



UCOBANK RETIREES' ASSOCIATION KARNATAKA (Regd)

(Regd as S.No: 699/97-98 Dated 20/01/1998 with the Registrar of Societies, Karnataka)

Regd Office: C/o UCO Bank, 3rd Floor, 13/22,
Kempegowda Road, Bangalore-560009.

Website: urakar.com



UBRA-KAR/CIR/034/2020 - 23

Date: 17.04.2021.

To all members of our unit.

Dear Comrades,

SUB: PENSION LOAN.

Head Office has issued a Master circular on Pension Loan with the up to date information.

Circular no. CHO/RDB/55/2020-21 dt.01.01.2021 containing all the details is attached.

Members are requested to go through the same and be guided accordingly.

B.Lakshminarayana
Hon. Secretary.

All Correspondence to:



B.Lakshminarayana, No.1317, 11th Main, 5th A Cross
Srinivasanagar II Phase, B.S.K. III Stage,
BANGALORE – 560 050.

Mob: 9845443998; Email:balana56@gmail.com



CRN
/2020-21

Head Office
Retail Banking Deptt.
10, BTM Sarani, 2nd Floor
Kolkata – 700 001

UCO BANK
(A Govt. of India
Undertaking)
HONOURS YOUR TRUST

Circular No.
CHO/RBD/55/2020-21
Dated: 01/01/2021

TO ALL BRANCHES/OFFICES IN INDIA:

Sub: Master Circular on UCO Pensioner Loan Scheme

In order to enable the field functionaries to access the comprehensive guidelines as of a recent date, a Master Circular incorporating all the existing circulars/guidelines on UCO Pensioner Loan Scheme updated up to 31/12/2020 is enclosed and this Circular supersedes all earlier instructions/guidelines issued on UCO Pensioner Loan Scheme.

Branches are advised to ensure that all the loan applications under UCO Pensioner Loan Scheme are processed through LAPS/LPS only.

However, notwithstanding what is stated in this circular the other mitigating factors/precautions/guidelines suggested in both Bank's Manual of instructions and Loan Policy Document and any change thereof from time to time shall continue to be effective and applicable.

All the Branches/Offices are hereby advised to take a note of the guidelines and ensure its meticulous compliance.

(Nidhu Saxena)
General Manager
Retail Banking & MSME



- Encl: 1) Master Guidelines on UCO Pensioner Loan Scheme
2) UCO Pensioner Loan Scheme Application Form
3) Irrevocable Letter of Authority
4) Checklist of Documents

**MASTER GUIDELINES ON UCO PENSIONER LOAN SCHEME
(Updated up to 31/12/2020)**

Sl No	Particulars	Guidelines
1	Target Group	Pensioners who receive pension through our Bank Branch only Ex-employees of our Bank, drawing pension through our Bank Branch shall also be eligible
2	Purpose	a) Medical expenses for self/spouse/dependent children b) Payment of Mediclaim premium for self & dependents c) Marriage expenses in the family d) Educational expenses of dependent children e) Travelling expenses f) Repair to house property/dwelling unit g) Funeral expenses h) Agricultural needs
3	Age	1] For Pensioners having provision of family pension & Spouse is alive: Repayment Period of the Loan be so fixed that the Loan is fully repaid before the pensioner reaches 75 years of age However, the maximum age, at the time of applying for the loan, not to exceed 74 years 2] For the following Categories of Customers: a) Family Pensioners i.e. Spouse receiving pension after death of the pensioners b) Pensioners without family pension provision c) Pensioners where spouse is pre-deceased Loan is to be fully repaid before the pensioner reaches 72 years of age and no new loan to be sanctioned after the age of 72 years
4	Quantum of finance	1] For Pensioners having provision of family pension & Spouse is alive: 12 times of monthly pension subject to • Maximum Rs.10 Lacs for age up to 70 years • Maximum Rs.5 Lacs for age above 70 years to 74 years 2) For the following Categories of customers: a) Family pensioners i.e. Spouse receiving pension after death of the Pensioners b) Pensioners without family pension provision c) Pensioners where spouse is pre-deceased 10 times of monthly pension subject to maximum of Rs.3 Lacs



