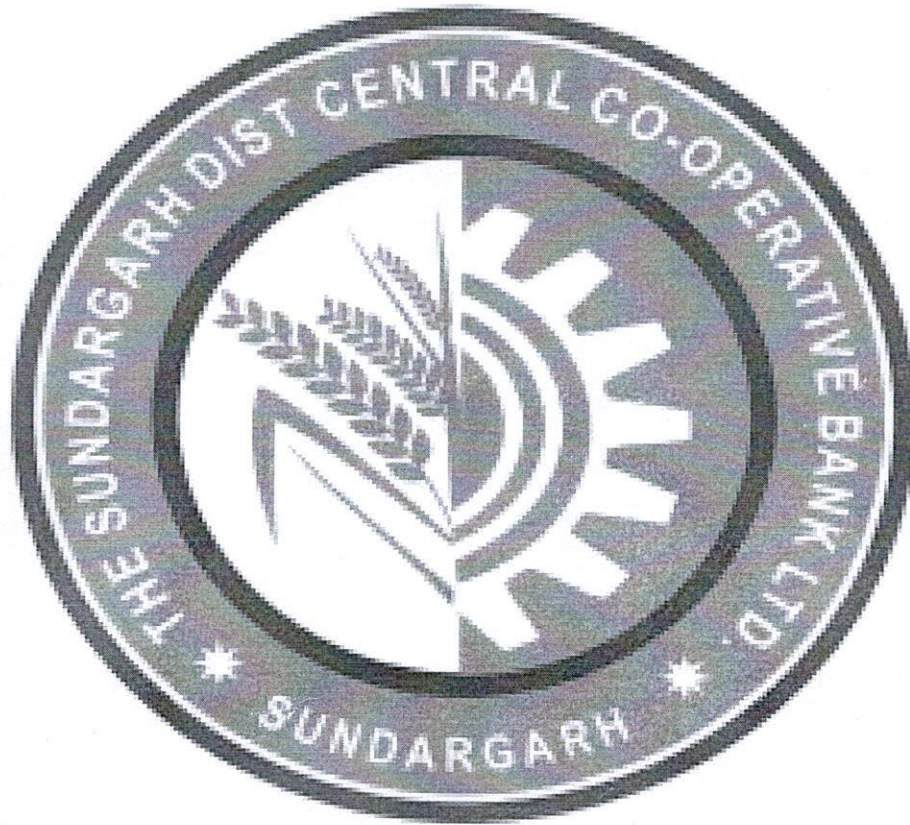


LOAN POLICY



The Sundargarh District Central Co-operative Bank Ltd.,

AT – REGENT MARKET, PO/DIST. – SUNDARGARH

PIN – 770001, ODISHA





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The Sundargarh District Central Co-operative Bank Ltd.,

SUNDARGARH – 770 001

Regd. No. 90/ SG / Dt.1.6.1955

RESOLUTION BY CIRCULATION OF THE PROCEEDINGS OF THE COMMITTEE OF MANAGEMENT MEETING OF THE SUNDARGARH DISTRICT CENTRAL COOPERATIVE BANK LTD., SUNDARGARH HELD ON DTD 08.07.2025.

Venue : Office Chamber

Date: 08.07.2025

Agenda No 3


To consider approval of the draft policy of

- 1.Management Policy
- 2.Fraud Risk Management Policy
- 3.Loan Policy
- 4.Branch Management & Operation Policy
- 5.Deposit Policy
- 6.Internal Checks & Control Policy
- 7.Capital Management Policy
- 8.Customer Compensation Policy
- 9.Customer Acceptance Policy
- 10.Customer Service Policy as per prescribed guidelines of RBI/ NABARD / RCS (O).

Resolution

Discussed and approved the following draft policies as per prescribed guidelines of RBI/ NABARD/ RCS (O) for execution.

- 1.Management Policy
- 2.Fraud Risk Management Policy
- 3.Loan Policy
- 4.Branch Management & Operation Policy
- 5.Deposit Policy
- 6.Internal Checks & Control Policy
- 7.Capital Management Policy
- 8.Customer Compensation Policy
- 9.Customer Acceptance Policy
- 10.Customer Service Policy


Chief Executive Officer
Sundargarh DCC Bank Ltd.


PRESIDENT
Sundargarh DCC Bank Ltd.

Copy circulated to all members of the Committee of Management of the Bank for information and necessary action.


Chief Executive Officer



THE SUNDERGARH DISTRICT CENTRAL COOPERATIVE BANK LTD. SUNDARGARH

LOAN POLICY

1. Introduction

The Bank Loan Policy indicating detail guide lines for providing various types of loan viz. short-term, Medium-Term loan, Long Term Loan, Loan against NSC, FD, LIC, SHG, JLGs, Housing loan, gold loan, business loan, Cash Credit and other retail loans. The Loan Policy of the Banks defines in the key areas of loans profitability, Risk Management & Regulatory compliance.

2. Objectives

- ✓ Define clearly the strategies to distribute credit to different Sectors.
- ✓ Strengthen Credit monitoring system, of the borrower account to contain NPA & keep loan portfolio healthy.
- ✓ Explore ways & means to accelerate income generation through fee based income.
- ✓ To evolve strategy to improve system & procedure, develop human resources in the field of credit administration & Management.
- ✓ To provide adequate delegation of authority at all level to exposure & avoid asset concentration.
- ✓ Formulate Policy for pricing of loans.
- ✓ Formulate policy for loan collaterals.
- ✓ Evolve system & procedure for portfolio management.

3. Types of Borrowers to be extended Credit by the Bank

The bank shall focus for financing to Individual, Joint borrowers, Professional self-employed, Business man, Sole Proprietor, Partnership, Trustee, Company, Un-incorporated bodies, Societies both credit & noncredit, Real Estate Company, Staff of the Bank, SHGs, JLGs, Artisans, Weavers, and other eligible persons directed by the Government and Reserve Bank of India.

4. Statutory Restrictions

Advance against Bank's own shares

In terms of section 20 (1) (a) of the Banking Regulation Act 1949 (AACS) prohibited to grant loans & advances on the security of its own share

(ii) Restriction on Power to Remit Debt

Section 20 A (1) of the BR Act - 1949 (AACS) Stipulates that the bank shall not, except with prior approval of RBI remit in whole or in part any debt due to it by (a) any of its past or present Director

- (b) Any firm or company in which any of its directors is interested as director, partner, Managing agent or guarantor



(c) Any individual, if any of its directors is his partner, or guarantor

In terms Scheme 20 A (2) of the BR Act, 1949 (AACS) any remission made in contravention of the provision of Subsection (1) above shall be void & of no effect

(d) Loan and advances to officers/ employees of the bank and other relatives.

