

10. The payment of loan shall be made direct to the borrower. He shall utilize the loan within one month and submit the cash memo/receipt of the goods purchased. In case the borrower fails to submit the same, he shall be liable to refund the loan in lumpsum and shall also pay penal intt. @ 3% p.a. over and above normal rate till the liquidation of loan.

11. The loan should be advanced against hypothecation of the asset/assets acquired/to be acquired, if any.

12. Rate of Interest shall be as fixed by the Bank from time to time with quarterly rests. Penal interest @2% shall be charged on the default amount for the defaulted period.

(amended vide RCS Circular letter No.Credit/CA-2/4CL/86/ 14920 dated 11.10.07)

CASH CREDIT FACILITY TO TRADERS & OTHERS

Name of the Scheme	Cash Credit Facility to Traders and Others (amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)
Rule No.1	These Rules shall be called The Punjab State Coop.Bank / Central Coop.Bank rules for granting Cash Credit Facility to Traders and others. (amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)
Rule No.2	<p>i) The bank means The Punjab State Coop.Bank Ltd., or Central Coop.Banks of Punjab. (amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)</p> <p>ii) The Board of Directors and the Executive Committee means the Board of Directors and Executive Committee constituted under the Bye-laws of the Bank.</p> <p>iii) Authorised Officer means the Officer authorized by the BOD/Executive Committee of the Bank to receive and take appropriate action on the applications for loans under the scheme.</p> <p>iv) Borrower means and individual, sole proprietor, firm, cooperative society or a company doing manufacturing/ trading business/providing services having an assured income. (amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)</p> <p>v) Cooperative Societies Act means The Punjab Cooperative Societies Act,1961 as amended from time to time.</p> <p>vi) Cooperative Societies Rules means the Punjab Cooperative Societies Rules 1963, as amended from time to time.</p> <p>vii) Bye-laws means the bye-laws of the Fatehgarh Sahib Central Cooperative Bank Ltd., Sirhind.</p> <p>viii) Registration means the Registration under the Shops Act or under the Company's Act.</p>
Rule No.3	Cash Credit Facility under the Scheme shall be granted for meeting working capital requirements. (amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)
Rule No.4	The applicant should not have availed cash credit facility from any other financial institution for the purpose. (amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)
Rule No.5	The maximum amount of Cash Credit Limit under these Rules shall be Rs.25 lac. (amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)

CASH CREDIT FACILITY TO TRADERS & OTHERS

Rule No.6	The application for cash credit limit shall be made by the borrower on the prescribed form of the bank. (amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)
Rule No.7	The sanctioning of the Cash-Credit by the Bank shall be made only in case it is satisfied of the viability of the Project /proposal.
Rule No.8	The borrower shall hypothecate in favour of the bank the entire current assets created besides collateral security of the value of 150% of the Cash Credit Limit sanctioned. Limit upto Rs.50,000/- may be granted with two good sureties only and hypothecation of stock/assets with the Bank. (amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)
Rule No.9	The borrower shall produce clear marketable title to the property to be mortgaged in favour of the bank to the satisfaction of the bank.
Rule No.10	The licenced contractors approaching the Bank for Cash-Credit Facility should give a power of Attorney in favour of the Bank to receive the cheque from Government/Quassi Govt. Institutions and to encash the same.
Rule No.11	The Bank shall be at liberty to call for additional/collateral security/securities at any time.
Rule No.12	The legal expenses, fee, registration charges and other incidental charges incurred in connection with the financing shall be borne by the borrower.
Rule No.13	Rate of interest as may be fixed by the bank from time to time shall be paid by the borrower at quarterly rests. In case of default in the repayment of dues to the bank additional interest of 2% p.a. will be charged for the defaulted amount for the period of default. (amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)
Rule No.14	The borrower shall maintain the books of account as prescribed by the bank Borrower shall furnish stock statement as per following periodicity indicating the opening stock, purchases, sales and closing stock. Amount of limit upto Rs.1 lac – Quarterly Above Rs.1 lac – Monthly

CASH CREDIT FACILITY TO TRADERS & OTHERS

	<p>Failure to furnish stock statements will attract penal interest @ 2% p.a. on outstanding amount for period of non-submission of statements.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)</p>
Rule No.15	<p>The Cash Credit Limit sanctioned should be kept current by regular draws and repayments. In other words, the business transaction of the unit should be deposited in the Cash Credit Account.</p>
Rule No.16	<p>The Cash Credit Limit shall be sanctioned for a period of one year. Renewal of the Cash Credit Limit will be allowed by the bank at its discretion based on the performance of the unit and also the operation in the cash credit limit account. Aggregate credits during the year in the limit account should be two times of the sanctioned limit or highest availed limit.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)</p>
Rule No.17	<p>The borrower should insure the assets created out of loan and the policy should be in the joint name of the borrower and the bank with agreed bank clause.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)</p>
Rule No.18	<p>The Borrower shall execute all the loan documents prescribed by the bank.</p>
Rule No.19	<p>Deleted.</p>
Rule No.20	<p>The borrower shall agree to be bound by the provisions regarding arbitration in the cooperative Societies Act and Cooperative Societies Rules.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)</p>
Rule No.21	<p>The Borrower should become the nominal member of the bank by paying necessary membership fee as fixed by the Bank.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)</p>
Rule No.22	<p>Whenever the borrower fails to discharge the loan as agreed upon the Bank should take legal action against him to recover the loan outstanding with interest and cost. The borrower shall be liable to make good of the expenses and legal charges that has been incurred by the Bank in this regard.</p>
Rule No.23	<p>Processing fee @ 0.25% shall be charged at the time of sanctioning of the C.C. limit. These charges of 0.25% shall be levied every year.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)</p>
Rule No.24	<p>Margin at the rate of 25% shall be maintained on the present value of stock.</p> <p>(amended vide RCS Circular letter No.Credit/CA-2/139/14923 dated 11.10.07)</p>

