

## OD FACILITY TO STAFF

### ELIGIBILITY:

- a) Only Confirmed Employees with Minimum 2 years of service (including probation period) in the Bank are eligible to avail the facility
- b) Take Home Pay after all deductions towards all Loans / Statutory dues including Interest Component on the full eligible limit of OD shall not be less than 40%.

### OVERDRAFT LIMIT :

The cadre wise maximum overdraft limit will be as follows :

| Cadre     | Maximum Eligibility Rupees in lakhs   |       |
|-----------|---|-------|
| Officers  | One Month Basic Pay + DA for each completed year of service subject to a maximum of | 10.00 |
| Clerical  |   | 5.00  |
| Sub-Staff |   | 2.00  |

- a) The request for Enhancement in Limit (within the ceiling applicable to the respective category of staff) consequent to sanction of increment/fitment on promotion can be considered by the Sanctioning Authority subject to fulfillment of terms and conditions.
- b) In the case of reduction in Basic Pay, the limit shall be accordingly brought down by the Branch which is implementing the reduction of pay under intimation to the Sanctioning Authority.

### REPAYMENT:

Interest whenever applied shall be fully serviced and the account shall be kept regular at all times. The outstanding if any at the time of retirement / separation shall be recovered in full with interest from the Terminal Benefits.

### SANCTIONING AUTHORITY:

The delegation of powers for sanctioning the OD facility to staff members will be as under.

|   |  |
|---|--|
| All Staff working in Branches/Offices (Inspection Centres) including BMs,   | ZLCC (SIC) of respective Zone  |
| GMs/DGMs, Zonal Heads, 1n-charge of Inspection Centres, Staff Members of Head Office, Corporate Office, Subsidiaries and IMAGE. | AGM, CO : PBD<br><br>Upon sanction, AGM, PBD to report the same to COLCC(GM) |

**DOCUMENTATION :** Documentation as per Documentation Manual

- a) Application — cum — Undertaking letter
- b) Single DPN.
- c) Agreement for Overdraft.
- d) Letter of authority (in duplicate) authorizing the bank to adjust with/utilize the Terminal /Retirement Benefits viz. Gratuity, PF, Encashment of Leave, etc. towards adjustment of outstanding under overdraft facility — (F-200). (The letter shall be retained along with other loan documents and need not be sent to CO : HRM. In case of adjustment from terminal benefits at the time of separation, these letters shall be acted upon/invoked).
- e) Letter of authority to credit the salary to the OD account.

**OTHER TERMS & CONDITIONS:**

- a. The overdraft account shall be maintained at any of the branches at the option of the employee concerned. However, it will be mandatory for the employees, who are willing to avail this facility to give an Authorisation cum undertaking in writing to designate the OD account for credit of their monthly salary and allowances. The employee shall have the option to transfer the Overdraft account to their home branch or the Overdraft a/c can also be transferred to the branch where he/she is posted. Under no circumstances, more than one OD a/c shall be allowed for any staff member under this scheme.
- b. If for any reason, the OD account remains overdrawn, penal interest at 2% above the applicable rate of interest shall be charged on the amount of excess.
- c. In respect of employees who are placed under suspension, this facility will not be extended. If already extended, such employees will not be allowed to withdraw from the overdraft account during the period of suspension, till the suspension is revoked. Subsistence Allowance will be credited to Savings Bank Account of the employee and not to the OD Account. However the suspended employee shall keep account in order by remitting the monthly interest.
- d. Employees who have remained without pay exceeding one month (in the preceding one year) or who have history of cheque bounces from their account for not maintaining sufficient balance during the last one year will not be eligible for this facility. While sanctioning Staff OD facility to those who are on unauthorised absence, Sanctioning Authorities shall exercise due diligence. The decision by the Sanctioning Authority in these cases shall be final.
- e. The OD facility shall not be utilized for any speculative purpose.
- f. Date of Retirement of the employee concerned shall be marked as the expiry date of OD facility. No periodical review/ renewal of the OD accounts to staff members is required except in case of the employees under suspension and those who remain on leave without pay frequently. However it is the responsibility of the Branch Manager to ensure that none of the staff OD loans are overdrawn.
- g. All charges including processing charges, service charges, ledger folio charges, cheque book charges are waived under the scheme.