No officer shall, while exercising his/her lending powers sanctions any credit facility to him/her relatives. Only the next higher sanctioning authority shall ordinarily sanction such facility. The term relative shall include spouse, father, mother including step mother, son including step son, Son's wife, Daughter including step daughter, Daughter's Husband, Brother including step brother, Brother's wife, Sister including step sister, Sister's Husband, Brother including step brother of the spouse and Sister including step sister of the spouse.

Further any credit facility is sanctioned by an authority to

- (i) Any firm in which any of the relatives of any officer/employees of the financing bank hold substantial interest or is interested as a partner or guarantor or
- (ii) Any company in which any of the relative of the officer/employees of the financing bank hold substantial interest or is interest as a director or as a Guarantor, that transaction should also be reported.
- (iii) Prior approval should be obtained from Head Office, where loan is sanctioned in favour of the officers/ employees.

5. Regulatory Restriction

Advance to Directors & their Relative

Consequent to the amendment of the BR Act, 1949 (AACS) in 29th September, 2020, banks have been prohibited to make, provide or renew either secured or unsecured loans & advances or any other financial accommodation to its directors or their relatives, and the firms, company, concerns in which they are interested. The existing advances may be allowed to continue up to the date when they are due. The advances should not be renewed or extended further. However, the Act exempt following categories of director related loan of the above instructions.

- (i) Regular employees-related loans to Staff director on the Board of Bank.
- (ii) Loans to directors & their relations against FD & LIC Policies standing in their own name.

6. Exposure Norms

The bank is guided by exposure stipulated in the CMA norms of 2000. Under CMA, the bank is required to Consider loan proposal for Sanction within the broad frame work of policy guideline issued by RBI / NABARD from time to time and in accordance with the exposure & other time to time prudent banking norms. The exposure norm as stipulated in the CMA norms is based on supervisory rating category of the bank for individual exposure as fixed amount, for unit wise exposure as percentage to capital fund & sector wise exposure as percentages to internal lendable resources. However, the norm shall not apply to the loan sanctioned / outstanding to PACS / LAMPS/ FSS and agricultural advances.

- (i) The capital fund shall comprise paid up capital & free reserves, reserves created by way of revaluation of Fixed Asset, if any should not be included for the purpose of computation.
- (ii) Lendable Resources shall be computed as the sum of share capital, reserves, including provisions. & excluding balance under Agriculture Credit stabilization fund (ACSF) deposits &



borrowings less sum of optimum liquid asset (35% of DTL) Fixed Asset, accumulated loss & any other commitments except loans & advances.

(iii) The term individual shall include individual partners, sole proprietor, partnership, forms & incorporated bodies.

(iv) The exposure shall include funded credit limits like working capital limits, short term/temporary loans & block capital facilities like term loan, interim/ bridge loan granted by the bank out of their own resources or out of the refine and assistance availed from the higher financing agencies. The exposure norm shall also include non-funded financial accommodation like guarantees, letter of Credit etc.

(v) The Sanction limit or loan outstanding whichever is higher shall be reckoned for arriving at the exposure in the case of cash credit limits. In case of term loan outstanding amount to be reckoned for the purpose of exposure. In case of non-fund credit limit only 50 % of such limit or outstanding loan amount whichever is higher to be taken for the purpose.

(vi) Credit limits allocated by directly by the RBI for the purpose of food Credit limit etc. will be outside the purview & exposure limit.

UNIT WISE & SECTOR WISE EXPOSURE LIMIT

<u>NABARD inspection rating</u>	<u>Unit wise exposure as % to Capital Fund</u>	<u>Sector wise exposure as % to Internal lendable resources</u>
A	60	50
B	50	40
C	45	35
D	40	30

- The Ceiling for financing of individual shall be Rs.60 lakhs for banks having A rating, Rs. 40 lakhs for banks having B rating & Rs. 25 lakhs for banks having C or D rating as per the latest inspection conducted by NABARD.
- In case bank desires to extend financial assistance to certain units/sectors in excess of cut off limits indicated above, the bank may in such case with relevant details seek specific relaxation from NABARD. NABARD May in exceptional case permit the Bank to extend such finance exceeding exposure limits based on the merit of the individual case.

Requirement of Prior Authorization

Types of financing	With Deposits more than ₹ 300 Crore	With Deposits less than ₹ 300 Crore
Pledge/hypothecation limits against commodities not covered by RBI directions (other than food grains)	15 Cr.	10 Cr.
Pledge Hypothecation limits against commodities covered by RBI directions (Other than	7.5 Cr.	5.00 Cr.



food grains)		
Purchase / Procurement of Food grains outside PDS	7.5 Cr.	5.00 Cr.

iv) Sanction of credit limit by the bank or consortium with other banks to the cooperative marketing societies / consumer stores/societies/ state level cooperative federation in respect of purchase/procurement scheme of the state govt. outside PDS (other than food credit) the aggregate amount of sanction is beyond the prescribed cut off points.

7. Exposure limit Individual Housing loan & Credit to Commercial Real Estate - Residential Housing (CRE-RH)

In terms of RMB circular dated 8th June 2022 the RBI has revised the credit limit in residential housing loan to an individual borrows

Category of the bank

Limit for Individual borrower

- | | |
|---|--------------|
| ✓ Bank having assessed net worth less than Rs. 100 cr | Rs. 50 Lakhs |
| ✓ Bank having assessed net worth equals to or more than 100 cr. | Rs. 75 lakhs |

Bank can based on the board approval can extend financial support to Commercial Real Estate-Residential housing financial limit of 5 % of their total asset.

8. Types of loans /credit facilities extend by the bank to the Borrows: -

Short Term loan (KCC)

In order to extend timely & adequate credit to the small farmers, marginal farmers / other farmers to meet their production credit requirements, Kisan Credit card is implemented on a Revolving cash credit account. For this Credit facility bank is required to finance credit societies in on leading mode based on the scale of finance covering cash component for wages, kind component, crop insurance premium for notified crops, irrigation expenses, post-harvest, house hold expenses, consumption requirements etc. Bank may prefer financing cash credit mode based on the credit limit prepared both for Khariff and Rabi for a period of five years. The bank is also required to review the credit limit so prepared every year adding new members and enhancement of Scale of Finance. Bank may ensure following aspects while extending on lending credit facilities to PACS/LAMPS/FSS.

