

**APPLICATION FORM FOR myPROPERTY LOAN**  
**PNB 1241 (R1)**

**For office use only**

Branch: \_\_\_\_\_  
Reference no.: \_\_\_\_\_  
Received on: \_\_\_/\_\_\_/\_\_\_

Recent Photograph  
of Applicant

Recent Photograph  
of Co-Applicant

**Personal Details**

Information	Applicant	Co-Applicant Relation with Applicant: <input type="checkbox"/> Parent <input type="checkbox"/> Spouse <input type="checkbox"/> Other
	<input type="checkbox"/> Sh. <input type="checkbox"/> Smt. <input type="checkbox"/> Km. <input type="checkbox"/> Others Specify others _____	<input type="checkbox"/> Sh. <input type="checkbox"/> Smt. <input type="checkbox"/> Km. <input type="checkbox"/> Others Specify others _____
First Name		
Middle Name		
Last Name		
Father's/Husband's Name		
Income Tax PAN No.* AADHAR No.*		
Identification no.(tick any one)* <input type="checkbox"/> Passport no. <input type="checkbox"/> Voter ID <input type="checkbox"/> Driving License <input type="checkbox"/> UID		
Date of Birth* and Gender	<input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Third gender	<input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Third gender
Category	<input type="checkbox"/> Physical <input type="checkbox"/> Ex-Serviceman <input type="checkbox"/> Minority <input type="checkbox"/> Handicapped <input type="checkbox"/> None of these <input type="checkbox"/> SC/ST <input type="checkbox"/> Other; Specify others _____	<input type="checkbox"/> Physical <input type="checkbox"/> Ex-Serviceman <input type="checkbox"/> Minority <input type="checkbox"/> Handicapped <input type="checkbox"/> None of these <input type="checkbox"/> SC/ST <input type="checkbox"/> Other; Specify others _____
Educational Qualification*	<input type="checkbox"/> Undergraduate <input type="checkbox"/> Graduate <input type="checkbox"/> PG <input type="checkbox"/> Professional course <input type="checkbox"/> Other Specify others _____	<input type="checkbox"/> Undergraduate <input type="checkbox"/> Graduate <input type="checkbox"/> PG <input type="checkbox"/> Professional course <input type="checkbox"/> Other Specify others _____
Marital Status and No. of dependents in the household	<input type="checkbox"/> Single <input type="checkbox"/> Married No. of Dependents <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> Single <input type="checkbox"/> Married No. of Dependents <input type="checkbox"/> <input type="checkbox"/>
Email address		
Phone details (STD code – Tel res.)		
Mobile No.		
Relative of Staff/ Director of bank?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Residential Address	Applicant	Co-Applicant
Residence Address* (Present)		
Residence Address* (Permanent) <input type="checkbox"/> Same as above		
Status of current residence	<input type="checkbox"/> Owned (Self/spouse/ dependent children) <input type="checkbox"/> Owned (Parents) <input type="checkbox"/> Rented by Self/Spouse <input type="checkbox"/> Leased by company/govt. <input type="checkbox"/> Other Specify others _____	<input type="checkbox"/> Owned (Self/spouse/ dependent children) <input type="checkbox"/> Owned (Parents) <input type="checkbox"/> Rented by Self/Spouse <input type="checkbox"/> Leased by company/govt. <input type="checkbox"/> Other Specify others _____
Years at current residence	<input type="checkbox"/> <input type="checkbox"/> Years <input type="checkbox"/> <input type="checkbox"/> Months	<input type="checkbox"/> <input type="checkbox"/> Years <input type="checkbox"/> <input type="checkbox"/> Months
Address for correspondence	<input type="checkbox"/> Current Residence <input type="checkbox"/> Permanent Residence <input type="checkbox"/> Office	<input type="checkbox"/> Current Residence <input type="checkbox"/> Permanent Residence <input type="checkbox"/> Office

