



SyndicateBank

Head Office: Manipal - 576 104 (Karnataka)

Organisation & Methods Division

Circular No.203-2007-BC-PD-41.SWD

Date: 04-09-2007

PERMANENT UTILITY

GUARANTEE/CO-OBLIGATION BY EMPLOYEES FOR CREDIT FACILITIES AVAILABLE BY THEIR CLOSE RELATIVES

ೃೃೃೃ

At present, the employees are permitted to stand as co-obligant/guarantor in respect of credit facilities available by their close relatives i.e., parents, spouse, brothers, sisters, son, daughter from our Bank/other Banks upto 8 months' gross salary of the employees with a ceiling of Rs.2.00 lakh in the case of Housing Loans.

Keeping in view the requests being received from officers/workmen employees to enhance the present ceiling, it has been decided to enhance the present ceiling upto 25 months' gross salary or Rs.5.00 lacs or net worth of the employee, whichever is least for all types of loans, based on the merits of each case, subject to the following conditions:

1. No employee shall stand as co-obligant/guarantor in respect of any financial transaction, either with the Bank or outside agencies, except with prior permission from the competent authority.
2. Employees desirous of standing as co-obligant/guarantor shall submit their applications in triplicate (in the format annexed to this circular) to the head of the office/branch, in which they are working, who will forward it with remarks through respective Regional Office to HO:PD:SWD.
3. Guarantee/co-obligation by employees for any pecuniary obligation of other institutions/outside agencies or credit facility extended by our Bank to outsiders will not generally be permitted.
4. Requests/recommendations over Fax/telegram etc. as also post facto approval will not be considered.
5. In the event of the loan/advance extended by our Bank against co-obligation /guarantee of our employee becoming sticky/overdue and/or the Bank being forced to initiate legal steps for recovery of dues, the employee concerned shall not be extended fresh loan/advance till the dues in respect of the loan/advance for which he stood as co-obligant/guarantor are cleared in full.
6. No permission is required for standing as surety for educational loans availed in our Bank by the children of our employees.
7. Competent Authority to permit guarantee/co-obligation for different category of employees is as under:

| Category of employees | Competent Authority |
|----------------------------------|---------------------|
| Award staff | General Manager (P) |
| Officers in JMGS I to SMGS V | General Manager (P) |
| Top Executives in Scale VI & VII | Executive Director |

8. The competent authority may also grant permission to stand as co-obligant/guarantor for credit facilities above Rs.5.00 lacs based on the merits of the case taking into account the income of the borrower, net worth of the borrower, networth of the guarantors, value of securities etc.

A copy of the circular may be circulated among all the officers/workmen employees.

Clarifications required if any, on this circular may be sought from **PERSONNEL DEPARTMENT – STAFF WELFARE DIVISION** at Head Office, Manipal through respective RO, as per extant guidelines.

LASUZ:YRRCY:YRULD
Check Word

(B PRAMOD)
GENERAL MANAGER

APPLICATION SEEKING PERMISSION TO STAND AS CO-OBLIGANT/GUARANTOR

To

The General Manager
PERSONNEL DEPARTMENT -
STAFF WELFARE DIVISION
Head Office, M A N I P A L

Through

The Manager /Asst./Dy. General Manager
Syndicate Bank Regional Office

| | |
|----------------------|--|
| NAME OF THE EMPLOYEE | |
| EMPLOYEE NUMBER | |
| DESIGNATION | |
| BRANCH/OFFICE | |

Particulars of credit facility to which the applicant intends to stand as surety/guarantor/co-obligant.

| Name and address of the borrower | | | | | | | | | |
|--|---|-------------|-----------------|--|--|--|--|--|--|
| Borrower's relationship, if any with the applicant | | | | | | | | | |
| Occupation/Profession of the Borrower | | | | | | | | | |
| Monthly/Annual income of the borrower | | | | | | | | | |
| Networth of the borrower | | | | | | | | | |
| Name of the lending Institution/ Branch | | | | | | | | | |
| Purpose of Loan | | | | | | | | | |
| Amount of Loan | | | | | | | | | |
| Particulars of other sureties/co-obligants and their net worth | <table border="1"> <thead> <tr> <th><u>Name</u></th> <th><u>Networth</u></th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table> | <u>Name</u> | <u>Networth</u> | | | | | | |
| <u>Name</u> | <u>Networth</u> | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

Salary details of the applicant for the month of

| | | | | | |
|---------------------|---|--|----------------|---|--|
| a) Basic Pay | : | | d) Deductions: | : | |
| b) Other allowances | : | | | | |
| c) TOTAL | : | | e) NET SALARY | : | |

Direct liabilities with our Bank/others:

| Nature of facility | A/c No. | Branch/ Bank | Amt. outstanding | Arrears overdue |
|--------------------|---------|-----------------|------------------|--------------------|
| EPF loan | | | | |
| Housing Loan | | | | |
| Demand Loan | | | | |
| Overdraft (Clean) | | | | |
| Vehicle Loan | | | | |
| Furniture Loan | | | | |
| Jewel Loan | | | | |
| Others (Specify) | | | | |

Indirect liabilities with our Bank/others:

| Name of the Branch/lender | Name of the borrower and relationship | Nature of facility/ amount of advance | Whether approval/permission from CA obtained (Y/N) If yes, Ref.No. and Date | Outstanding balance | Whether the account is regular |
|---------------------------|---------------------------------------|---------------------------------------|--|---------------------|--------------------------------|
| | | | | | |

Whether Pension opted :

Networth of the Employee :

Any other information which is relevant in Assessing the application:

Information furnished by me as above are true and correct. In the event of any of the information found false or incomplete, I am liable for disciplinary action as per the rules to the Bank. I hereby undertake to abide by the rules of the Bank in force from time to time.

Place:

Date :

SIGNATURE OF THE EMPLOYEE

REMARKS/OBSERVATION OF THE BRANCH/OFFICE:

We confirm that the salary particulars and other details furnished above are correct. Comments on the credit worthiness of the borrower.

Branch/Office/Dept.:

Date:

HEAD OF BRANCH/OFFICE

REMARKS/RECOMMENDATIONS OF REGIONAL OFFICE.

Date:

ASST./DY. GENERAL MANAGER

ॐ०ॐ