- (i) Financing method- cash credit limit
- (ii) Period of limit-5 years
- (iii) Repayment Period- Each of the drawl by the PACS/ LAMPS/FSS the due date shall be 12 months from the date of drawl and Long Duration Crops due date shall be 18 months from the date of drawl
- (iv) Preparation of Credit Limit- Form 2(a)



- (v) Issuance of Pass Books- The existing system of Pass book in form 9 and distribution of pass book in form 10 may be adhered.
 - (vi) Opening of savings bank account in the name of borrower- All transactions should be made through SB account of the member.
 - (vii) Specimen Signature and three numbers of photograph to be obtained from the borrower.
 - (viii) Cheque System for drawl of funds from the cash credit account to be adopted.
 - (ix) Premium of Crop Insurance- Bank may ensure that PMFBY and weather-based crop insurance to be debited from the borrower account for the notified crops.
 - (x) Disbursement of Cash Components- in Form No 17, the drawl effected by the farmer shall be communicated to the PACS for reconciliation.
 - (xi) Recovery of the loan shall be reflected in the Form No 22.
- XII) Execution of agreement & bond by the KCC holder & the PACS|LAMPS|FSS – Bank should ensure execution of agreement & bond between PACS & KCC holder. Besides KCC holders shall have to create charge on the landed property schedule – C (under rule 44-A) of the Odisha cooperative rule 1965 as stipulated under section 34 (2) of the OCS Act 1962.
- XIII) Share linkage – KCC holder shall provide 10 % bank loan & advance towards shares capital to the PACS. Similarly PACS shall provide 10% of the loans received from the bank towards the share capital.
- XIV) Interest on crops loan – Interest rate shall be decided at the time of issue of policy circular by RBI/NABARD from time to time. The rate will be governed by the interest subvention/interest incentive admissible on crop loan both by GOI through NABARD and state government. However, changing of interest is to be done uniformly as applicable to agricultural advance.
- XV) Security – Security will be applicable as per RBI guidelines stipulated from time to time and Government of Odisha.
- (i) Security requirement for crop loan will be as under-
 - (a) Hypothecation of crop up to credit limit of Rs. 2.00 lakh as per the extent guideline of RBI.
 - (b) With tie-up arrangements for recovery bank may consider sanction of loans on hypothecation/ tie up of crop up to credit limit of Rs 3 lakhs without insisting collateral security
 - iii) Collateral security may be obtained at the discretion of bank of for loan limit above Rs.2.00 lakh in case of non-tie up & above Rs. 3 lakhs in case of tie-up advances.



- XVI) Appraisal – After submission of the loan application by the applicant to the PACS/LAMPS/ FSS as the case may be, society shall verify the credentials of the applicant & the security offered with that of the land records and then finalize the loan amount based on the crop & land holding (as per scale of finance). Charge creation on the security to be ensure release of the loan.
- XVII) Sanctioning authority – Loan Committee of Management of PACS may sanction the credit requirement of applicants in form 2(a) and send to bank for approval.
- XVIII) Documents: -
- Title deed
 - Pass book
 - Revenue Receipt
 - Encumbrance Certificate
 - Loan Agreement
 - Demand Promissory note
 - Charge Creation bond
 - Registration charge with command sub registrar
 - Letter of revival
 - Certificate of borrowing power
 - NODC certificate
 - Certificate of genuineness of signature
- XIX) Fees and other charges – The bank will not charge processing or other fees in this category of loan.
- XX) Classification of NPA – The bank shall follow the instant guide line of IRACP norms prescribed by RBI/NABARD – The loan will be treated as NPA after two crop season or one crop season for short duration crop & long duration crops from the date of overdue respectively.
- XXI) Safe custody of documents – The documents submitted by the borrowers are to be kept in the safe custody by the secretary as decided in the operational aspects of the PACS.
- XXII) Accounting procedure & disbursement of loan to the borrower's SB account. After scrutiny of the documents which is found to be correct, loan amount is to be released to the account of borrower at PACs level. The PACs may also ensure to open SB account of the borrow at bank's branches where in the loan proceeds are credited to facilitate the borrows to draw the amount by using debit card (RUPAY).
- XXIII) Closure of renewal of loan account -
The amount of loan is treated as cash credit account and the farms is allowed to draw or operate the account at his convenience to the extent of limit during the currency of account on or before due date the loan is to be recovered / renewed from the farmer. The renewal can be initiated while repaying the interest amount.
- XXIV) Delivery of documents – The documents which are deposited by the borrowings is to be returned to him upon full & final settlement of loan.



INSURANCE -

Bank may ensure to insure the borrower for any mis-happening due to natural calamities as well as sudden demise of the borrower, the insurance premium would be borne by the borrower.

9. **Joint Liability Group** – (JLG) under BALARAM JLG is an informal group comprising 4 to 10 individuals coming together for the purpose of availing bank loan either singly or through group mode against mutual guarantee. The bank may ensure to obtain joint undertaking from the JLG members that will enable to secure bank loan. JLG members are expected to engage in similar types economic activities like crop production. The target group for the bank for financing JLG are:-

Tenant farmers oral leasee & share cropper which do not possess proper title of their land.

Criteria to be followed by the bank for selection of JLG members

- i) Member should be similar socio-economic states & background carrying out farming activities & who agree to function as joint liability group.
- ii) The group must be organized by the likeminded farmers & not imposed by the bank or others.
- iii) The member should be residing in the same village / area and should know & trust each well enough to take up joint liability for group/individual loan.
- iv) The members should be engaged in agricultural activity for a continues period of not less than 1 year within area of operation of the bank branch.
- v) The group members should not be defaulter to any other formal financial institution.
- vi) JLG should not be formed with members of the same facility & more than one person from the same family.

Financing Model

Financing individual in the group – Under this model bank may finance to the JLG in the separate individual loan. All members shall jointly execute are intersect agreement. The bank may assess credit requirement depending on crops to be cultivated, available cultivable land & credit absorption capacity of the individual.

Financing in the group model –

The group would be eligible for accessing one loan, which held be combined credit requirement of all its members. The credit assessment of the group could be based on the available cultivable area by each member of the JLG all members would jointly execute the documents & own the debt liability jointly & severally.

Types of loan_– Bank may consider Cash Credit Short Term Loan depending upon purpose of loan.



LOAN LIMIT – The loan to be granted is against the mutual guarantee offered by the group, maximum amount of loan may be restricted to Rs.50,000/- per individual for both model subject to maximum Rs.2.00 lakhs Krishak Sathi will help JLG in preparation of loan application & submission of the same along with certificate of cultivation to the bank/PACs for credit linkage. The COC will only be used for the purpose of availing crop loan from the bank & PALS will BALARAM scheme & no other purpose in case of default by the JLG members to whom COC has been issued there shall be no liability on the owner.

RATE OF INTEREST –

Bank may decide the rate of interest to be charged to the JLGs however bank may consider providing incentives for prompt repayment to JLGs as applicable. Besides state govt. may provide interest information to the JLG members was envisaged in the KCC loan.

MARGIN & SECURITY NORMS –

No collateral may be insisted upon by the bank against their loan to JLGs. However, bank may ensure group to exclude intersect agreement. Margin as per the usual norms may be applied.