\*Supporting documents duly signed by the applicant should be attached

## Work and Financial Details

Information	Applicant	Co-Applicant
Employment Nature	<input type="checkbox"/> Salaried <input type="checkbox"/> Self employed <input type="checkbox"/> Professional <input type="checkbox"/> Other Specify others _____	<input type="checkbox"/> Salaried <input type="checkbox"/> Self employed <input type="checkbox"/> Professional <input type="checkbox"/> Other Specify others _____
If professional	<input type="checkbox"/> CA <input type="checkbox"/> Doctor <input type="checkbox"/> Engineer/Architect <input type="checkbox"/> Lawyer <input type="checkbox"/> Small/Marginal farmer <input type="checkbox"/> Other agriculturist <input type="checkbox"/> Other Specify others _____	<input type="checkbox"/> CA <input type="checkbox"/> Doctor <input type="checkbox"/> Engineer/Architect <input type="checkbox"/> Lawyer <input type="checkbox"/> Small/Marginal farmer <input type="checkbox"/> Other agriculturist <input type="checkbox"/> Other Specify others _____
Nature of Organization	<input type="checkbox"/> Govt./PSU <input type="checkbox"/> Public Ltd. Co. <input type="checkbox"/> Pvt. Ltd. <input type="checkbox"/> Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Other Specify others _____	<input type="checkbox"/> Govt./PSU <input type="checkbox"/> Public Ltd. Co. <input type="checkbox"/> Pvt. Ltd. <input type="checkbox"/> Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Other Specify others _____
Period in Current Employment/ Business	<input type="text"/> <input type="text"/> Years <input type="text"/> <input type="text"/> Months	<input type="text"/> <input type="text"/> Years <input type="text"/> <input type="text"/> Months
Total Employment/ Business Period	<input type="text"/> <input type="text"/> Years <input type="text"/> <input type="text"/> Months	<input type="text"/> <input type="text"/> Years <input type="text"/> <input type="text"/> Months
Date of Retirement (If salaried)	<input type="text"/> <input type="text"/> Years <input type="text"/> <input type="text"/> Months	<input type="text"/> <input type="text"/> Years <input type="text"/> <input type="text"/> Months
Name of Organization/Business	<input type="text"/>	<input type="text"/>
Designation	<input type="text"/>	<input type="text"/>
Office Address	<input type="text"/> City: <input type="text"/> State: <input type="text"/> Pin: <input type="text"/> Country: <input type="text"/>	<input type="text"/> City: <input type="text"/> State: <input type="text"/> Pin: <input type="text"/> Country: <input type="text"/>
Phone details (STD code – Tel off.)	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> – <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> – <input type="text"/>

### If Self Employed/Professional

Income in last 3 Financial years*(Rs.) (As per Income Tax Return)	FY1 (20__ - 20__) <input type="text"/>	FY 1 (20__ - 20__) <input type="text"/>
	FY 2 (20__ - 20__) <input type="text"/>	FY 2 (20__ - 20__) <input type="text"/>
	FY 3 (20__ - 20__) <input type="text"/>	FY 3 (20__ - 20__) <input type="text"/>

### If Salaried/Other

Annual Income (Rs.)	Gross <input type="text"/>	Gross <input type="text"/>
	Net <input type="text"/>	Net <input type="text"/>

### Spouse Information

Name of Spouse	<input type="text"/>	Occupation/Profession: <input type="text"/>
Spouse's financial information*	<input type="checkbox"/> IT assessee & paid tax last yr <input type="checkbox"/> Non-IT assessee, earns but not formally <input type="checkbox"/> IT assessee but no tax paid <input type="checkbox"/> Does not earn	<input type="checkbox"/> IT assessee & paid tax last yr <input type="checkbox"/> Non-IT assessee, earns but not formally <input type="checkbox"/> IT assessee but no tax paid <input type="checkbox"/> Does not earn
Total Annual Income	<input type="text"/>	PAN no. <input type="text"/>

### Bank Account Details (Details of PNB a/c if available)

	Account I	Account II	Account I	Account II
Name of Bank	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Branch	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
A/c No. (details of salary a/c. for salaried)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

### Statement of Assets and Liabilities

Information	Applicant	Co-Applicant
<b>Assets</b>		
<b>Immovable Properties</b>	Amount (Rs.)	Amount (Rs.)
Building/House	<input type="text"/>	<input type="text"/>
Land	<input type="text"/>	<input type="text"/>
<b>Movable Properties</b>		
Cash	<input type="text"/>	<input type="text"/>
Deposits with banks	<input type="text"/>	<input type="text"/>
Investment in government securities	<input type="text"/>	<input type="text"/>
Others	<input type="text"/>	<input type="text"/>
<b>Total</b>	<input type="text"/>	<input type="text"/>

