

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

March 27, 2020

TO ALL OFFICES

HRDD CIRCULAR NO. 823

**MASTER CIRCULAR – SCHEME OF LOAN TO RETIREES FOR PAYMENT OF
MEDICAL INSURANCE PREMIUM**

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

Accordingly, consolidated guidelines on Scheme of Loan to Retirees for Payment of Medical Insurance Premium are available in the **Annexure**.

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

(RAJESH VERMA)
GENERAL MANAGER

**POLICY OF LOAN TO RETIREES FOR PAYMENT OF MEDICAL INSURANCE
PREMIUM**

1. TARGET GROUP:

All honourable Retired Officers / Retired Award Staff (including sub staff), who have opted for “Group Medical Insurance for Retirees” and required to remit the renewal premium to the concerned Insurance Company for the same. (The loan will be sanctioned in the joint name of the retiree and spouse if alive). This scheme is available only for pension optees.

2. PURPOSE:

- a) Exclusively for funding the renewal premium amount of Group Medical insurance for Retirees.
- b) No other purpose / requirements will be considered under the scheme.

3. MAXIMUM AMOUNT OF LOAN:

- a) 90% of the total premium amount (inclusive of tax) for one insurance year
- b) Net take home pension after all deductions including the installment of proposed loan should not be less than 40% of Gross Pension.

4. MARGIN:

10% of the insurance premium inclusive of tax for one insurance year

5. REPAYMENT PERIOD:

The entire loan is to be repaid in 12 equated monthly installments. 1st installment is to be paid within 30 days after the date of disbursement of loan ‘or’ on date of subsequent payment of monthly pension, whichever is earlier.

6. RATE OF INTEREST:

One year MCLR

7. SANCTIONING AUTHORITY & LOANING POWER:

The sanctioning Authority will be the Branch Head of the Branch where the employee is maintaining pension account.

- 8.** This Loan facility will not be available, if the retiree has availed any similar facility from any other source.

9. DOCUMENTS TO BE OBTAINED:

- a) Application Form (**Annexure I**)
- b) Recent Photograph
- c) Details of Pension /PPO No. etc.
- d) Demand Promissory Note
- e) Undertaking- cum-Authority (**Annexure II**)
- f) Copy of Adhaar card
- g) Demand Pronote- PNB 728

**REQUEST-CUM-SANCTION LETTER FOR DEMAND LOAN TO RETIREES FOR
PAYMENT OF MEDICAL INSURANCE PREMIUM**

The Manager,
Punjab National Bank,

Dear Sir/ Madam,

Re: Loan for payment of Medical Insurance Premium

I request you to grant me demand loan of _____ (_____ only) for payment of Medical Insurance Premium. I am eligible for the loan applied for under the above Scheme for retirees. I am drawing a monthly pension of _____ (_____) having retired from _____ in the year _____. The pension is being credited in my SF / CA / OD A/c no. _____ maintained with your branch.

I agree to repay the said demand loan of _____ (_____) in 12 monthly installments along with interest at the rate of _____. The interest chargeable shall be subject to changes as prescribed by Bank from time to time. In the event of my death or for any reason/s deemed necessary, the Bank shall have the right to recall the loan outstanding immediately irrespective of repayment period fixed. I also agree to execute all the documents prescribed and to abide by all terms and conditions of the Scheme from time to time.

I authorize the Bank, that in the event of sanction of loan, to debit the amount of monthly installment every month to my SF / CA / OD a/c no. _____ with the Bank in which my pension is credited and credit it to the aforesaid Loan a/c until the loan is fully adjusted. The authority given by me to the Bank is irrevocable unless and until the loan is repaid by me in full.

I undertake and agree that I will not raise any further loan/advance from any other branch of PNB or any other Bank / NBFC under the same or similar Scheme till full repayment of the loan, without consent of the Bank.

I hereby agree as a pre condition of the loan given to me by the Bank that in case I commit default in the repayment of loan or in the repayment of interest thereon or any of the agreed installments of the loan on due date(s), the Bank and/or the Reserve Bank of India will have an unqualified right to disclose my name as defaulter in such

manner and through such medium as the Bank or Reserve Bank of India in their absolute discretion may think fit.

I hereby agree and give consent for the disclosure by the Bank of all or any such:

- Information and data relating to me.
- The information and data relating to any credit facility availed of/to be availed, by the borrower/s and
- Default, if any, committed by me in discharge of my obligation, as the Bank may deem appropriate and necessary, to disclose and furnish to Credit Information Bureau (India) Ltd. And any other agency authorized in this behalf by RBI.

I declare that the information and data furnished by me to the Bank are true and correct. I undertake that:

Yours faithfully,

Place _____
Date _____

SIGNATURE OF THE APPLICANT

Name: _____
PF No. _____
PPO No. _____
Address _____

City _____ District _____

Pin Code _____

Permanent Address _____

City _____ District _____

Pin Code _____

Telephone (with STD Code) _____

Mobile No. _____

COMMENTS / RECOMMENATIONS OF APPRAISING OFFICER

(Signature & Name of Appraising Officer)

ORDERS OF THE SANCTIONING AUTHORITY

(Signature & Name of Sanctioning Authority)

UNDERTAKING

**The Branch Manager
Punjab National Bank
B/O- _____
_____**

Dear Sir/ Madam,

**Reg.: My Demand Loan Account No. _____ for payment of
Medical Insurance Premium**

I have availed Demand Loan of _____ (_____ in words)
on _____ from PNB.

Please deduct monthly installment of Rs. _____ of the aforesaid loan from my
Pension Account No. _____ till adjustment of the loan.

In this regard, I hereby give the undertaking that I will not shift my Pension Account
till my Demand Loan is running with Punjab National Bank.

Yours faithfully,

(Borrower(s))

Place :

Date :