INSURANCE -

Bank may ensure to insure the borrower for any mis-happening due to natural calamities as well as sudden demise of the borrower, the insurance premium would be borne by the borrower.

CROP INSURANCE –

The farmer of the JLG may be covered as loanee farmer under PMFBY if they give their consent.

REPAYMENT –

The repayment modality of the JLG loan shall be same as crop loan sanctioned under Kisan Credit Card.

The Documents required for JLGs and SHGs will be as under

1. Voter card
2. Aadhaar Card
3. Photo
4. Loan application
5. PACS form No- 5
6. PACS for no -24 security bond loanee member
7. PACS form 24 -Security bond JLG/ SHGs President /Secretary
8. PACS form no -5
9. PACS form no -12
10. PACS form no- 26
11. PACS form no -26 A
12. PACS form no -26 B
13. PACS for no -27
14. Annexure-IV and V for SHGs
15. SHG/JLG application from signed by President/ Secretary
16. SHG/JLG resolution copy
17. PACS Resolution Copy



18. SHG/JLG pass book Xerox copy
19. Intersee Agreement
20. Voucher slip signed by PACS/ LAMPS President and Secretary / Director
21. Agreement PACS
22. Green Bond/ Agreement of PACS
23. Promissory Notes of PACS
24. DP note with revenue stamp signed by PACS President/ Secretary
25. DP note with revenue stamp signed by PACS JLG/ SHG President/ Secretary
26. DP note with revenue stamp signed by each loanee member
27. PACS receipt signed by PACS President and Secretary
28. PACS Current Account Cheque
29. SHG/JLG SB A/C Cheque with loanee member list
30. PACS- SCAL
31. SHG/JLG – SCAL
32. Membership Identity card
33. Loan Passbook

Delivery channel

Bank shall put in place the KCC issued to the farmer to transact / operation in their KCC account.

- i) Withdrawal through ATM / Micro-ATM
- ii) Withdrawal through BCs using Smart Card
- iii) POS machine through input dealer
- iv) Mobile Banking with IMPS compatibility /IVR
- v) Aadhaar Enables Card

10. Financing Banker Assistance for livelihood and income Augmentation (BALIA)

Eligibility criteria

- i) All handloom weavers and ancillary workers involved in weaving activities who have not defaulted in repayment of bank loan.
- ii) Weavers/ancillary workers minimum age group of 18 years.
- iii) Only one member of a weaver family /Hand hold will be eligible to avail loan. The weaver family comprise of the weaver & his or her spouse along with their dependent children. In case more than one loan is installed in a house hold, then other members like spouse son or daughter above 18 years of age of the family / house hold of formed otherwise eligible may also be considered to avail the assistance.
- iv) One member can avail cash credit loan up to Rs.1,00,000/- from the bank.
- v) Preference would be given to weavers identified under 4 census of handloom weavers conducted by the Govt. of India as State Government. In exceptional cases of weavers not covered under handloom census of GOI & state Govt. may also be considered if they are other member of PWCS or recommended by the concerned zonal officer (Textile) that they have weaving profession.



- vi) Thrust in financing would be in cluster of weavers & ancillary workers who have joined PWCS/SHGs/JLG.
- vii) All existing weavers' borrowers of the bank enjoying credit facility & having satisfactory dealing with the bank will also be eligible to avail credit facility under the scheme for a period of 3 years.
- viii) Interest subvention will be available to only loanee member who are not defaulter to encourage prompt pleasant to the bank.
- ix) The weavers must be a permanent residence/domicile of area of operation.
- x) The weavers his/her spouse should not be a government /PSU sector employee.
- xi) The application should furnish an affidavit or self-declaration that he/she not been connected of any criminal offences.

INSURANCE -

Bank may ensure to insure the borrower for any mis-happening due to natural calamities as well as sudden demise of the borrower, the insurance premium would be borne by the borrower.

ISSUE OF ATM DEBIT CARD-

To facilitate the banking transaction, the beneficiary may open a savings bank account with the bank & provide debit card along with passbook. After sanction of CC loan by the bank the fund will be transferred from loan account to savings bank account of the weaver. The cost of the same shall be borne by the bank.

FIXATION OF CREDIT LIMIT -

The credit limit will be fixed based an assessment of working capital requirements like purchase of raw materials i.e Hank yarn Dxtuff & chemicals. Tie & Dyed yarn etc. required for carrying out weaving activities. The maximum limit to individual weaver will be up to Rs. 50,000/- cash credit & unit provide for any number of drawals & repayment within the limit. The limit sanctioned by the bank would have validity period of 3 years & of need to accommodate incremental working capital requirement.

RATE OF INTEREST & INTEREST SUBMISSION -

The interest to be charged to the weaver is as per the interest rate stipulated by the Committee of Management of the Bank. The charge of interest may also be applicable as per the default, overdue interest may be charged to the borrower as per the bank's stipulated norms. Besides the entire interest amount charged by the bank in a year will be reimbursed by the Govt. of Odisha to the bank. Beyond 3 years limit period govt. of Odisha will have no liability to reimburse interest on the loan sanctioned. The liability of the Government will be limited to the extent of interest subvention only. The interest subvention shall be calculated by the bank on net loan in case any subsidy admissible under any scheme of government.



11. Self Help Group (SHG)

The bank offers various SHG loan products under the DAY-NRLM scheme. This scheme will provide financial support to SHGs including women SHGs to pursue their income generating activities. This scheme will promote to alleviate the poor condition of the rural women.

(i) Constituent and size of the member

DAY-NRLM promotes affinity base women self-help group (SHGs). In case group to be formed with person with disabilities and other special category like elders and transgender. Bank may both men and women in the SHG. Bank may consider financing to the group having 10-20 members. In case of special SHGs i.e. Group in difficult areas, group with disable person and group formed in remote tribal areas, this number may be minimum of 5 members.

ii) Interest Rate

The interest rate will be applicable to the group as decided by the committee of management and RBI. Besides bank will extend credit at a concessional interest rate per annum. For outstanding credit balance up to Rs 3.0 lakhs bank will extend subvention at uniform rate applicable. The bank will pay interest subvention only for the period during which the account remains in standard category. In the event of default the group will pay overdue interest as applicable till instalment remains overdue.

(iii) Eligibility Criteria for SHGs to avail loan

- SHGs should be in active existence for at least 6 months as per their books of accounts (not from the date of opening of SB account)
- SHGs should be practicing Pancha Sutra ie regular meeting, regular savings, regular inter loaning, timely repayment and up to date books of accounts.
- SHGs should qualify as per grading norms fixed by NABARD. Minimum 75% marks to be score to get credit linkage from the bank. However, bank may consider relaxation of scoring marks as per merit of the case.
- The existing defunct SHGs are also eligible for credit if these groups are reviewed and continue to be active for a minimum period of three months.