VEHICLE LOAN

Rules for Issue of Vehicle Loans

Rule No.1	These rules are called the rules for granting of Vehicle Loan to individuals, firms HUF, Companies, Trust and Cooperative Societies. (amended vide RCS Circular letter No.Credit/CA-2/Vehicle Loan/14924 dated 11.10.07)
Rule No.2	Purpose of loan is to provide financial assistance to purchase new vehicles for business and personal use. (amended vide RCS Circular letter No.Credit/CA-2/Vehicle Loan/14924 dated 11.10.07)
Rule No.3	The maximum amount that can be sanctioned under the scheme is limited to Rs.10.00 lac or 80% of value of the vehicle whichever is less. (amended vide RCS Circular letter No.Credit/CA-2/Vehicle Loan/14924 dated 11.10.07)
Rule No.4	The cost of the vehicle shall be paid directly by the Bank to the suppliers or authorized dealers on receipt of intimation from the dealer and instructions from the applicant.
Rule No.5	The application for loans should be made in the form prescribed by the Bank.
Rule No.6	Wherever sanctioning authority is satisfied, loans upto 60% of the cost of vehicle shall be granted against the comprehensive insurance and lien in the registration certificate. In case loan is above 60% of the cost of vehicle (subject to 80% of the cost as stipulated in the rules), two good sureties shall also be taken in addition to the insurance and lien in registration certificate in case of buses and trucks for commercial use. (amended vide RCS Circular letter No.Credit/CA-2/G-3/-351 dated 30.04.1998)
Rule No.7	Rate of interest shall be charged as fixed by the bank from time to time with quarterly rests. (amended vide RCS Circular letter No.Credit/CA-2/Vehicle Loan/14924 dated 11.10.07)
Rule No.8	Penal interest at the rate of 2% p.a. shall be charged for the defaulted amount and for defaulted period.
Rule No.9	The vehicle should be comprehensively insured for the full value covering all risks and the policy should be in the joint names of borrower and the bank with agreed bank clause. (amended vide RCS Circular letter No.Credit/CA-2/Vehicle Loan/14924 dated 11.10.07)

VEHICLE LOAN

Rule No.10	The charge of the bank on the vehicle in the form of registration should be registered
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	with the registering authority within 90 days of purchase of vehicle, failing which additional interest at the rate of 3% shall be charged. (amended vide RCS Circular letter No.Credit/CA-2/Vehicle Loan/14924 dated 11.10.07)
Rule No.11	The repayment of loan should be in the form of monthly installments to be repaid within 5 years. However farmers may opt for half-yearly installments due on 30 th June and 31 st December. One month moratorium period shall be allowed under the scheme.
Rule No.12	The Bank reserves the right to proceed against the borrower and sureties in the event of default in the repayment of loan installment/s.
Rule No.13	The borrower should agree to produce the vehicle for periodical inspection to ensure that it is maintained in satisfactory condition.
Rule No.14	The borrower should agree to be bound by arbitration provisions in the Punjab Cooperative Societies Act 1961 and the Rules framed thereunder.
Rule No.15	The borrower should give an undertaking stating that all the terms and conditions stipulated by the Bank while sanctioning the loan and those conditions that may be stipulated in future by the bank are acceptable to him.

COOP RENT – LOAN AGAINST RENTAL INCOME SCHEME

Introducing a new scheme for property owners having their property situated in area of operation of the bank and who have let out or proposes to let out such properties to PSUs, reputed Govt./Semi-Govt. corporates, banks, financial institutions, insurance companies, cooperative societies, trust and MNCs.

Definitions :

In this Scheme unless the context otherwise requires :

- a) 'Act' means, the Punjab Cooperative Societies Act 1961 as amended from time to time.
- b) 'Bye-laws' means the registered byelaws of the State / Central Cooperative Banks concerned.
- c) 'Bank' means State/Central Cooperative Bank registered under the Act.
- d) 'Committee' means the Governing body of the Cooperative Bank by whatever name called to which the management of the affairs of the bank is entrusted.
- e) 'Government' means Government of Punjab.
- f) 'Nominal Member' means a person admitted to membership of the bank under Act. Rules and Bye-laws.
- g) 'Officers' means the President, Vice President, Chairman, Vice Chairman, Managing Director, Manager, Liquidator and Administrator includes any other person empowered under the rules or the bye laws to give direction in regard to the business of the bank.
- h) 'Registrar' means a person appointed to perform the function of the Registrar of Cooperative Societies under the Act.
- i) 'Rules' means the Punjab Cooperative Societies Rule 1963.

Eligibility

Owners of the property who have let out or propose to let out the same to reputed Companies/ Commercial/Industrial/Software Companies, MNCs, Banks, PSUs/Reputed Govt./Semi-Govt. Institutions/Organisations, Financial Institutions, Insurance Companies etc.

Owners of properties who have rented out their premises to Cooperative Bank are also eligible.

In case of residential flats/houses leased out to Cooperative Bank Officers.

Note : The facility is available only to resident customers and not to NRIs.

COOP RENT – LOAN AGAINST RENTAL INCOME SCHEME

Purpose:

For meeting business/personal needs.