\*Supporting documents duly signed by the applicant should be attached

### Statement of Assets and Liabilities (Contd.)

Information	Applicant	Co-Applicant
<b>Liabilities</b>		
<b>Outstanding Loans/Advances</b>	Amount (Rs.)	Amount (Rs.)
Bank(s)	<input type="text"/>	<input type="text"/>
Employer	<input type="text"/>	<input type="text"/>
Provident Fund	<input type="text"/>	<input type="text"/>
Relatives and Friends	<input type="text"/>	<input type="text"/>
Others	<input type="text"/>	<input type="text"/>
<b>Total</b>	<input type="text"/>	<input type="text"/>
<b>Net Worth (Actual in Rs.) (Assets-Liabilities)</b>	<input type="text"/>	<input type="text"/>
<b>Information about other Loans taken (including previous loans from PNB)</b>		
Total Loan Limit (Rs.)	<input type="text"/>	<input type="text"/>
Total Monthly Repayment (Rs.)	<input type="text"/>	<input type="text"/>
Whether Regular	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Proposed Loan Details

Information	Applicant
Purpose for which loan/ Limit applied for	<input type="text"/>
Loan Amount applied (Rs.) and Rate of Interest option	<input type="text"/> <input type="checkbox"/> Floating <input type="checkbox"/> Fixed
Type of Facility	<input type="checkbox"/> Term Loan <input type="checkbox"/> Overdraft on reducing DP
Repayment Period proposed	<input type="checkbox"/> Years <input type="checkbox"/> Months
EMI/Interest to be paid on	<input type="text"/> Day of every month; (First EMI/Interest due date would not be beyond 30 days of account opening date)
Monthly Installment	Mode <input type="checkbox"/> Operative Account <input type="checkbox"/> Standing Instructions <input type="checkbox"/> Electronic Clearing System/NACH
Details of Immovable Property proposed to be mortgaged	<input type="text"/>
Name of the owner(s) of the property	<input type="text"/>
Type of Property (House/Flat/Commercial/Industrial Property etc.)	<input type="text"/>
Market value	<input type="text"/>

### Other Information

Information	Applicant/Co-Applicant
Collateral security proposed	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes	Type of collateral <input type="checkbox"/> Property <input type="checkbox"/> NSC/LIC <input type="checkbox"/> Policy/Govt. Security <input type="checkbox"/> Shares <input type="checkbox"/> Others
	Value of collateral (Rs.) <input type="text"/>
Guarantor Available	<input type="checkbox"/> Yes <input type="checkbox"/> No <span style="float: right;">If yes, then furnish details in Part II</span>
Pending court cases of Banks/Financial Institutions against Applicants/ As Partners/As Director:	<input type="checkbox"/> Yes <input type="checkbox"/> No (Enclose details on an annexure, if needed)

\*Supporting documents duly signed by the applicant should be attached

I/We hereby request for a loan as above and declare that: The information given in the loan application is true and nothing has been concealed. The undersigned undertakes to inform the Bank any change in my residence/office address and to provide any further information that the Bank may require. The undersigned has been informed of the charges/fee to be levied by the Bank and agrees to pay upfront fee, documentation charges, etc. as applicable and charged by the bank. The undersigned hereby agree to be bound by these terms and conditions or by the revised additional terms and conditions which may at any time hereafter be made while the loan obtained by me/us is still outstanding. I have read the attached Most Important Terms and Conditions (MITC) annexed to the application form carefully and agree to the same.

Yours faithfully,

Signature of Applicant: \_\_\_\_\_

Signature of Co-Applicant: \_\_\_\_\_

Name of Applicant: \_\_\_\_\_

Name of Co-Applicant: \_\_\_\_\_

Date:

Date:

Place:

Place:

Note: In case there is more than one co-applicant, he/she should fill up another form.

### ACKNOWLEDGEMENT

\*Sl. No. \_\_\_\_\_ Date: \_\_\_\_\_  
 Received \_\_\_\_\_ application from \_\_\_\_\_ Mr/Ms/M/S \_\_\_\_\_ R/O/Office  
 at \_\_\_\_\_ for a \_\_\_\_\_ (Type of Loan) loan/limit of  
 Rs. \_\_\_\_\_ for \_\_\_\_\_ (State the purpose). The loan application will be disposed-off  
 and acceptance/ rejection would be intimated within \_\_\_\_\_ days from date of receipt of completed application form with supporting  
 documents.

Serial number and date of the acknowledgement should be quoted in all future correspondence.