(iv) Loan Amount

- Bank may consider multiple doses of assistance under the scheme. Thus, the group will access higher amount of credit for taking up sustainable livelihood and improving the quality of life. For operating the transaction by the authorized member of the group dual authentication through Aadhaar and biometric, ON-US/ intra bank transaction and OFF-US/ inter-bank transaction may be allowed. KYC for all members may be obtained by the bank while extending credit facilities to the groups.
- SHGs may be allowed by the bank to avail either Term Loan or Cash Credit limit or both based on their requirement. In case of need, additional may be sanctioned even though the previous loan is outstanding, based on the repayment behavior and performance of the SHGs.
- Bank may consider providing cash credit limit a minimum loan of Rs 6 lakh to each eligible SHGs for a period of 3 years with a yearly drawing power (DP). The DP may



be enhanced annually based on the repayment performance of SHGs. The bank may allow the DP to the group as per followings

- (a) DP for the first year 6 times of the exiting corpus or minimum of Rs. 1.5 lakhs whichever is higher.
- (b) DP for the second year 8 times of the corpus at the time of review/ enhancement or minimum of Rs. 3 lakhs whichever is higher.
- (c) DP for the 3rd year minimum of Rs. 6 lakhs based on the micro credit prepared by the SHGs and appraised by the federation/ support agency and previous credit history.
- (d) DP for the fourth year onwards above Rs. 6 lakhs based on the micro credit plan prepared by SHGs and appraised by federation/ support agency and previous credit history.

Procedure to be followed for sanction of Term Loan to SHGs

- (a) First doses 6 times of existing corpus minimum Rs 1.5 lakhs whichever is higher.
- (b) Second doses 8 times of existing corpus minimum Rs. 3.00 lakhs whichever is higher.
- (c) Third dose minimum Rs. 6 lakhs based on the Micro Credit Plan prepared by the SHGs and appraised by the federation/supporting agency and the previous credit history.
- (d) Fourth dose onwards above Rs. 6 lakhs based on micro credit plan prepared by the SHGs and appraised by the federation/supporting agency and the previous credit history.
Corpus includes revolving fund, SHGs own savings, interest earned by the SHG from on lending to its member and income from other sources.
- (e) Bank may consider for extending loan up to Rs. 10 lakhs to graduate for entrepreneurship. The group should be matured, well performing which is more than two years old and have accessed at least one dose of bank loan with timely repayment. After repayment of Rs. 10 lakhs, group may be provided by the bank another amount of Rs. 10 lakhs.

Repayment Procedure of Term Loan

- (a) The first dose of loan to be repaid in 24-36 months in monthly / quarterly Instalment.
- (b) The second dose of loan to be repaid in 36-48 months in monthly/ quarterly Installments.
- (c) The third dose of the loan to be repaid in 48-60 months based on the cash flow in monthly/ quarterly installment.
- (d) From the fourth dose onwards, loan may be repaid between 60- 72 months based on the cash flow in monthly/ quarterly installment.

NPA Norms

All credit facilities sanctioned under- DAY-NRLM, the IRACP norm will be governed by RBI from time to time Security and Margin

- (a) Loan up to no collateral and no margin will be obtained by the bank from SHGs and no deposited to be insisted
- (b) Loan above Rs.10 lakhs and up to Rs.20 lakhs, no collateral should be obtained and no lien should be marked against savings bank account of SHGs. However entire amount



of loan even if subsequently goes below Rs.10 lakhs would be eligible for coverage under Credit Guarantee Micro Unit (CGFMU)

- (c) Loan above Rs.10 lakhs and up to Rs.20 lakhs a margin of 10% may be obtained by the bank

Documents

- KYC of all members
- Resolution Passed by the group
- Loan Agreement
- Intersee Agreement
- Grading Sheet
- Sponsor letter
- DP note
- Letter of revival

AGRICULTURE TERM LOAN

Bank is expected to finance Agriculture Medium Term loan and Long-Term Loans to the eligible borrowers/ institutions. The period of the said loans will be exceeding 12 months and up to 15 years. However, committee of Management and also as per RBI/ NABARD guidelines, the tenure of the loan can be extended beyond 15 years in need base activity. The loan to be sanctioned based on the project cost indicated in the DPR either by the individual entrepreneur or by the various departments of the state government/ central government. Bank also to take in to consideration amount indicated in the unit cost prepared by NABARD and also adopt realistic cost based on the local condition and merit of each case.

The Bank will extend following types of Agriculture Term loan to the borrower living in the area of operation.

- i. Minor Irrigation – Pump set, Dug well, Deep Tubewell, Shallow Tube Well, Pond, Drip Irrigation, Sprinkler Irrigation, Solar System for Irrigation and other related activities for irrigation purposes
- ii. Land Development and Wasteland Development activities
- iii. Purchase of Live Stock for agriculture purposes
- iv. Construction and improvement of farm houses or cattle shed for dairy activities
- v. Dry land Farming
- vi. Organic Farming and contract farming under agriculture
- vii. Transport, equipment such as bullock, carts etc
- viii. Establishment of Export Zone
- ix. Farm Mechanization- Purchase of Tractor, Power Tiller, Combined Harvester, Rotvater, Cage Wheel, Plougher, Trailor, Thresher, Opener, Drone and other farm equipment for farm uses.
- x. Allied Activities- Dairy, Gottary, Sheep, Poultry, Piggery, Fishery, Duckery, Rabbit rearing, Bee Keeping and other allied activities
- xi. Horticulture Activities- Mango, Lemon, Oranges, Grapes, papaya, Banana, Litchi, Pomegranate, Custard Apple, Pine Apple, Jack Fruit, Drum Stick, Coconut, beetle nut and other horticulture activities.
- xii. Medicinal Plants and Farm Forestry



- xiii. Spices Plants
- xiv. Construction of Cold Storage, Rural Godown, Silos, Bulk Cooling Plants, Chilling Plants etc.
- xv. Establishment of Agro Service Centers, Multi Service Centers, Agro Clinic etc.
- xvi. Any purpose related to agriculture purpose directed by the Government or decided by the Committee of Management.

2. Types of Borrowers to be financed

Bank may extend credit facilities to Individual, Joint Borrower, Partnership holder, SHGs, Trustee, Entrepreneurs, Government employees, Credit and Non-Credit Societies, FPOs, Sole proprietor, Companies etc.

3. Tenure of Loan- Loan may be given to the borrowers more than one year and up to 15 years further tenure can be extended beyond 15 years as decided by the Board.

4. Grace Period – Grace period can be extended to the borrowers based on the activities as also indicated in the Unit Cost document and also as directed by the Government.

5. Margin Money and Share Money – Loan up to Rs 10,000/- no margin will be charged and minimum margin money / down payment to be collected from the borrower shall be 10% to 15 % as decided by the Board. The share money for agriculture term Loan for various slab as under.