Loan Amount

Maximum to the extent of 75% of post TDS Rent receivable for a period not exceeding 120 months or unexpired period of lease, whichever is less. (The rent receivable is calculated as per Rental/Lease Agreement and if there is any inbuilt provision for increase in rentals during next 120 months or unexpired period of lease/tenancy, the same is considered for calculation of loan amount).

The Minimum loan amount under the scheme is Rs.1.00 lac. There is no upper limit but it must be within prudential exposure norms.

Security

Primary : Assignment of lease Rentals

Collateral : Equitable Mortgage of relative immovable property to the extent of 150% of the proposed loan (For any reason if the relative property cannot be given as security, any other commercial or residential property is acceptable.

OR

Other chargeable securities such as NSCs, IVPs, Bank's own deposits to the extent of 100% of loan amount.

OR

150% cover partly by immovable property and partly by securities such as NSCs, IVPs, Bank's own deposits. In case the property/security is in the name of third party, personal guarantee of the owner of assets proposed to be taken as collateral security.

Rate of Interest

As decided by the bank from time to time.

Period of Loan

Maximum period of loan shall be 10 years or unexpired period of lease, whichever is earlier.

COOP RENT – LOAN AGAINST RENTAL INCOME SCHEME

Repayment of loan :

By way of equated monthly installments from the proceeds of monthly rentals, to be repaid within 120 months or unexpired period of lease, which is less.

Margin :

Minimum 25%

Processing Charges

0.50% of the loan amount.

Insurance

Insurance for full market value of properties in the name of borrower(s) to be mortgaged to Bank with bank clause. Insurance to cover risk such as fire, riot, earthquake etc.

Documents:

- Loan application.
- Certified Copy of Lease Deed.
- Proof of Income for applicant and lessee.
- Copy of IT Return.
- Certified copies of title deeds of the properties leased out and mortgaged along with latest tax receipts.
- Copy of approved building plan.
- Authority letter by the borrower to the bank for receiving rent directly from the tenant/lessee and letter of undertaking from tenant/lessee to pay rent directly to Bank.
- Tripartite Agreement between borrower, lessee and the bank.
- Copy of Partnership Deed/Memorandum & articles of Association (not for individual applicant).
- Copy of lease/tenancy agreement.
- Copy of latest tax receipt of the property.
- Latest IT/WT Assessment, if available.
- Audited Balance Sheets of Firm/Company.
- Certificate of outstanding balance in loan a/c against the property.
- Copy of latest rent receipt (in case existing tenant/lessee).

LOAN SCHEME FOR EARNEST MONEY

In order to meet requirements of the public of Punjab and U.T. Chandigarh, the Cooperative Banks of Punjab launches one more scheme known as Loan Scheme for Earnest Money.

Definitions :

In this Scheme unless the context otherwise requires :

- a) 'Act' means, the Punjab Cooperative Societies Act 1961 as amended from time to time.
- b) 'Bye-laws' means the registered byelaws of the State / Central Cooperative Banks concerned.
- c) 'Bank' means State/Central Cooperative Bank registered under the Act.
- d) 'Committee' means the Governing body of the Cooperative Bank by whatever name called to which the management of the affairs of the bank is entrusted.
- e) 'Government' means Government of Punjab.
- f) 'Nominal Member' means a person admitted to membership of the bank under Act. Rules and Bye-laws.
- g) 'Officers' means the President, Vice President, Chairman, Vice Chairman, Managing Director, Manager, Liquidator and Administrator includes any other person empowered under the rules or the bye laws to give direction in regard to the business of the bank.
- h) 'Registrar' means a person appointed to perform the function of the Registrar of Cooperative Societies under the Act.
- i) 'Rules' means the Punjab Cooperative Societies Rule 1963.

Beneficiaries

Individuals of 21 years of age and above.

Purpose

To meet the financial requirements towards Earnest Money Deposit to book residential plots/ built up houses/flats being sold by Govt. Housing Agencies, Urban Development Authorities like PUDA, HUDA and Housing Boards, Cooperative House Building Societies, Housefed and Improvement Trust.

LOAN SCHEME FOR EARNEST MONEY

Agreement with Housing Agencies

The bank shall enter into agreement with the concerned housing agencies for collection of applications on behalf of the agencies and to get direct refund of unsuccessful applicants financed by the bank within specified time.

Margin

No margin required.

Security

No security required.

Maximum Loan

As per scheme of the agency.

Interest Rate

As fixed by bank from time to time. Interest will be charged initially for a period as stipulated by the concerned DCCB and will be non refundable. In case of delay in allotment, repayment, refund of money beyond stipulated period, bank will charge interest as fixed by it.

Processing Fee

As fixed by PSCB/concerned DCCB.

Disbursement

The loan would be disbursed by the issuance of draft/banker's cheque favouring the concerned agency.

Repayment of Loan

- In case of unsuccessful candidates – on receipt of refund from the housing board/Urban Development Authority etc.
- In case of successful applicants – lump sum repayment. In case applicant avails housing loan from the bank, earnest money can be adjusted from the same.
- no prepayment penalty will be levied.

- Bank may extend the period at its discretion by getting the amount of interest in advance.

LOAN SCHEME FOR EARNEST MONEY

In case of delay of allotment as per scheme, borrower shall repay amount in lump sum on demand, otherwise bank will charge penalty.

Documents

1. Two Latest Photographs.
2. Proof of Residence in the form of Copy of Passport, Driving License, Voter's ID Card etc.
3. Two Post Dated Cheques in favour of the Bank.
4. Signature Proof.
5. Borrower to give an authority that the representative of the bank is to collect refund order/letter of intent/allotment letter on his behalf from the agency.
6. Loan agreement.
7. Power of Attorney.
8. Declaration for signing in vernacular language.

LOAN AGAINST PROPERTY

1. Short title, extent and commencement:-

- i. This scheme may be called Scheme of LOAN AGAINST PROPERTY(LAP)
- ii. The scheme shall be implemented through the branches of the Punjab State Cooperative Bank Limited & Central Cooperative Banks only through an urban branch in the State of Punjab and shall be available to Individuals. Beneficiaries should be enrolled as Nominal Member of the bank. It shall come into force from the date as the Registrar, Coop.Societies, Punjab, Chandigarh decides.

2. Definitions :

In this Scheme unless the context otherwise requires :

- a) 'Act' means, the Punjab Cooperative Societies Act 1961 as amended from time to time.
- b) 'Bye-laws' means the registered byelaws of the State / Central Cooperative Banks concerned.
- c) 'Bank' means State/Central Cooperative Bank registered under the Act.
- d) 'Committee' means the Governing body of the Cooperative Bank by whatever name called to which the management of the affairs of the bank is entrusted.
- e) 'Government' means Government of Punjab.
- f) 'Nominal Member' means a person admitted to membership of the bank under Act. Rules and Bye-laws.
- g) 'Officers' means the President, Vice President, Chairman, Vice Chairman, Managing Director, Manager, Liquidator and Administrator includes any other person empowered under the rules or the bye laws to give direction in regard to the business of the bank.
- h) 'Registrar' means a person appointed to perform the function of the Registrar of Cooperative Societies under the Act.
- i) 'Rules' means the Punjab Cooperative Societies Rule 1963.
- j) Family member means Spouse, Son, Son's wife, Unmarried Daughter.

SCHEME FOR GRANTING OF LOAN AGAINST PROPERTY

3. Purpose

The scheme is for providing finance against mortgage of immovable property situated at Chandigarh, U.T. Periphery by Punjab State Cooperative bank and at urban areas (within Municipal Limit) by Central Cooperative bank through its urban branches, and is designed to offer instant solutions relating to socio-economic needs such as children's higher education, travel, daughter's marriage, medical emergencies, etc. The loan will, however be not avail for speculative purpose.

4. Eligibility

1. An individual residing in and having a self occupied immovable property in the area mentioned in the Purppse Clause no.3 may apply for the loan in his individual name or alongwith another person being joint owner of the land/property as co-applicant. The applicant and co-applicant, if any, will be enrolled as nominal members of the bank under the Act, Rules and Bye-laws. The age of borrower should not exceed 65 years at the time of applying for the loan.
2. Employees of the PSCB/DCCB can avail this loan against property already mortgaged with the bank by creating second charge of property subject to the repaying capacity of the employee as per the scheme of loan.

5. Type and Quantum of Loan:

The loan can be given in the shape of Term Loan or Credit Limit. Loan can also be given for both purposes i.e. partly for term loan and partly for credit limit subject to quantum of loan for both the loan and limit will not exceed from Rs.25.00 lacs. Quantum of loan will be three times of net annual income or 50% of value of property, whichever is less. However maximum loan amount will be Rs.25 lacs. Income of family member can be considered for the purpose of eligibility of loan.

6. Interest:

Interest shall be charged @ 13% p.a. compounded quarterly or as may be revised by the bank from time to time. In case of defaults a penal interest @ 2% p.a. over and above the normal rate on the default amount and default period shall also be charged.

SCHEME FOR GRANTING OF LOAN AGAINST PROPERTY

7. Security:

- a) Security for the loan is a first mortgage of the property, against which loan/limit is granted, by way of deposit of title deeds. The valuation of the property will be based on the basis of last reserve price of the auction fixed by the Chandigarh Administration. For the properties situated out side the Chandigarh, it will be the official rates of registration fixed for the same by respective Municipal or Registration Authority or current market value whichever is lower.
- b) Suitable one guarantee acceptable to the bank. The guarantor should have its net worth equal to or more than the loan amount to advanced. In case the income of family member is taken while calculating loan eligibility, he/she must be taken as guarantor.
- c) Post dated cheques for the months for which repayment of term loan option is due.

8. Repayment of Loan:

- a) Loan together with interest is repayable in maximum 72 equal monthly installments.
- b) Overdraft facility is to be renewed/reviewed annually.

9. Processing Fees:

0.5% of the sanctioned amount shall be charged. In case of limit of 0.25% will be levied every year on the credit limit.

10. Documentation:

- a. Loan application Form.
- b. Loan Agreement.
- c. D.P. Note.
- d. Mortgage Deed.

- e. Non-Encumbrance Certificate.
- f. Letter of lien and set off.
- g. Map and Current Valuation Report of the property from Govt. Approved Architect.
- h. Search report and legal opinion along with the photo.
- i. Letter of continuity
- j. Original Title Deed.

11. Insurance:

Comprehensive Insurance in the joint names of the borrower and the bank shall be made of the property mortgaged against fire, riots, earthquake, lightning, floods, etc. In case of default bank will be at liberty to get a policy renewed by debit to loan account of the borrower.

SCHEME FOR GRANTING OF LOAN AGAINST PROPERTY

12. Documents required from applicants:

Documents required from Salaried Individuals

- Proof of Residence – Any one of Ration Card/Telephone Bill/Electricity Bill/Voters Card.
- Proof of Identity – Any one of Voters Card/Drivers License/Employer Card/Passport/PAN Card.
- Latest Bank Statement/Passbook (where salary/Income is credited for past 6 months).
- Latest 3 months Salary Slip with all deductions & Form 16 for last 2 years.
- Copies of all Property Documents.
- Self attested recent passport size photographs of the applicant and co-applicant (two).
- Copy of Income-tax Returns for last two years.

Documents required from the non-salaried individuals

- Income proof.
- Proof of Residence – Any one of Ration Card/Telephone Bill/Electricity Bill/Voters Card.
- Proof of Identity – Any one of Voters Card/Drivers License/Employer Card/PAN Card.
- Latest Bank Statement/Passbook (where salary/Income is credited for past 6 months).

- Copies of all Property Documents.
- Copy of Income Tax Returns for last two years.

13. Disputes

If at any stage any dispute arises, it will be settled/referred under the Punjab Cooperative Societies Act 1961 or any other relevant act at the sole discretion of the Bank.

SECOND HAND VEHICLE LOAN SCHEME

In the modern era there is a heavy demand for purchase of second hand vehicles and the banks have surplus loan-able funds to diversify the loan portfolio and to provide financial assistance to the borrowers for purchase of second hand vehicle, this scheme has been diversified.

A. Short title, extent and commencement:-

- This scheme may be called 'Second Hand Vehicle Loan Scheme' to individual sole proprietor professional and partnership concern residing in the area of operation of the lending bank by the State and Central Banks as the case may be.
- The scheme shall be implemented through the branches of the State and Central Coop. Banks in UT and in the State of Punjab.
- It shall come into force from the date of approval by the Registrar Coop.Societies Punjab Chandigarh.
- The vehicle to be purchased by the loanee should not be more than 3 years old, should be accident free, one time road tax paid, bearing Registration Number of U.T. Chandigarh or the State of Punjab.

B. Definitions :

In this Scheme unless the context otherwise requires :

- a) 'Act' means, the Punjab Cooperative Societies Act 1961 as amended from time to time.
- b) 'Bye-laws' means the registered byelaws of the State / Central Cooperative Banks concerned.
- c) 'Bank' means State/Central Cooperative Bank registered under the Act.
- d) 'Committee' means the Governing body of the Cooperative Bank by whatever name called to which the management of the affairs of the bank is entrusted.
- e) 'Government' means Government of Punjab.
- f) 'Nominal Member' means a person admitted to membership of the bank under Act. Rules and Bye-laws.
- g) 'Officers' means the President, Vice President, Chairman, Vice Chairman, Managing Director, Manager, Liquidator and Administrator includes any other person empowered under the rules or the bye laws to give direction in regard to the business of the bank.
- h) 'Registrar' means a person appointed to perform the function of the Registrar of Cooperative Societies under the Act.
- i) 'Rules' means the Punjab Cooperative Societies Rule 1963.

SECOND HAND VEHICLE LOAN SCHEME

C. Purpose

Loan shall be advanced for the purchase of second hand vehicle such as car, jeep, sumo, qualis, etc. for personal/public use.

D. Eligibility

An individual, sole proprietor, professional and partnership concern residing in the area of operation having permanent account number provided by the Income Tax authority in urban areas and in case of rural area having at least 5 acres of agriculture land and should not be defaulter. The applicant will be enrolled as nominal member of the bank under the Act, Rules and Bye-laws.

E. Quantum of Loan:

The quantum of loan shall depend upon the model and present value of the vehicle. Present value shall be the value as provided by Sah & Sanghi in the current price Index and also available on Website [http://www.automartindia.com/Sah & Sanghi priceindex.asp](http://www.automartindia.com/Sah%20%26%20Sanghi/priceindex.asp) or the value approved by the registered surveyor of any GIC with the condition that the insurer has to get insurance cover from the concerned Insurance Company on whose list the name of the surveyor

appears, which is lowest shall be the quantum of loan. The maximum loan amount shall be Rs.5 lacs or 75% of the assessed price of the vehicle whichever is less.

F. Interest:

The Interest rate shall be charged as decided by the bank from time to time with quarterly rests. In case of defaults a penal interest @ 2% p.a. over and above the normal rate on the default amount for default period shall also be charged.

G. Period of Loan/Repayment of Loan

Maximum period of loan shall be five years. Repayment of the loan shall, be in monthly equated installment. In case of urban borrowers and half yearly equated in case of rural borrowers due on 30th June and 31st December. Moratorium period of one month shall be allowed under the scheme.

H. Security

The security for the loan is 1st Hypothecation of the Vehicle in the name of the bank entered in RC of the vehicle. Two good sureties residing in area of operation of the bank and having a PAN Card in case of urban areas and two sureties of the status of borrower in case of rural area. The sureties shall be enrolled as nominal member of the bank under the Act.

SECOND HAND VEHICLE LOAN SCHEME

OR

A collateral security to the extent of 100% of loan in the shape of assignment of life insurance policy, pledge of NSCs, KVPs, Term Deposits of own bank, in case the borrower is not willing to give sureties.

I. Disbursal of Loan

The loan will be disbursed after the appraisal of all legal documentation completed and borrower having deposited his share of margin in the SB account. The disbursement will be third party payment by way of banker cheque/Demand Draft in the name of the seller (owner of the vehicle) delivered through and under receipt from borrower.

J. Fee and Other Charges

A processing fee of 0.25% of the loan amount sanctioned shall be charged.