**Officer/Manager (Loans)/Incumbent  
(Seal of the Receiving Branch)**

Recent Photograph  
of Guarantor

**Part II GUARANTOR INFORMATION**

**Personal and Employment Details**

Personal Details		Employment Details
	<input type="checkbox"/> Sh. <input type="checkbox"/> Smt. <input type="checkbox"/> Km. <input type="checkbox"/> Others	
First Name		Employment Nature <input type="checkbox"/> Salaried <input type="checkbox"/> Self employed <input type="checkbox"/> Professional <input type="checkbox"/> Other
Middle Name		
Last Name		If professional <input type="checkbox"/> CA <input type="checkbox"/> Doctor <input type="checkbox"/> Engineer/Architect <input type="checkbox"/> Lawyer <input type="checkbox"/> Small/Marginal farmer <input type="checkbox"/> Other agriculturist <input type="checkbox"/> Other
Father's/Husband's Name		Nature of Organization <input type="checkbox"/> Govt./PSU <input type="checkbox"/> Public Ltd. Co. <input type="checkbox"/> Pvt. Ltd. <input type="checkbox"/> Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Other
Income Tax PAN No.*		
AADHAR No. *		Period in Current Employment/Business <input type="checkbox"/> <input type="checkbox"/> Years <input type="checkbox"/> <input type="checkbox"/> Months
Identification no.(tick any one)* <input type="checkbox"/> Passport no. <input type="checkbox"/> Voter ID <input type="checkbox"/> Driving License <input type="checkbox"/> UID		Name of Organization, Designation and Address
Date of Birth* and Gender d d m m y y y y <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Third gender		City: <input type="text"/> State: <input type="text"/>
Educational Qualification and Relationship with applicant	<input type="checkbox"/> Spouse <input type="checkbox"/> Parents <input type="checkbox"/> Son/Daughter <input type="checkbox"/> Other	Pin: <input type="text"/> Country: <input type="text"/>
Email Id		
Address	Current Residence Address*	Permanent Address
Address	City: <input type="text"/> State: <input type="text"/> Pin: <input type="text"/> Country: <input type="text"/>	City: <input type="text"/> State: <input type="text"/> Pin: <input type="text"/> Country: <input type="text"/>
Phone details (STD code – Number)	<input type="text"/> - <input type="text"/>	Mobile No: <input type="text"/>

**Financial Details**

Information	Guarantor	
Is he/she an Income tax payee	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Total Income in last 2 Financial years (Rs.)	FY 1 (20__ - 20__) <input type="text"/>	FY 2 (20__ - 20__) <input type="text"/>
Bank Account Details (Existing customer should give details of PNB account)		
Name of Bank	<input type="text"/>	Branch <input type="text"/>
A/c No. (details of salary a/c. for salaried)	<input type="text"/>	

**Statement of Assets and Liabilities**

Liabilities		Assets	
Outstanding Loans/Advances	Amount (Rs.)	Immovable Properties	Amount (Rs.)
Bank(s)	<input type="text"/>	Building/House	<input type="text"/>
Employer	<input type="text"/>	Land	<input type="text"/>
Relatives /Friends	<input type="text"/>	Movable Properties	
Provident Fund	<input type="text"/>	Cash	<input type="text"/>
		Deposits	<input type="text"/>
		Investment in govt. securities	<input type="text"/>
Others	<input type="text"/>	Others	<input type="text"/>
Total	<input type="text"/>	Total	<input type="text"/>
<b>Net Worth (Actual in Rs.)</b>	<input type="text"/>		

\*Supporting documents duly signed by the guarantor should be attached

Having fully apprised myself of the particulars submitted in loan application dated..... for ..... (mention purpose) loan of Rs. ....to be considered by the bank to Shri/Smt/Miss Son/Wife/ Daughter of Shri ..... I have agreed to furnish my guarantee for repayment of the loan. I hereby declare that I know the above mentioned applicant(s) very well for the last.....no. of years. The information furnished by me is true and correct to the best of my knowledge and belief.  
Yours faithfully,

**Signature of Guarantor:** \_\_\_\_\_

**Name of Guarantor:** \_\_\_\_\_

Date:

Place:

Note: In case there is more than one guarantor, he/she should fill up another form (Part-II Guarantor Information).