5	Security	Clean However, to safeguard Bank's interest, irrevocable letter of authority from the pensioners to the Bank to be obtained authorizing the Bank to recover the installments from out of the pension amount credited to his/her savings/current account (both in case of pensioners/war-widows/widows)
6	Guarantee	a) Personal guarantee of spouse eligible to receive family pension in the event of death of pensioner b) In case of war widows/widows, if co-borrower is not available, a third party guarantee having sufficient income should be positively obtained c) Wherever possible, the Branch should obtain personal guarantee of son(s)/daughter(s) in case the spouse is pre-deceased or a third party guarantee acceptable to the Bank
7	Rate of Interest	For Public: UCO FLOAT Rate + 3.55% i.e. 6.90% + 3.55% presently 10.45% p.a. For UCO Bank staff Pensioners: UCO FLOAT Rate + 2.55% i.e. 6.90% + 2.55% presently 9.45 % p.a. (With monthly rest subject to revision to be made by the Bank from time to time at its sole discretion)
8	Prepayment Charges	NIL
9	Processing Charges	NIL
10	Documentation charges	As per Circular No. CHO/MSME/04/2018-19 dated 15/05/18 subject to revision from time to time
11	CIBIL Report Pulling Charges	CIBIL Charges shall continue to apply as per Bank guidelines
12	Documentation	1) DP Note (A-1)/Term Loan agreement(A-109) 2) Letter of waiver (A-47) 3) Letter of guarantee (A-21A) 4) Irrevocable letter of authority as per prescribed format
13	Repayment Period	1) For Pensioners having provision of Family Pension & Spouse is alive: Loan should be repaid in 48 EMIs or before the Pensioner reaches 75 years of age, whichever is earlier 2) For the following Categories of Customers: a) Family Pensioners i.e. Spouse receiving pension after death of the pensioner



		<p>b) Pensioners without family pension provision c) Pensioners where spouse is pre-deceased</p> <p>Loan should be repaid in 48 EMIs or before the Pensioner reaches 72 years of age, whichever is earlier</p> <p>In both the above cases repayment will commence from one month after disbursement</p>
14	Lending powers	<p>Without family pension:</p> <p>Scale-I : Rs. 3.00 Lacs Scale-II : Rs. 3.00 Lacs Scale-III and above : Rs. 3.00 Lacs</p> <p>With family pension & Spouse is alive</p> <p>Scale-I : Rs. 5.00 Lacs Scale-II : Rs. 7.50 Lacs Scale-III and above : Rs. 10.00 Lacs</p> <p>Proposals falling beyond the delegated lending power of Branches are to be forwarded to Zonal Office for disposal by ZLCC</p>
15	Scheme Codes	<p>L733A (UCO Pensioner-STAFF) L733B (UCO Pensioner-NON STAFF)</p>
16	Pre-Sanction scrutiny and post sanction follow up	<p>a) After deduction of the proposed EMI, minimum 40% of pension amount should be available to meet the monthly family expenses of the pensioner</p> <p>b) Keeping in view the age and general health of the Pensioner, Branch should conduct Pre-sanction Verification (PSVR-I)</p> <p>c) At post sanction stage, Branch should closely monitor the loan account</p> <p>d) Survival Certificate should be obtained periodically without fail</p> <p>e) In the event of the death of the borrower, Branch should take immediate action for transferring the liability to the spouse who would receive family pension after the death of the borrower and obtain appropriate documents covering the liability</p>
17	Minimum CIBIL Score	<p>A minimum CIBIL Score of 600 is required</p> <p>In case of multiple Applicant/Co-applicant(s)/Guarantor(s) minimum CIBIL score is required to be met by all Applicant, Co-applicant(s) and also by Guarantor(s) if their income is being considered in Loan assessment</p>