K. Documentation

Documents

- 1) Identity proof
 - 2) Residential proof
 - 3) Two self attested recent passport size photographs of the applicant and sureties each
 - 4) Photocopy of the PAN
 - 5) Copy of Income Tax Return for last three years duly acknowledged by ITO
 - 6) Photocopy of the Driving License
 - 7) A photocopy of the RC of the Vehicle and case of rural people copy of Fard, Jamabandi.
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- b. Loan application form
 - c. Loan agreement
 - d. DP Note
 - e. Hypothecation deed/Collateral Security/Agreement Bond from Sureties.
 - f. Agreement of Sale.
 - g. Certificate of present value of car assessed by Surveyor of company guide or as determined on the basis of guidelines of the Punjab Govt. on the Subject.

L. Insurance

Comprehensive insurance in the joint names of the borrower and the bank shall be made at the cost of the borrower. In case of default bank will be at liberty to get a policy renewed by debiting to loan account of the borrower.

COOPERATIVE EDUCATION LOAN FACILITY FOR CHILDREN OF POOR FARMERS, DALITS/ BCs AND OTHER POOR SECTIONS

To provide financial assistance to deserving and meritorious students for pursuing higher studies in India or Abroad. Cooperative Banks in Punjab has started a unique Cooperative Education Loan Facility (CEL), policy for the children of poor farmers, dalits/BCs and other poor sections. An individual wishing to pursue studies in technical/professional courses such as Engineering, Medical Veterinary, Dental Law, Agriculture, Computer, ICWA, CA, CFA, Management or any other course run by recognized university/institute/college of India or abroad can apply for financial assistance under this scheme.

ELIGIBILITY

Age of Student

An Indian National with minimum of 17 years and maximum 35 years of age can apply for this loan.

Age of Father/Guardian

The age of Father/Guardian should not be more than 65 years till full recovery of loan amount.

Education Qualifications

Minimum qualification for Cooperative Education Loan (CEL) is plus two and the applicant must have secured at least 50% marks in the last examination passed.

Admission to Course

The applicant must have secured admission or have got the consent of the institution to admit to any one of the above-mentioned courses.

Duration of Course

The duration of course should not be more than 5 years.

COOPERATIVE EDUCATION LOAN FACILITY FOR CHILDREN OF POOR FARMERS, DALITS/ BCs AND OTHER POOR SECTIONS

PURPOSE OF LOAN

The loan shall be allowed for the following purposes.

- I. Admission Fee
- II. Purchase of books and stationery
- III. Purchase of instrument required for course undertaken by applicant.
- IV. Laboratory charges, if any.
- V. Monthly/quarterly tuition fee.
- VI. Examination fee.
- VII. Library charges
- VIII. Caution deposits/Building Fund
- IX. Refundable deposits, if any.
- X. Expenses on projects, if any

- XI. Boarding and Lodging expenses
- XII. Computer purchase, if required.
- XIII. Air fare for joining the course (for study abroad).
- XIV. Any other expenses to complete the study.

All the above expenses should be verified from college prospectus or letter from Head of the concerned institution and or other relevant sources.

AMOUNT OF LOAN

The amount of loan will depend upon the expenses involved in completion of course, subject to the maximum of

For studies in India	Rs.5.00 lacs
For Studies Abroad	Rs.10.00 lacs

RATE OF INTEREST

The rate of interest on Cooperative Education Loan Facility (CEL) shall be 7.25% per annum. This rate is however subject to change from time to time.

PROCESSING CHARGES

No processing charges shall be charged under CEL.

COOPERATIVE EDUCATION LOAN FACILITY FOR CHILDREN OF POOR FARMERS, DALITS/ BCs AND OTHER POOR SECTIONS

PENALTY FOR EARLY CLOSURES

No penalty for early closure of CEL.

SECURITY

No collateral security is required upto a loan of Rs.25000/-. This loan shall be advanced against two good sureties. The loan above Rs.25000/- will be advanced against collateral security by the applicant/guardian. The collateral security can be in the form of land/building NSC/KVP/LIC Policy/Bank deposits in the name of student/parent/Guardian. The valuation of the collateral security shall be equivalent to the loan amount.

INSURANCE

An insurance policy will be taken on the life of the student borrower for an amount equal to the loan amount and should be assigned in favour of the bank.

CALCULATION OF LOAN AMOUNT

The loan amount shall be calculated by taking into account the total expenses of course as provided in prospectus of university/college/institute or letter signed by Head of Institution subject to maximum loan as provided in the loan scheme.

DISBURSEMENT OF LOAN

The branch will get sanction of whole loan amount from competent authority but will disburse the amount based on yearly expenses of course. In the first year, disbursement will be equivalent to the expenses of first year only. Subsequently, the loan amount for the next year will be disbursed after successful completion of previous year. The disbursement of loan should be by Demand Draft/Bank cheque in favour of concerned university/college. In case of purchase of equipment/books/computer the payment shall be made to the applicant.

RECOVERY OF LOAN

The recovery of principal amount will start after one year of total duration of course or after 6 months of getting the job/employment by the applicant, which ever is earlier.

COOPERATIVE EDUCATION LOAN FACILITY FOR CHILDREN OF POOR FARMERS, DALITS/ BCs AND OTHER POOR SECTIONS

GENERAL GUIDELINES

Joint Application

The application for loan should be signed jointly by student and father (mother, if father is not alive) or guardian.

Nominal Membership

Both applicants and sureties should become nominal members of Bank.