Loan up to Rs 5 lakhs Rs 500/-

Loan above Rs 5 lakhs and up to Rs 10 lakhs Rs 750/-

Loan above Rs 10 lakhs and up to Rs 15 lakhs Rs 850/-

Loan above Rs 15 lakhs Rs 1000/-

6. Rate of Interest- As decided by the Board from time to time.

7. Bank will charge overdue Interest on 2% above the existing interest rate applicable from time to time.

8. Indication of Special Mention Account- SMA-0, SMA-1, SMA-2 may be indicated invariably in the sanction letter or loan agreement in respect of Term Loan Finance and Cash Credit Loan. (SMA -0 Overdue period up to 30 days, SMA -1 period from 31 to 60 days and SMA-2 period from 61 to 90 days).

8. Analysis of the Project Report- Before sanction of the loan proposal bank may have to take due care by adopting table scrutiny, pre sanction visit and undertake borrower appraisal, analysis of Technical Feasibility, analysis of Financial Viability and Ratio Analysis of the project.

9. Credit Analysis- While sanctioning the project may undertake review of financial statement of the borrower, Tax Returns, bank statement, analysis of economic trends and make market enquiry.

10. Post Sanction Visit to the Project- The bank may ensure 100% visit to all projects by the branch and minimum 25% by the Head Office. End use of the loan to be ensured and if diversion of fund is observed bank has every right to take legal recourse to recover the loan. This condition may be indicated in the sanction letter.

11. Risk Assessment of the Borrower- Bank may ensure to obtain credit score from at least two agencies to establish the credit behavior of the borrower. The minimum Credit Score required for the finance 750 marks. Below 750 marks and up to 650 marks, bank may after duly approved by the Board to charge additional rate of interest at 0.5% above the normal rate of interest charged by the bank. Bank will ensure to obtain collateral Security where ever required and ensure its adequacy of realizability (easily liquidate) and enforceability (legally tenable).



12. Rephasement of the Project- Board of Director based on the report received from the branch may consider rephasing of the project in merit of each case. Maximum period of the project may be rephased six months to two years. Bank may accordingly intimate the borrower and rework out the repayment schedule of the loan installment. The branch may be required to clearly spell out the problems faced by the borrower and genuineness of the rephasing of the project.

13. Insurance - The Bank will ensure to obtain a copy of the insurance for the finance made (Loan Amount) for the movable asset. The bank may also ensure to obtain a renewal insurance copy every year and kept in the loan file.

14. Processing Fees- Bank may charge processing fees as decided by the Board from time to time. The charges levied to the borrower to be indicated in the sanction letter. No hidden charges to be levied to the borrower.

15. Period of sanction of the loan proposal- Loan proposal received by the branch from the applicant either directly or through department or through sponsoring agency to be scrutinized and sanctioned within seven working days from the date of receipt of the application. In case the loan proposal is found to be not suitable or not bankable branch may send immediately to the Head Office for rejection of the proposal indicating the reason that the proposal is not found to be suitable or bankable. HO, after proper examination, intimate the branch for conveying the loan proposal is not found to be bankable. Similarly, loan proposal received by the HO through Branches beyond delegation of power of branch may be scrutinized and sanctioned within seven working days from the date of receipt of the loan proposal. The rejection of the proposal to be intimated to the applicant within seven working days from the date of approval from the competent authority (Approval for rejection of the proposal to be obtained from the next higher of the sanction authority)

MT Conversion

In the event of natural calamities such as locust attack, hail storm, internal aggression and external aggression if the crop damaged is between 33 to 50 percentage and above 50 percentage and based on the crop cutting survey decision and SLBC decision, Bank may consider converting Short Term Crop Loan to Medium Term Loan. The period of Loan for the conversion would be 2 years in case of crop damaged is between 33 to 50 percentages and 3 years in case of crop damage is more than 50 percentages. Farmers affected by the above referred causes after converting short term loan to medium term loan, fresh crop loan (KCC) may be provided as per their eligibility (Scale of Finance and repaying capacity). Rate of Interest charged by the Bank would be as per RBI guidelines. In the event of default in repayment of installment Bank may charge overdue interest as applicable from time to time. For the purpose of prudential norms and NPA classification about treatment of agricultural loan affected by natural calamities, norms fixed by RBI should be followed.

16. Disposal of complaint/ grievances

Bank will have a Grievance Redressal Cell in the Head Office of the Bank and make available all the details viz. where a complaint can be made, how complaint should be made, when to expect a reply and whom to approach for redressal of grievances. Respond to the complaint whether positive or negative or requiring more time for redressal would be as per followings

- i. The complaint and grievance register to be maintained at branches of the bank and HO.
- ii. Periodical review to be made by CEO of the bank on the grievances redressed and pending for redressing the complaints.



iii. Operational issues to be redressed at branch level within seven working days from the date of receipt of the complaint and Head Office Level within fifteen days and at any cost not beyond 60 days from the date of receipts.

iv. Regarding Financial complaint Branch Manager to forward the case to HO within 48 hours from the date of receipt of the complaints and redress by HO not beyond 30 days from the complaints received from the branch or directly from the customers.

17. Diversion of Fund

End use of the loan to be ensured by the branches. In case fund is misused or diverted to other purposes, bank may after obtaining approval from the Board may treat as fraud and recall the amount along with interest and take legal recourse wherever required.

18. Security and Share money

The asset created shall be hypothecated as primary security by executing a Hypothecation Deed. In respect of immovable properties charge shall be created owned by the borrower under section 34(2) of OCS Act 1962 as collateral security. Agricultural Term Loan (ATL) proposal above Rs. 10 lakhs including subsidy, borrower shall provide additional security in the shape of collateral viz. FD, Postal Certificate, LIC Policy (of maturity value 50% of the loan amount excluding subsidy). In case immovable property is offered as security same shall be valued by a Registered and empaneled valuer and legal opinion to be obtained from empaneled lawyer regarding title deed and marketability of security. The bank shall ensure the guidelines issued by the Government of Odisha for ATL and shall availed interest subvention/ subsidy. Bank will ensure to return the Securities obtained against the loan disbursed after liquidating all his/her obligations including share money, the said securities will be returned to the borrower within 30 days from the date of debt liquidation.

Delegation of Power

The Management Committee of the SDCCB shall consider delegation of power to the Secretary / CEO of the Bank, Deputy General Manager, Asst. General Manager, Manager and Asst. Manager to negotiate, sign and endorse cheque, Bill of Exchange and other negotiable instrument in the name and on behalf of the Sundargarh District Central Cooperative Bank to operate Bank account with other Banks, Financial Institution and borrowing higher financing agencies and Government.