		<p>In Case the Applicant/Guarantor(s) has no Credit History or Credit history is not sufficient to score in the range of 300-900, minimum CIBIL Score of 600 is not applicable to that Applicant and guarantor(s)</p> <p>In cases where minimum CIBIL Score requirement is not fulfilled as per the aforementioned requirements, ZLCC is authorised to consider the proposal on case to case basis on merit and keeping in mind the standing of the Borrower/Guarantor(s)</p> <p>(Refer: Circular No. CHO/RBD/32/2019-20 dated 19/11/19 for detailed guidelines)</p>
18	Powers to allow deviations	<p>As per Loan Policy Document 2020 (Part-A), Chapter 11, Point No.11.1</p> <p>In Case of Retail Loan Schemes, ZLCC may allow relaxations other than Pricing, Margin and Maximum Loan amount of the scheme on case to case basis keeping in view the merits of proposal and standing of the Borrower</p>



APPLICATION FOR LOAN UNDER "UCO-PENSIONER" SCHEME

To
The Manager
UCO Bank
.....Branch

Date :

Photograph
Pensioner

Dear Sir,

Re : Loan under UCO-Pensioner Scheme

I am a Pensioner ofPension Scheme drawing a monthly Pension of Rs.....My Pension A/c. No. isMy Pension is paid through your Branch every month and the same is credited to my savings/current A/c. No..... with your branch.

In connection with theexpenses, I request to sanction me a loan of Rs.....(.....only) against the total expenditure of Rs..... I have been explained the terms and conditions of the Loan Scheme and undertake to abide by the same.

I shall repay the loan of Rs.....with interest inequated monthly installments of Rs.....each.

I furnish below further details about me:

1. Name :
2. Father's/Husband's Name :
3. Address :
4. Contact Details with Mobile No. & Email Id :
5. Age & Date of birth :
6. Name of the spouse Eligible for Family Pension :



7. Name(s) of children, occupation, age : i)
and their present address and contact
Details with Mobile No. & Email Id

: ii)

: iii)

:iv)

8. Purpose of Loan :

9. Name of the Guarator proposed :
Occupation, age and his/her address
and contact details with Mobile No. &
Email Id

10. Period for repayment of Loan :

11. Survival certificate las submitted up to :

Yours faithfully,

(Signature of the borrower)

(Signature of the guarator)



IRREVOCABLE LETTER OF AUTHORITY

I, Mr./Mrs./Miss..... a pensioner of
..... organization hereby irrevocably
authorize UCO Bank, Branch to debit my
Saving/Current A/c. No..... towards the monthly
installment of loan sanctioned to me under UCO Pensioner Scheme every
month till entire loan with interest and charges if any is fully recovered. In the
event of any change in receiving the pension amount or any change in the
title of the account to which the pension amount will be credited, I shall
inform UCO Bank well in advance.

* In the event of my death during the currency of the loan, my spouse of the
loan who is eligible to receive family pension would undertake to repay the
balance of the loan amount.

* In the event of my death during the currency of the loan, my
son(s)/daughter(s) whose name(s) given in loan application form would
undertake to repay the balance of the loan amount.

Yours faithfully,

Date:

(Signature of the pensioner)

*delete the inapplicable



Checklist of Documents

1. Identity Proof (Any one of the following documents)
a) Voter Identity Card b) PAN Card c) AADHAAR Card d) Driving Licence e) Passport
2. Address Proof (Any one of the following documents)
a) Voter Identity Card b) AADHAAR Card c) Driving Licence d) Passport e) Electricity Bil f) Ration Card
3. Copy of Pension Payment Order (PPO)
4. Two Passport size photograph of Applicant(s) & Guarantor(s)
5. Statement of Means of Applicant(s) & Guarantor(s)
6. Additional Documents (if any) should be taken as per the terms & conditions of UCO Pensioner Loan Scheme as well as norms & guidelines of the Bank