INCOME PROOF

The loan amount shall also match with repaying capacity of borrower. For checking the repaying capacity of income proof of applicant (Father/Guardian) should be verified. The general guidelines are that monthly installment of loan amount should not exceed 35% of monthly income. For calculating the income future income of students should not be taken into consideration.

DOCUMENTS REQUIRED WITH APPLICATION

The following documents are required alongwith application.

- i) Income proof.
- ii) Proof of resident.
- iii) 4 passport size photographs of all applicants.
- iv) Proof of admission in course.
- v) Copy of Education Qualification of Student.
- vi) Nominal Membership of applicants and sureties.
- vii) Schedule of expenses of course.

For salaried persons (Additional Documents)

- 1. Latest salary slip showing all deductions.
- 2. Latest T.D.S. certificate.

DOCUMENTS REQUIRED BEFORE DISBURSEMENT OF LOAN

After the sanction of CEL and before the disbursement of loan following documents should be executed.

- i. Loan Agreement.
- ii. Surety bond by two sureties
- iii. Letter of guarantee by father/guardian.
- iv. Collateral Security, if applicable.

**COOPERATIVE EDUCATION LOAN FACILITY FOR CHILDREN
OF POOR FARMERS, DALITS/ BCs AND OTHER POOR SECTIONS**

- v. Promissory Note.
- vi. Letter of lien and set off.
- vii. Affidavit from father/guardian of applicant stating that :-
 - a. He will be liable to bank to repay the loan alongwith interest in case of default by applicant.
 - b. He will not go abroad permanently without the prior approval of bank.
 - c. He will intimate the bank in case of any change in status of studies of student.

SCHEME FOR PROVIDING DAIRY LOAN FOR PURCHASE OF COW TO MEMBERS OF COOPERATIVE MILK PRODUCERS' SOCIETIES

1. Objectives

- To increase the income of members of Cooperative Milk Producers Societies helping them to purchase higher yielding cattle.

- To increase the income and supply of milk to Cooperative Milk Producers Societies.

2. Minimum Economic Size

The Central Cooperative Bank through its branches shall extend loan facility for the purchase of one cow.

3. Eligibility Criteria

- I. The applicant should be a member of cooperative milk producer's society.
- II. He should have cattle shed arrangements enough to house the existing animals and also proposed to be purchased.
- III. He should be the supplier of milk to the society during at least past one year.
- IV. He should be the cultivating green fodder or should have definite arrangements for its supply.
- V. He should have sufficient experience/knowledge in the dairy farming.
- VI. He should be the nominal member of the Central Cooperative Bank

4. Amount of Finance

The Bank shall provide loan for one cow with ceiling of Rs.50000/- or cost of the animal whichever is less.

5. Marginal Money

The applicant shall contribute minimum 10% of the total cost of animal as margin money. However margin money for scheduled caste, Backward Class and Economically backward members shall be 5%.

SCHEME FOR PROVIDING DAIRY LOAN FOR PURCHASE OF COW TO MEMBERS OF COOPERATIVE MILK PRODUCERS' SOCIETIES

6. Rate of Interest

The bank shall charge interest @ 10.5% per annum from the members of the Milk Producer's Cooperative Societies which will be subject to change as per prevalent market rates from time to time.

7. Repayment of Loan

The loan shall be repayable in 5 years, in equal monthly installments along with interest.

8. Securities/Documents

The member shall furnish the following security/documents to the Central Cooperative Bank:

- a) Time Pronote
- b) Guarantee by two persons, one should be owner of at least one acre of land and other should be local responsible person upto the satisfaction of the bank.
- c) Hypothecation of milk animal to be financed by the Bank.
- d) He shall sign and get signed tripartite Agreement between the borrower, the Cooperative Milk Producer's Society and the Bank.

9. Application Form

The application form for dairy loan will be submitted by the member on prescribed form as per annexure 'A' through the Cooperative Milk Producer's Society.

10. Appraisal

The Branch Manager of the Central Coop.Bank shall visit the farm to appraise the technical feasibilities and economic viability of the proposal..

11. Procedure to be followed

An eligible person shall apply for the loan on the prescribed proforma attached as Annexure "A" to the Branch Manager of Central Cooperative Bank through the Village Milk Producer Cooperative Society. The President of the Milk Producers Cooperative Society shall place the application before the Managing Committee of the society for consideration of the application for its recommendation to the Bank. If the Managing Committee approves the application then the President shall forward it to the Branch Manager of the Branch of the Central Cooperative Bank in whose area of operation the society falls. After the application along with resolution of the society is received in the branch of the bank, the Branch Manager shall apprise the loan case as per the appraisal form

**SCHEME FOR PROVIDING DAIRY LOAN FOR PURCHASE OF COW
TO MEMBERS OF COOPERATIVE MILK PRODUCERS' SOCIETIES**

After the appraisal of the loan case the Branch Manager will sanction the loan and get the necessary documents executed from the borrower.

After the execution of documents the Manager shall disburse the loan amount by crediting the SB account of the borrower.

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nkW ikDekoh

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T[d;/aL fj; dk T[d;/a fgzavK ftu ofj oj/ g[o;a ns/ fj;sohnK B{z bx{ ckJhBK; gqdkB eoBk j? I' e'Jh ezW feZsk eoBk ukj[zD/ jB. (fj) Consumption Loan BjhA j?) fjj fjZe Composite Loan j? fi; ftu Capital Investment, working capital nkfd ;akwb jB. i/eo bkGgksoh e'Jh gq've;aBSg?dktko ;;oft; nkfd dk ezW u[Ddk j? I' fe KVIC/KVIB dh Negative list s'A pkjo j?, sK fjJ eoiak e/; ftu KVIC/KVIB s'A gqkgs Margin Money Subsidy B{z gkqgs eoe/ bkGgksoh d/ yks/ ftu iwQK eotkfjnk ik ;e/rk. Tk;st ftu fjJ ;ehw Bpkov tZb'A gfjbK s'A jh gqk:'fis Composite Loan ns/ SSC ;ehw B{ PACS d/ Office s'A ubkT[D bjh pDkJh rjh j?.

