

STATE BANK OF INDIA OFFICERS' ASSOCIATION

(BENGAL CIRCLE)

(Registered under Trade Unions Act 1926-Regd. No. 6908)

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IP No. 500077

Circular No. 140/2018

Date : 10.10.2018

To All Members (Please Circulate)

We reproduce hereunder the Circular No. 117 dated 10.10.2018 issued by the General Secretary, All India State Bank Officers' Federation, the contents of which are self-explicit.

With revolutionary greetings,

Soumya Datta
(General Secretary)

To all our Affiliates / Members:

OFFICERS REPAYMENT OF CAR LOAN AFTER RETIREMENT

We have today sent a communication to the Management on the captioned subject. A copy of the same is enclosed for information.

With greetings,

(RAMKUMAR SABAPATHY)
GENERAL SECRETARY

NO: 6523/54/18

10TH OCTOBER, 2018

The Dy. Managing Director &CDO,
State Bank of India,
Corporate Centre
MUMBAI

Dear Sir,

OFFICERS REPAYMENT OF CAR LOAN AFTER RETIREMENT

As per extant instructions, the outstanding in staff car loan account as on date of retirement is allowed to be repaid in 60 monthly installments after retirement. The original repayment period for staff car loan account is 180 months and therefore the monthly installment is within the reach of the Officers while in service. However, the Management extended the facility of repayment of Car loans after retirement with a view to give relief to the retiring officers and employees.

2. We have received feedback that the many officers are unable to avail the facility of repayment of car loan post retirement within 60 months, due to upward revision of installments. Even in case of Officers who avail car loan of Rs.10.00 lakhs at the age of 55 or 56, the repayment post retirement may not fall within the 60 % of income as repayment of Housing loan is also permitted upto the age of 75 years.

3. Further, the Officers in the grade of TEGS VI & VII are provided car by the Bank while in service and therefore they deem it preferable to purchase the Car just before retirement. These officers are not in a position to avail the facility of Car loan at Staff rate if the repayment is restricted to 60 months post retirement as the installment for a loan of Rs. 10.00 lakhs works out Rs.22700/- which forms almost 50 % of the Pension.

4. In view of the above and considering the fact that the life expectancy of Officers has gone up and as also the fact that customers are allowed repayment period extending upto the age of 70 years, we feel that bank's own staff can be permitted to repay the loan upto the age of 70 years.

5. We therefore request you to extend the facility of repayment of Car loan upto 10 years post retirement with usual conditions.

Thanking you,

Yours faithfully,

GENERAL SECRETARY

Soumya Datta
General Secretary
Mobile : 9830044737