



## State Banks' Staff Union

(CHENNAI CIRCLE)

(Regd. No: 883)

(Affiliated to All India State Bank of India Staff Federation)

POST BOX NO.1754  
STATE BANK BUILDINGS  
84, RAJAJI SALAI  
CHENNAI - 600 001.

**CIRCULAR NO.55**

**1<sup>ST</sup> OCTOBER 2014**

### **REVISION IN INDIVIDUAL HOUSING LOAN SCHEME**

We reproduce hereunder the text of the Circular No.17 dated 01.10.2014 issued by Com. M.V.Murali, General Secretary of our All India SBI Staff Federation, the contents of which are self-explanatory.

**(C.M.BASKARAN)**  
**GENERAL SECRETARY**

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#### **TEXT OF THE CIRCULAR NO.17 DATED 1<sup>ST</sup> OCTOBER 2014:**

The loan limits under Individual Housing Loan Scheme were last revised 6 years ago and issues relating to improvements in the scheme were taken up by us with the management on account of escalation in property rates due to increase in prices of land and construction materials. We have been persistently following up with the management not only for revision in the loan limits but also on other matters such as increase in repayment period, applicability of repayment of loan after retirement to all employees irrespective of date of joining, etc.

We are glad to inform our members that the revision in Individual Housing Loan Scheme has been approved by the Bank with substantial increase in limits to all categories of employees.

The salient features of the revised Individual Housing Loan Scheme are furnished hereunder for the information of our members:

- ❖ The revised limits of Individual Housing Loan:
  - Sub-staff - Rs.30 lacs;
  - Clerical Staff - Rs.45 lacs;
- ❖ Maximum eligibility, subject to maximum permissible deductions i.e., 60% of gross salary;
- ❖ Rate of Interest (for new a/cs.) –
  - 6.75% p.a. (simple) for limit upto Rs.40 lacs and
  - 8.00% p.a. (simple) for limit above Rs.40 lacs;
- ❖ Repayment Period has been revised to 360 months (including maximum moratorium period of 24 months);
- ❖ The facility of repayment after retirement has been extended to all employees upto 75 years of age, irrespective of date of joining;
- ❖ The rate of interest for Housing Loan on commercial terms has been fixed at 25 bps less than public housing loan rate but not below Base Rate and the current effective rate is 10% p.a.;
- ❖ The sanctioning authority would be an officer not below the rank of Regional Manager/AGM (COO)/ AGM of the Branch, who will sanction both the loans under Individual Housing Loans and Housing Loan on commercial/public terms as a combined proposal;
- ❖ The revised limits on loans for repair/ renovation/ alteration of the house / flat acquired without bank's finance are Rs.12.00 lacs and Rs.18.00 lacs for sub-ordinate staff and clerical staff respectively;

We wholeheartedly thank the management for bringing substantial improvements in the Individual Housing Loan Scheme and also for its initiatives to cover all the new Staff Housing Loan accounts with group insurance policy as an added welfare measure to all employees.

Members are requested to refer Bank's e-Circular, No.CDO/P&HRD-IR/49/2014-15 dated 30.09.2014, for full details and be guided accordingly.

Sd/-  
**(M.V.MURALI)**  
**GENERAL SECRETARY**

**SBSU (CC) ::: AISBISF : : : NCBE ::: UFBU ... ZINDABAD**