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6H rozNhL fe;/ ebhno\$Bkb fvcckbNo w?Apo dh fBZih rozNh. uzrk j't/ i/ rozNo, ;Gk dk fiaazwhdKo w?Apo j't/ iK ;kfjp/ ikfjdKd ftneSh j't/.

ft;a/;asktK

1H fj; ;ehw ftu T[dwh B{z bkGgksoh wzfBnk frnk j? bK fe ezfiaT{wo B{z.

2H PACS s'a eoiaK gqkgs eoBk ;ob j't/rk.

3H PACS bjh S'N/ T[dwh dh gSkD eoBk ns/ Tj; s'a Recovery b?Dk Bank Branch d/ w?B/io dh fB;ps ;'yk ns/ gaGkt;akbh j't/r.

4H Chairman, KVIB Bkb ;zgoe eoe/ PACS B{z KVIB/KVIB tZb'A gqktkfBs ftsh ;z;Ek n?bkfBnk ik ;edk j? fi; Bkb :r feZfsnK bjh Margin Money Subsidy th ;Gk e'b iK e/Adoh p?Ae e'b FD d/ o{g ftu gqkgs j' ;e/rh. ns/ bkGgksoh Capital Investment ns/ Working Capital d'jK s/ 25% iK 30% ;pf;vh ti'A gkqgs eo ;eDr/ . bkGgksoh 5% s' 10% sZe ngB/ fjZ;/ ti'A bkT[Dr/ ns/ TjBK B{z w[cas N/afBzr th d/t/rk.

- * **gzikp d/ e/Adoh ;fjekoh p?Ae gfjbK jh KVIC tZb'A e{Nho T[d:'r bjh foD d/D bjh gqtkfBs jB. e/tb 25000\$_ sZe d/ bx{ ckJhBK; bjh ;Gk B{z p?Ae d/ Outlet iK Agency tZb'A gqtkB j'D Bkb ;Gk KVIB gk;'A bkGgksoh bjh Margin Money Subsidy gqkgs eoB bjh :''r ns/ ;woZE j' ikt/rh.**
- * **T[BK B{z f;js phwk nkfd ;ehwK ftu ;akwb ehsk ns/ bkG fdZsk ik ;edk j??.**
- * **Bpkov s'A Composite Loan Scheme nXhB gqkgs ehsk ik ;edk j?.**
- * **;ehw dh gqrsh ns/ Monitoring p?Ae iK ;oeko okjhA ehsh ik ;edh j?.**

COMMERCIAL DAIRY DEVELOPMENT SCHEME

Objective

To increase the income of Milk Producers by helping them to purchase high yielding milch cattle and to purchase necessary equipments for the purpose.

Minimum Economic Size

The Central Cooperative Banks through its branches shall extend loan facility to the individuals, Partnership Firms, Corporate Bodies and any other Cooperative Organizations formed for Commercial Dairy Development to purchase the milch cattles, constructions of sheds and for necessary equipments under this scheme.

Loan shall be advanced directly by the Central Cooperative Bank to the loanee by admitting them as a nominal member.

Eligibility Criteria

1. He should have sufficient cattle shed arrangements to house the animals if any and also house to be purchased out of loan.
2. He should have sufficient experience/knowledge in dairy farming.
3. He should have definite arrangement for green/fodder supply.

Amount of Finance

The Bank shall provide maximum loan up to 25.00 lacs. The cost of milch cattles should not exceed Rs.20,000/- for each animal or as decided by the Bank from time to time.

Margin Money

The applicant shall contribute minimum 15% of the total cost of the animal and equipment as margin money.

Rate of Interest

The Bank shall charge interest at 10% per annum with half yearly rests or as decided by the Bank from time to time.

COMMERCIAL DAIRY DEVELOPMENT SCHEME

Securities

The Loanee shall furnish the following securities:

1. Time Pronote
2. Guarantee of two persons who should be nominal members of the bank.
3. Mortgage of Agriculture Lan, Plot, Residential House and Commercial Property whose value not less than 150% of the loan amount. The value of the land shall be same as determined by the District Administration Punjab.
4. Hypothecation of milch cattle animals and equipments to be financed by the Bank.

Repayment of Loan

Maximum period of repayment of loan is five years.

Appraisal

The Branch Manager of the Central Coop.bank shall visit the farm to appraise the technical feasibilities and economic viability of the proposal.

Procedure to be followed

An eligible person shall apply for the loan on the prescribed proforma attached herewith to the Branch Manager of Central Cooperative Bank. After the appraisal of the loan case the Branch Manager will sanction the loan and get necessary documents from the Borrowers. After execution of documents the Branch Manager shall get the margin money deposited from the applicant in his Saving Bank Account. The Manager shall disburse the loan through Draft/Pay Order/Cheque in favour of third party from whom the borrower has to purchase buffaloes/cows and equipments by debiting the loan account for then loan and saving account for margin money.

Insurance

The livestock and equipments financed under the scheme shall be fully insured and it should be clearly mentioned in the Insurance Policy the livestock is hypothecated with Financing Bank.
