



**ORIENTAL BANK OF COMMERCE  
HUMAN RESOURCE DEVELOPMENT DEPARTMENT  
CORPORATE OFFICE, GURUGRAM**

CIRCULAR NO.HO/HRD/ 77/73/2019-20/623

Date: 23.10.2019

**ALL BRANCHES / OFFICES**

**LOAN FOR RENEWAL PREMIUM OF MEDICAL INSURANCE SCHEME FOR RETIREES**

The subject Scheme was launched vide, Circular No. HO/HRD/76/77/2018-19/572 Dated 17.10.2018. In view of onetime Insurance Premium to be paid by the retirees are a considerable amount vis-a-vis amount of monthly pension, the Bank has decided to review the Scheme for Loan to retirees (staff pensioners) for renewal premium of medical insurance (Approved by Board of Directors, vide agenda No.A-23 in its meeting Dated 22.10.2019) on the following terms and conditions:-

1	Target Group	All Retired Officers / Retired Award Staff (including sub-staff) of Oriental Bank of Commerce (pensioners) who have opted for "Group Medical Insurance for Retirees" and required to remit the renewal premium to United India Insurance Co. Ltd for the same. <b>(The loan shall be sanctioned in the joint name of the retiree and spouse if alive)</b>
2	Purpose	a) Exclusively for funding the renewal premium amount of Group Medical insurance for Retirees. b) No other purpose / requirements shall be considered under the scheme.
3	Maximum Amount of Loan	a) Up to the amount of premium for renewal (inclusive of GST) for the IBA Group Mediclaim Insurance for Retirees or Rs. 88,500/- , whichever is lower. b) Net take home pension after all deduction including the installment of proposed loan should not be less than <b>40%</b> of Gross pension.
4	Margin	Nil
5	Repayment period	Maximum- 10 months EMIs (To be recovered from monthly pension)
6	Rate of Interest	One year MCLR
7	Processing Charges	Nil
8	Prepayment Charges	Nil
9	Penal Interest	Nil
10	Sanctioning Authority & Lending Powers	The sanctioning Authority will be the Branch Head of the Branch where the employee is maintaining pension account.
11	Documents to be submitted	a) Application Form (Existing application for Oriental Loan to Pensioners may be used). b) Details of Pension /PPO No. etc.

12	Documentation	<p>a) Demand Promissory Note (DOC-19)</p> <p>b) Undertaking cum Authority. (<a href="#">As annexed</a>)</p>
13	Other Conditions	<p>a) The loan sanctioned will be credited to the pension account of the staff member for payment of gross premium only.</p> <p>b) To ensure that the employee is deprived of not getting insurance cover under the scheme, the disbursed amount to be credited to the pension account of the retired employees.</p> <p>c) Immediately after credit, the said amount should be debited and remitted to Collection Account No. 12372191023768 maintained at B/O Sector-32, Gurgaon. While remitting the amount, the following information should mandatorily be incorporated:-</p> <ol style="list-style-type: none"> <li>1. Name of employee</li> <li>2. PF No.</li> </ol> <ul style="list-style-type: none"> <li>• (If the retiree has already paid the premium from own sources , he may be reimbursed by creating Personal Loan under the said scheme but not later than one month from the date of payment of premium by the retiree)</li> </ul> <p>d) Monthly installment to be recovered from the pension paid by the branch every month on the date of payment of pension without fail.</p> <p>e) Fresh loan shall be disbursed only after liquidation of previous loan disbursed under this scheme.</p> <p>Proper noting is to be made in the borrower's pension file regarding granting of the loan to ensure that the pension payment is not transferred to any other branch during the currency of the loan.</p>

A copy of the above circular is also being uploaded on the website ([www.obcindia.co.in](http://www.obcindia.co.in)) of our Bank under the tab Retiree Corner.

**(SWARUP KUMAR SAHA)**  
**GENERAL MANAGER (HRD)**

**UNDERTAKING**

The Branch Manager  
Oriental Bank of Commerce  
B/O.....

Dear Sir,

Reg.: Our Personal Loan Account no.....

We have availed personal loan of  
Rs.....(.....in words) on  
.....from your Branch.

We undertake that the loan shall be repaid within the stipulated instalments without any default.

In this regard, we hereby give mandate and authority to you to debit the monthly instalment from our pension account/ family pension account (as the case may be) without any reference to us till the time the aforementioned loan amount along with interest is liquidated.

In the extreme event of death of any of us during the currency of the loan, we undertake that the loan shall be repaid by the survivor / recoverable from the estate of the deceased.

Yours faithfully

(Borrower 1)

(Borrower2)

Place:

Date: