



**BHARAT SANCHAR NIGAM LIMITED**  
(A Govt. of India Enterprise)  
**CORPORATE OFFICE (Banking Finance Division)**  
5<sup>th</sup> Floor, Bharat Sanchar Bhavan, Harish Chandra Mathur Lane  
Janpath, New Delhi-110001

F.No.1-9/BBF/STAFF LOAN/2016-17

Dated: 08.02.2017  
9-

To

All Head of Circles

**Sub: MOU Signed with Canara Bank for extending various Loan Schemes to BSNL Employees.**

MOU with Canara Bank for extending various loans to BSNL employees has been signed on 08.02.2017. The general terms and conditions are given in Annexure-III. This agreement is valid from 01.01.2017 to 31.12.2018. *It is also intimated that Canara Bank allowed special concession of 0.05% to BSNL's woman employees under the category of Canara Vehicle - Four Wheelers.*

A copy of the agreement has been placed on our intranet site [www.intranet.bsnl.co.in](http://www.intranet.bsnl.co.in) under head Director (Fin) and sub-head Budget & Finance Control.

This is issued with the approval of competent authority.

**Encl: Copy of agreement**

  
(R.E. Meena) 9/2/2017  
AGM (BA)

Copy to:

1. All Circles' IFA
2. The Assistant General Manager, Canara Bank, Retail Assets Hub I, Marketing cell , 6, Bhagwan Das Road, Delhi 110001.



सत्यमेव जयते

# INDIA NON JUDICIAL

## Government of National Capital Territory of Delhi

### e-Stamp

Certificate No.	: IN-DL45709856240601P
Certificate Issued Date	: 07-Feb-2017 04:16 PM
Account Reference	: IMPACC (IV)/ dl712203/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL71220391854931396917P
Purchased by	: CANARA BANK
Description of Document	: Article 5 General Agreement
Property Description	: Not Applicable
Consideration Price (Rs.)	: 0 (Zero)
First Party	: CANARA BANK
Second Party	: Not Applicable
Stamp Duty Paid By	: CANARA BANK
Stamp Duty Amount(Rs.)	: 100 (One Hundred only)



Please write or type below this line.....

### MEMORANDUM OF UNDERSTANDING

This memorandum of understanding is made as of this  
8<sup>th</sup> day of Feb 2017,

BETWEEN

M/s Bharat Sanchar Nigam Limited (BSNL), a company  
Incorporated under the Companies

(संजय कपूर)  
General Manager (BFC-II)  
BY, General Manager (BFC-II)

कृते केनरा बैंक For Canara Bank  
Divisional Manager



Act, 1956, having its registered office/corporate office at 3<sup>rd</sup> Floor, Bharat Sanchar Bhawan, Harish Chandra Mathur Lane, Janpath, New Delhi-110001, through Mr. Sanjay Kapoor DGM (BFCI) (duly authorised to enter into the present MOU), hereinafter referred to as "BSNL" (which term shall mean and include its successors in title, subsidiaries, associates, affiliates, and assigns) of the **ONE PART**.

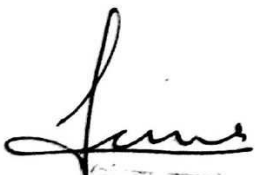
**AND**

Canara Bank, a body corporate, constituted under the Banking Companies (Acquisition & Transfer of Undertaking) Act, 1970, having its head office at: 112, J.C. Road, Bangalore – 560002, through Mr. Indro Lal Jain General Manager, (duly authorised to enter into the present MOU), hereinafter referred to as "Bank" (which term shall mean and include its successors in title, subsidiaries, associates, affiliates, and assigns) of the **OTHER PART**.

BSNL and Bank are collectively referred to as "the parties".

**WHEREAS:**

1. M/s. Bharat Sanchar Nigam Limited (BSNL) is a company incorporated under the Companies Act, 1956 and has its registered office/corporate office at 3<sup>rd</sup> Floor, Bharat Sanchar Bhawan, Harish Chandra Mathur Lane, Janpath, New Delhi-110001. BSNL is the largest telecom operating company in India having 3.2 lakhs employees across the country.
2. To benefit its employees, BSNL desires a Special Loan Package for its entire staff strength on All India basis.
3. BSNL invited Bank's proposal for various loans facilities for its employees on all India basis.
4. Vide letter no. 30.12.2016 Bank submitted its proposal incorporating the basic terms and conditions governing the loan along with the specimen copies of the agreements/documents required to be signed by BSNL's employee(s) (hereinafter referred to as the "Borrower(s)") at the time of taking the loan.
5. Consequently, Bank has, at the request of BSNL, agreed in principle to lend and provide loan facilities to BSNL employees/Borrower(s).
6. The Loan will be evidenced by the Loan Agreement and other Loan Documents (hereinafter referred to as the "Loan Documents") to be executed between Bank and Borrowers. In consideration of the loan facilities, the parties have agreed to execute the present Memorandum of Understanding on the terms and conditions mentioned below:



कृते केनरा बैंक / For Canara Bank



मण्डल प्रबन्धक / Divisional Manager  
अंचल कार्यालय, नई दिल्ली-110019  
Circle Office, New Delhi - 110 019

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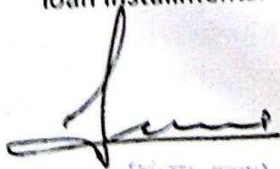
**NOW THIS DEED WITNESSETH AS FOLLOWS:**

1. That Bank shall grant the loan to BSNL's employee(s) under the various head as per their requirement and the same are as follows:

- (a) Housing Loan including Repair and Renovation.
- (b) Car Loan (Canara Vehicle Loan)
- (c) Personal Loan (Canara Budget Loan)


The loans under the various heads as mentioned above are collectively referred to as the "loan facilities".

- 2. That the Purpose of loan, Maximum amount, Margin Money, Multiple of salary and Eligibility etc. w.r.t. the loan facilities applicable in respective cases are annexed herewith as Annexure - I.
- 3. That the Financial Quotations i.e. Floating Rate of Interest for the loan facilities applicable in respective cases are annexed herewith as Annexure - II.
- 4. That the general terms and conditions are annexed herewith as Annexure - III.
- 5. That the loan facilities shall be sanctioned by the appropriate authorities of the Bank with all the agreed concessions and relaxations.
- 6. That the maximum limits for the loan facilities are subject to the income/repaying capacity of Borrowers.
- 7. That the security for the loan facilities shall be as applicable on the respective schemes.
- 8. That salary mandate to be registered by BSNL for recovery of installments from the salaries of Borrowers and remittance to the respective branches.
- 9. Whenever there is revision in the ROI, the revised EMI shall be communicated to M/s BSNL to effect revision in the salary mandate. The same shall be duly registered and kept with the Loan papers.
- 10. That minimum net take home salary of 25% shall be maintained after meeting the loan installments.



(संजय कपूर)  
(SANJAY KAPOOR)  
व्य. प्रबन्धक (डी.पी.ओ. 11)  
Dy. General Manager (D.P.O. 11)  
एन.एन.टी. कॉर्पोरेट कार्यालय, नई दिल्ली  
B.S.N.L. Corporate Office, New Delhi

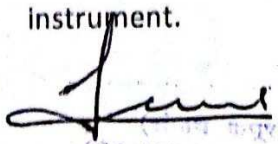
कृते केनरा बैंक / For Canara Bank



मण्डल प्रबन्धक / Divisional Manager  
अंचल कार्यालय, नई दिल्ली-110019  
Circle Office, New Delhi - 110 019



11. That the loan shall be sanctioned in such a manner that at no stage the net take home salary after meeting loan installment is less than 25% of the gross salary after meeting all liabilities/deductions viz. GPF, EMI, Income Tax, Insurance etc. In case of reemployed persons/persons employed on compassionate ground, pension of employee shall be included for calculating 25% carry home salary.
12. That the Bank shall not charge processing charges on the loan.
13. That the Bank shall charge the interest on monthly rests on the daily reducing balance basis. DDOs must pay the recovered amount of EMI from the salary of the employee latest by 15<sup>th</sup> of each month without fail. When the concerned DDO has made payment within due time, Bank shall not pass on interest charges to the borrowers owing to delay on bank's behalf.
14. That Bank shall not charge penal interest for prepayment/foreclosure of loans in case the employee pays back the loan from his/her own sources. In case loan is taken over by other bank/institutions prepayment penalty @ 2 % p.a. for the outstanding loan amount will be levied.
15. That repayment shall commence one month after disbursal of the loan.
16. That this deed shall be binding upon the parties, their successors and assigns.
17. That any notice, demand or request under this deed shall be in writing, and shall be delivered by personal service or shall be sent by postage prepaid, registered or certified mail, telexed, telecopied or sent by person or overnight courier return receipt requested, addressed, if to the parties, at the respective address set forth in the heading of this deed, or at such other address as the addressee may designate in writing. Each notice, demand or request hereunder shall be deemed given on the date it is delivered, in the case of personal service, or the date it is deposited with the Postal Service, in the case of certified or registered mail.
18. That the parties shall hereby irrevocably submit to the exclusive jurisdiction of the Court and Tribunals in New Delhi for purposes of any suit, action or other proceeding which relates to this deed. However, if there is any default of EMI on the part of BSNL employee / borrower the legal proceedings can be initiated at the respective place of disbursing branch.
19. That no amendment, notification or release from or waiver of any provision hereof shall be effective unless in writing and signed by the parties.
20. That this deed may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

  
 (SANTOSH KATKAR)  
 Dy. General Manager (RFO-11)  
 BSNL Corporate Office, New Delhi

कृते केनरा बँक / For Canara Bank  
  
 मण्डल प्रबन्धक / Divisional Manager  
 अंचल कार्यालय, नई दिल्ली-110019  
 Circle Office, New Delhi - 110 019



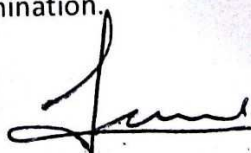
21. That this deed and the rights and obligations hereunder shall be construed in accordance with and governed by the substantive laws of India.

22. If any provision hereof is found by a court of competent jurisdiction to be prohibited or unenforceable it shall be ineffective only to the extent of such prohibition or unenforceability, and such prohibition or unenforceability shall not invalidate the balance of such provision to the extent it is not prohibited or unenforceable, nor invalidate the other provisions hereof.

23. In the event of any dispute or difference relating to; arising from or connected with this MOU, such dispute or difference shall be referred by either party to the arbitration of one of the Arbitrators in the Department of Public Enterprises to be nominated by the Secretary to the Government of India, in charge of Bureau of Public Enterprises. The Arbitration and Conciliation Act 1996 shall not be applicable to the Arbitration under this clause. The award of the Arbitrator shall be binding upon the parties to the dispute, provided, however, any party aggrieved by such award may make a further reference for setting aside or revision of award to the Law Secretary, Department of Legal Affairs, Ministry of Law & Justice, Government of India. Upon such reference, the dispute shall be decided by the Law Secretary, whose decision shall bind the parties finally and conclusively. The parties in the dispute will share equally the cost of arbitration as intimated by the Arbitrator.

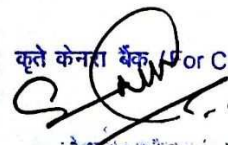
24. That the bank shall nominate at least one branch (in case their more than one branch of the bank) at each Secondary Switching Area (Telecom Revenue District) for sanction, payment of loan and payment of EMI recovered by BSNL. This MOU shall be binding upon both the parties on all India level.

25. Either party can terminate the MOU by giving a notice of 90 days in writing. However, all the clauses of the MOU shall be binding and enforceable in respect of outstanding loans and interest on the date of termination irrespective of such termination.



(संजय कपूर)  
(SANJAY KAPOOR)  
उप-प्रबंधक (वित्त) बीएसएल

कृते केनरा बैंक / For Canara Bank



मण्डल प्रबंधक / Divisional Manager  
अंचल कार्यालय, नई दिल्ली-110019  
Circle Office, New Delhi-110019

26. All other terms and conditions as per MOU shall be applicable on both the parties.

27. This agreement is effective from 01/01/2017 and valid up to 31.12.2018

IN WITNESS WHEREOF, the parties have caused their respective Common Seal to be affixed to these presents on the day, month and year first hereinabove written, at New Delhi.

FOR M/S. BHARAT SANCHAR NIGAM LIMITED

(Bharat Sanchar Nigam Limited)  
By General Manager (SFC-IT)  
Bharat Sanchar Nigam Limited  
Corporate Office, New Delhi

BHARAT SANCHAR NIGAM LIMITED  
CORPORATE OFFICE, NEW DELHI

FOR CANARA BANK

कृते केनरा बैंक / For Canara Bank

मण्डल प्रबन्धक / Manager  
अचल कार्यालय, नई दिल्ली - 110019  
Circle Office, New Delhi - 110019

CANARA BANK

CIRCLE OFFICE, NEW DELHI

इन्द्र लाल जैन (मंडल प्रबन्धक)  
Indra Lal Jain (Divn. Manager)  
एस.पी.नं / S.P. No. 35738

WITNESS

8/2/2017

R.L. Meena  
AGM (BA)

BHARAT SANCHAR NIGAM LIMITED  
CORPORATE OFFICE, NEW DELHI

WITNESS

NISHANT GUPTA  
MANAGER

कृते केनरा बैंक / For CANARA BANK

6, नमस्का  
New Delhi

CANARA BANK

RETAIL ASSETS HUB, NEW DELHI

**ANNEXURE I**

**RELAXATIONS UNDER VARIOUS RETAIL LENDING SCHEMES IN RESPECT OF LOANS TO THE EMPLOYEES OF BSNL ON ALL INDIA BASIS**

Scheme	PURPOSE	QUANTUM	TO WHOM	MARGIN	REPAYMENT
Housing Loan	<p>Purchase of plot and construction of house thereon. Purchase of ready built house. Purchase of flat from Housing board /development agency / private builders. Takeover of HL liability with other recognized Housing Finance Companies, Commercial Banks etc. as per norms.</p> <p>For repairs and renovation maximum ceiling limit of Rs.15 lacs.</p>	<p>60 months gross salary subject to required minimum NTH of 25%.</p> <p>In respect of HL under Yuva Awas Rink, higher quantum of loan upto 72 months.</p> <p>For repairs and renovation a maximum of Rs.15 lacs.</p>	<p>Confirmed employees with 3 years of regular service.</p> <p>For availment of Housing Loan under Premium HL scheme, the applicant should comply the eligibility criteria specially the income criteria as per scheme norms.</p>	<p>Uniform margin of 20% irrespective of new/old house/flat for loan amount upto Rs.75 lacs. However for loans above Rs.75 lacs required margin is 25%.</p>	<p>Maximum of 360 months (including repayment holiday if any) or the borrower attaining the age of 70 years whichever is earlier.</p>
CANARA VEHICLE 4 wheeler	Purchase of new / Used Car	Maximum 90% of on road price for new vehicle and 75% for old vehicle. For old vehicle loan maximum loan can be granted upto Rs 15 Lacs only.	3 years of regular service with minimum basic pay of Rs.9000/- p.m.	10% on road price for new vehicles and 25% for old vehicles.	84 months for new vehicle and 60 months for old vehicle. For old vehicle the repayment will not be more than the remaining life of the vehicle or 5 years which ever is lower.
CANARA BUDGET	To meet genuine personal financial requirements	20 times of gross salary subject to a maximum of Rs.10.00 Lacs	Confirmed employees	Not Applicable	60 months or date of retirement whichever is earlier







ANNEXURE II

CONCESSIONAL RATE OF INTEREST IN RESPECT OF VARIOUS RETAIL LENDING LOANS TO THE EMPLOYEES OF BSNL ON ALL INDIA BASIS

Nature of Loan	Loan Amount	Rate of Interest
Canara Vehicle	Four Wheelers  90% of on road price for new and 75% for old vehicles	One Year MCLR +0.30% ie presently 8.75% pa to be reset every year for men, involving concession of 20 bps  One year MCLR +0.25% ie presently 8.70% pa to be reset every year for women, involving concession of 20 bps
Canara Budget	20 Months Gross subject to a maximum of Rs 10 Lacs	One year MCLR +2.30% ie presently 10.75% pa to be reset every year, involving concession of 200 bps

Housing Loans:-

The rate of interest in respect of Housing Loans under all the 3 variants ie Housing Fianace as per RBI scheme, Housing Loans under Premium Housing Loan Scheme and YUVA AWAS RIN" are as per the prevailing card rates.

Housing Loans for	Upto Rs 75 Lacs	Above Rs 75 Lacs
Women	One Year MCLR +0.20% ie presently 8.65% pa to be reset every year	One Year MCLR +0.25% ie presently 8.70% pa to be reset every year
Men	One Year MCLR +0.25% ie presently 8.70% pa to be reset every year	One Year MCLR +0.30% ie presently 8.75% pa to be reset every year

In respect of Housing Loan for 3<sup>rd</sup> and Subsequent units ie HL -CRE , 0.50% additional interest over the prevailing card rate is to be applied as per the extant guidelines.

(SANKAR KAPOOR)  
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ANNEXURE III

GENERAL TERMS AND CONDITIONS IN RESPECT OF VARIOUS RETAIL LENDING LOANS TO THE EMPLOYEES OF BSNL, ON ALL INDIA BASIS

1. Salary mandate to be duly registered with the salary disbursing authority.
2. After one year MCLR Rate/ROI to be reset and the proposed revision in EMI to be communicated to M/s BSNL to effect revision in the salary mandate. Revised mandate to be got registered and kept with the loan papers. This should form a clause in the MOU.
3. The maximum limits for the above loans quoted are subject to the income / repaying capacity of the employees.
4. Except Housing loan, repayment to commence one month after availing the loan.
5. One month repayment holiday may be permitted for loans repayable by EMI's as per HO Cir 61/2015.
6. In respect of Housing loan commencement of repayment shall be as per Housing loan scheme.
7. In respect of housing loans, maximum dwelling unit per borrower shall not be more than 2 units to be covered under the package.
8. Minimum net take home salary of 25% to be maintained after meeting the proposed loan installment.
9. The loan will be sanctioned in such a manner that at no stage the net take home salary after meeting proposed loan installment is less than 25% of the gross salary.
10. Explore the possibility of covering the proposal under Rin Suraksha Group Secure Policy of Canara HSBC & OBC for personal loans.
11. No processing charges will be charged on the loans.
12. Interest will be charged on monthly rests on the daily reducing balance basis. The rates are linked to One year MCLR and to be reset every year from the date of first disbursement.
13. All the concessions are applicable for fresh loans only.
14. No rollover is permitted.
15. Excepting the relaxations/concessions permitted under the package, all other terms and conditions as per respective scheme norms to be strictly complied.

-X-X-X-X-X-X-

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Annexure IV

IRREVOCABLE MANDATE FOR DEDUCTION FROM SALARY OF M/S BSHL EMPLOYEES  
(TO BE OBTAINED IN TRIPLICATE, RETAIN ONE COPY AT BRANCH LEVEL)

FROM  
NAME :  
STAFF NO/TICKET NO:  
DESIGNATION :  
DEPARTMENT OF THE EMPLOYEE:

TO  
SR.ACCOUNT OFFICER (CASH)  
BHARAT SANCHAR NIGAM LTD

Dear Sir,

Sub: My Loan Account No.....with Canara Bank \_\_\_\_\_ Branch \_\_\_\_\_ for  
Rs.....(Rupees.....) only) I have been sanctioned a loan of  
Rs..... (Rupees.....) By Canara Bank \_\_\_\_\_ Branch \_\_\_\_\_ for the  
purpose of Housing loan/Car Loan/Personal Loan.

As per terms and conditions of sanction, the loan is to be repaid along with interest  
in.....Equated Monthly installments to be deducted from my salary and emoluments payable  
to me by the company/Department from time to time.

I here by authorize you and execute this irrevocable mandate to deduct a sum of Rs.....  
(Rupees.....) only From my salary every month commencing from  
the month of .....and remit the amount so Deducted to Canara Bank \_\_\_\_\_  
Branch to the credit of my subject loan account.

I also further authorize you to deduct and remit any other charges/out of pocket expenses  
differential interest etc. intimated by the Bank to you directly in this regard. I further  
undertake and ensure that I shall maintain my net take home salary payable to me after  
allowing all statutory and other deduction at an adequate level to enable you to deduct the  
subject loan installment and other dues Payable by me to the Bank under this mandate.

At my request Canara Bank ..... branch has sanctioned me a credit facility. For enabling  
them to Recover monthly repayment of Installment, I here by request and authorize you to  
credit the monthly salary and Emoluments payable to my SB Account no.....maintained at  
Canara bank ..... Branch commencing from the month of.....2016

This authorization letter shall be irrevocable without the express consent of the said branch of  
Canara Bank.

Yours faithfully,

PLACE:  
DATE:

SIGNATURE OF THE EMPLOYEE



कनरा बँक



Canara Bank

CONFIRMATION OF THE EMPLOYER

a) We confirm that Sri/Smt..... whose photograph/signature is affixed on the side along with and attested by us is our regular employee

Photograph

- b) We confirm that no disciplinary action is pending against the employee
- c) As per the nomination registered in our records the PF nominee is .....
- d) We confirm having noted the mandate as above

SIGNATURE OF THE AUTHORISED OFFICIALS WITH NAME  
DESIGNATION, M/S BSNL DEPARTMENT SEAL

DATE:-

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