The Management of the of the Bank will also consider delegating power to sanction of loan as per the followings

1. The Loan Committee: Rs.....
2. The CEO of the Bank: Rs.....
3. The Manager: Rs.....

The officers of the Bank will be authorized by the Management Committee to release the loan sanctioned by them, the officers of the Bank shall be wholly responsible for any lapses in appraisal, documentation, follow-up and monitoring.



19. Prepayment/ Foreclosure

No foreclosure will be allowed for a loan period up to 3 years or within the lock-in period. However, bank will allow advance payment of the installment due. In case foreclosure of the loan is requested by the borrower on merit of case. Committee of Management may consider by charging 2% interest on loan outstanding for the remaining of the loan period.

20. Processing Fees

Bank will charge processing fee @0.25% for loan amount of Rs. 2.00 lakhs with maximum Rs. 1000/- and above Rs 2.00 lakhs @0.25% with maximum of Rs 4000/-. In case the project amount is more than 50 lakh, the processing fee will be charged @ 0.25 % with a maximum of Rs. 10000/-. Appropriate rate of GST may be collected from the borrower on the processing fees.

DOCUMENTS

Common Documents

- i. Application form
- ii. Detailed Project Report
- iii. KYC documents
- iv. Passport size photo 03 numbers not more than three months old from the borrower
- v. Proof of Registration
 - a. Article of Association for Company
 - b. Certificate of Registration of Firm (Partnership firm)
 - c. Certificate of Registration for Trust (Trust)
- vi. Income Tax Return for last three years (where ever required)
- vii. Audited Balance sheet of last 3 years (wherever required)
- viii. Copy of Bank Statement for last one year (wherever required)
- ix. CIBIL score
- x. Net worth statement / Balance Sheet
- xi. ROR
- xii. Latest Revenue receipt
- xiii. Utility bills wherever required.
- xiv. Salary slips for salaried person last three months (wherever require)
- xv. Go ahead letter from Government (wherever required)
- xvi. Unencumbered certificate (EC-25) on the property
- xvii. All original documents if loan is transferred from previous bank including no objection certificate from pervious financing bank (take over)

Additional Documents purpose wise (Mandatory)

1. Farm Development Loan (dug well, Pond etc)
 - i. Wherever construction is involved estimate, lay out plan, approval
 - ii. Valuation Certificate of the land from the competent Authority/ Approved Valuer
 - iii. Detailed Project Report
2. Plantation/ Horticulture
 - i. Latest Agricultural Income Tax, Wealth tax Assessment order/ returned filed
 - ii. Audited Balance sheet for three years if loan is above Rs 10 lakhs



- iii. Detailed Project Report
3. Pump set, deep tube well, Shallow tube well Loan
 - i. Feasibility Certificate from the electricity board wherever required
 - ii. Water right certificate from competent authority in case of public source water
 - iii. Proforma invoice/ invoice showing the price separately for each item
 - iv. Water yield Certificate from dept. of Mines and Geology, Ground Water Directorate in respect of bore well drill
4. Farm Mechanization (Tractor, Power Tiller, Combined Harvester etc)
 - i. Proforma invoice for the farm machinery proposed to be purchased
 - ii. Detailed Project Report
5. Drip/ Sprinkler Irrigation
 - i. Proforma Invoice with Technical Report containing lay out plan from the dealer
 - ii. Detailed Project Report
6. Sheep/ Goat/ Piggery
 - i. A certificate from Department of Animal Husbandry/ Forest Department recommending goat rearing in the area
 - ii. Copy the detailed project report
7. Inland Fisheries
 - i. PH value report of the water
 - ii. Estimated/ invoiced of the work to be done
 - iii. Copy of the detailed project report
8. Poultry and Duckery
 - i. Proforma invoice for purchase of equipment, cage, bird etc
 - ii. Plan estimate for construction of buildings
 - iii. Detailed Project Report
 - iv. Pollution Certificate from the pollution Department
9. Biogas Plant
 - i. Technical Feasibility Report from KVIC/KVIB/BDO/ Department of Agriculture
 - ii. Quotation for gas holder from approved fabricator/supplier
 - iii. Copy of the Project Report
10. Agri Clinic and Agri Business Scheme
 - i. Valuation Certificate of the land from the competent authority/ approved valuer
 - ii. Wherever construction is involved, estimate, layout plan, approval to be submitted
 - iii. Proforma invoice for machinery/equipment/ vehicle to be purchased
 - iv. Copy of Degree Certificate/ Mark Certificate in Agriculture Science or any other degrees approved by the Govt.
 - v. Detail Project Report
11. Purchase of Land for Agriculture Purpose
 - i. Documents of title and other relevant documents in respect of presently held landed property as well as land to be purchased
 - ii. Copy of Sale Agreement if entered into



- iii. Valuation Report from the panel valuer/ technical consultant for land to be purchased and collateral security of existing immovable offered
- iv. Crop history of the land to be purchased as well as existing crop
- v. Repayment loan from other sources of income, support documentary proof of the same is to be furnished
- vi. Tax Assessment order and copies of the tax return field indicating financial position

12. Rural godown scheme

- i. Title deed
- ii. Leased agreement
- iii. Bank account details
- iv. Income proof
- v. Detailed project report

13. Dairy Loan

- i. Plan out lay of the structure(shed)
- ii. If leased land registered lease agreement to be obtained
- iii. MKUY scheme lease agreement to be 15 years and more

14. Scheme for redemption of debt of farmers from non-institutional sources

- i. Declaration indicating the sources (name and address) amount of debt, date of creation of debt and other relevant details certified by Gram Panchayat members/ reputed existing customer of the branch/ President or Secretary of a reputed NGO operating in the block
- ii. An undertaking that no borrowing would be made from non-institutional source during the pendency of loan (in case loan is permitted)
- iii. Charge on the land to be created in favour of the bank including mortgage loan

Post Sanction Documents/ Legal Documents

- i. Sanction Letter
- ii. Acceptance of Terms and Condition of the sanction
- iii. Loan Agreement
- iv. Demand Promissory Note for Demand Loan
- v. Time Promissory Note for Term Loan
- vi. Guarantee Deed
- vii. Mortgage Deed (wherever required)
- viii. Hypothecation Deed (wherever required)
- ix. Pledge Deed (wherever required)
- x. Memorandum of Article for Company finance
- xi. Trustee Deed for trust for Trust finance
- xii. Partnership Deed for partnership finance
- xiii. Letter of Continuity/ Revival
- xiv. Memorandum cum Indemnity
- xv. Counter Indemnity for Guarantee Limit
- xvi. Letter of Setoff
- xvii. Power of attorney
- xviii. Acknowledgement of debt
- xix. Indemnity bond
- xx. Rent Agreement



- xxi. Re-conveyance of Mortgage
- xxii. Letter of Lien
- xxiii. Letter of assignment
- xxiv. Affidavit wherever required

Early Warning Signals of operation of Loan account by the borrower

Bank officials should take utmost care and watch the loan account operated by the borrower which may turn out to be fraudulent.

1. Default in payment to the bank/Sundry debtor and other statutory bodies etc. bouncing of the high value cheque.
2. Under-insured or over insured inventory.
3. Invoice devoid of TIN and other details.
4. Disputes on title of the collateral securities.
5. Funds coming from other banks to liquidate the outstanding loan amount.
6. Request received from the borrower to postpone the inspection of the godown for flimsy reasons.
7. Financing the unit far away from the branch.
8. Frequent invocation of Bank Guarantee and development of Letter of Credit.
9. Funding of the interest by sanctioning additional facilities.
10. Same collateral charged to a number of lenders.
11. Concealment of certain vital documents like master agreement, insurance coverage.
12. Large number of transactions with inter- connected companies and large outstanding from the companies.
13. Significant movements in inventory, disproportionately higher than the growth in turn over.
14. Significant movement in receivable, disproportionately higher than the growth in turnover and/ or increase in ageing of the receivable.
15. Disproportionately increase in other current account.
16. Significant increase in working capital borrowing as percentages of turn over.
17. Critical issues highlighted in the stock audit report.
18. Increase in fixed asset, without corresponding increase in turn over.
19. Increase in borrowing despite huge cash and cash equivalents in borrower's balance sheet.
20. Substantial related party transaction.
21. Frequent request for general purpose of loan.
22. Movement of an account from one bank to another.
23. Frequent ad hoc sanction.
24. Non-routing of sales proceeds through bank.
25. High value RTGS payment to unrelated parties.
26. Heavy cash withdrawal in loan account.
27. Non submission of original bills.

Fair Lending Practices Code

Fair lending Practices Code is a code recommended by IBA and NABARD. The Objective of this code is to implement and synchronization of best policies Common approach when bank is dealing with the customer. The bank has to make following important declaration for implementation of fair lending Practices code.



- i. To provide professional, efficient, courteous, diligent and speedy services in the matter of retail lending
- ii. Not to discriminate on the basis of religion, caste, sex, decent or any other
- iii. To be fair and honest in advertisement and marketing of loan products
- iv. To provide customer with accurate and timely disclosure of term, cost, right and liabilities as regard loan transaction
- v. If sought, to provide such assistance or advise to customer applying for loan
- vi. To attempt in good faith to resolve any disputes or differences with customers by setting up complaint redressal cell within the organization
- vii. To comply with all the regulatory requirements in good faith
- viii. To spread general awareness about potential risks in contracting loans and encourage customer to take independent financial advice and not act only on representation from bank.
- ix. Fair Practice
 1. Product Information
 - i. Prospective customer would be given all the necessary information adequately explaining the range of loan products available with Sundargarh Central Cooperative Bank and through its branches to suit his/ her needs
 - ii. On exercise of choice, the customer would be given the relevant information about the loan products of his/her choice
 - iii. The customer would be explained the process involved in sanction and disbursement of loan and would be notified of timeline within which all the process will be completed at Bank.
 - iv. The customer would be informed of the procedure involved in servicing and closure of the loan taken.
 2. Interest Rate
 - i. Interest rate for different loan products would be made available through and any one or all the following media
 - (a) In HO of the bank and through branches
 - (b) Over Phone
 - (c) Through prominent display in the branches and other delivery points
 - (d) Display in bank website
 - (e) Through other media from time to time
 - ii. Customer would be entitled to receive periodic updates on the interest rates applicable to the account
 - iii. On demand, customer shall have full details of methods of application of interest
 3. Revision in interest rate
 - i. The bank will notify immediately or as soon as possible any revision in the existing interest rate and make them available to the customer
 - ii. Interest rate revision for the existing customers would be notified at least day before the date of change
 - iii. The bank will notify clearly about the default interest/penal interest rates to prospective customers
 4. Charges
 - i. The bank will notify details of all charges payable by the customer in relation to their loan account
 - ii. The bank will make available for the benefit of the prospective customer all the details relating to charges generally in respect of retail products



- iii. Any revision in charges would be notified in advance and would also be made available
- iv. The bank will clearly specify the charges on account for interest and other charges wherever necessary and get a mandate for debiting the said charge to the account along with the documentation
5. Terms and condition for lending
 - i. The bank will give an acknowledgement of receipt of loan request and if demanded by the customer. A copy of the application form duly acknowledged would also be given as soon as the customer choose to buy a product or service of his choice.
 - ii. Immediately after the decision to sanction the loan, the bank will show draft of the documents that the customer is required to execute and explain, if demanded by the customer, the relevant terms and conditions for sanction and disbursement of loan.
 - iii. Loan application form, Draft documents or such other papers to be signed by a customer should comprehensively contain all the terms and conditions relating to the product or service of his choice.
 - iv. Wherever possible, reason for rejection of loan would be conveyed to the customers.
 - v. Before disbursement of loan and on immediate execution of the loan documents, the bank/ concerned branch would deliver a copy of the duly executed documents to the customers.
 - vi. Margin and security stipulation should not be used as a substitute for due diligence on credit worthiness of the borrower.
 - vii. A copy of the loan agreement along with copies of all enclosure quoted in the loan agreement should be furnished to the borrower. The loan agreement should clearly stipulated credit facility that are solely at the discretion of the lender which may include approval or disallowance of facilities such as drawing beyond the sanction limit, honoring cheque issued for the purpose other than specially agreed to in the credit sanction, and disallowing drawing on a borrowal account on its classification as a non performing asset or on account of non-compliance with the terms and conditions.
 - viii. In the case of consortium arrangement, the participating lenders should evolve procedure to complete appraisal of proposal in a time bound manner to the extent feasible and communicated their decision on financing or otherwise within a reasonable time.
6. Post disbursement supervision
 - i. Post disbursement supervision should be constructive
 - ii. Before taking decision to recall/ accelerate payment or performance under the agreement or seeking additional securities lenders should give notice to borrow, as specified in loan agreement or a reasonable period, if no such condition exists in the loan agreement
7. Information Security
 - i. All personal information of the customer would be confidential and would not be disclosed to any third party unless agreed to by the customer. The term third party excludes all Law enforcement agencies, credit information bureau, Reserve Bank of India/ NABARD and other Banks and Financial Institutions
 - ii. Customer information would be revealed only under the following circumstances
 - If bank is compelled by Law
 - If it is in the public interest to reveal the information
 - If the interests of the Bank required disclosure



8. Financial Distress

- i. The bank would reckon cases of customers financial distress and consider them sympathetically
- ii. Customer would be encouraged to inform about their financial distress as soon as possible
- iii. The bank would adequately train the operational staff to give patient hearing to the customers in financial distress and would render such help as may be possible in their law.


Chief Executive Officer