**PNB 1241 (R1)**

**MOST IMPORTANT TERMS & CONDITIONS**  
**Retail Asset Business Division**

**Terms and conditions:**

**1. Interest:**

- 1.1 Interest whether floating type or fixed type will be charged in the account as per sanction. The reset of interest will be as stipulated in the sanction. Interest is to be calculated on daily balance due to the Bank and shall be charged monthly so long as the amount due from the borrower is not paid in its entirety and the same will form part of the principal and carry interest at the applicable rate at monthly rests.
- 1.2 All loans/credit facilities linked with Fixed Rate of interest are fixed for the entire period of the loan, subject to switchover facility, if availed by the existing borrower on request. (Fixed ROI prevailing on the date of first disbursement, whether partial or full, shall be applicable)
- 1.3 In case of change in repo rate by the RBI, the repo rate linked rate (RLLR) will be changed from the next working day. In case of the Floating rate option, the Mark-Up+BSP component of RLLR will be reset after every 3 years from the date of opening of the account or at such intervals as may be permissible under the Bank/RBI Guidelines/ regulations from time to time.
- 1.4 The bank will make efforts to keep its borrowers informed of any change in interest rates through the official website ([www.pnbindia.in](http://www.pnbindia.in)), quarterly statement of accounts, display in its offices and general announcements from time to time.

**2. Reset of floating/ fixed rate of interest:**

- 2.1 At the time of change (Increase/ decrease) in the benchmark rate, the borrower shall have the option to move/switch over to fixed rate/floating rate or vice versa on equated installment-based personal loans.
- 2.2 Switchover shall be allowed maximum twice during the tenor of the loan. Second switchover shall be permitted only after completion of 5 years from the last reset date (reset from fixed to floating and vice-versa).
- 2.3 Switchover charges shall be @0.50% of the outstanding loan amount or Rs. 10,000/-, whichever is lower be applied to cover the incidental cost incurred by the Bank. GST shall be levied as applicable in case of any change in applicable charges for switching over to fixed rate, the same shall also be notified at the website of the bank [www.pnbindia.in](http://www.pnbindia.in).
- 2.5 A standard illustrative chart for a loan amount of Rs. 1.00 Lac, illustrating the possible impact of change in benchmark interest rate leading to changes in EMI is as under:

Rate of Interest	Remaining Tenor of Loan (in completed years) and EMI (per lac)					
	(in Rs.)					
	5	10	15	20	25	30
8.00%	2028	1213	956	836	772	734
8.50%	2052	1240	985	868	805	769

9.00%	2076	1267	1014	900	839	805
9.50%	2100	1294	1044	632	874	841
10.00%	2125	1322	1075	965	909	878

### 3. **Change in Repo Rate leading to change in RLLR**

3.1. Any change in Repo Rate by RBI shall lead to a change in EMI/Tenor/Both in the loan account. Borrower shall be informed through SMS/Email/PNB One about change in RLLR and can contact branch for exercising their option

Borrower shall have the choice to opt for:

- (i) enhancement in EMI or elongation of tenor or for a combination of both to the extent possible in the relevant lending scheme; and,
- (ii) to prepay, either in part or in full, at any point during the tenor of the loan.

In case no option is exercised by the borrower on account of change in the Applicable Interest Rate affecting the EMI, the option as given below will be deemed to have been exercised by the borrower.

- First, suitable increase in tenor subject to availability of headroom within the permitted maximum age of borrower.
- Secondly, suitable increase in EMI, in case headroom is not available.
- Thirdly, suitable increase in tenor & EMI both, in case headroom is not sufficient within the permitted maximum age of borrower.

Thereafter, Branch shall inform the borrower about the aforesaid steps taken through a letter.

3.2. In case of negative amortization, where monthly interest goes beyond EMI, there shall be

- First, a suitable increase in tenor subject to the availability of headroom within the permitted maximum age of the borrower.
- Secondly, a suitable increase in EMI, in case headroom is not available.
- Thirdly, a suitable increase in tenor & EMI, both, in case of headroom is not sufficient within the permitted maximum age of the borrower.

3.3 Borrower shall be informed through SMS/Email/PNB One about negative amortization. SMS/E-mail shall be sent to borrower 3 times at interval of 7 days each and 21 days' notification on PNB One. If borrower fails to approach Bank after notice, Bank shall take steps in following manner:

- First, suitable increase in tenor subject to availability of headroom within the permitted maximum age of borrower.
- Secondly, suitable increase in EMI, in case headroom is not available.
- Thirdly, suitable increase in tenor & EMI both, in case headroom is not sufficient within the permitted maximum age of borrower.
- Thereafter, Branch shall inform the borrower about the aforesaid steps taken through a letter.

3.4 In both the above cases, SMS shall be sent to borrower in all such accounts, where mobile number is registered.

E-mail shall be sent to borrower in all such accounts, where email address is registered and where SMS has remained undelivered.

Additionally, customers, who are registered on PNB One, shall be notified through PNB One also.

3.5 In case opting for increase in tenor, borrower must regularize its loan account as loan under irregular/SMA-0/SMA-1/SMA-2/NPA will not be eligible for increase in tenor in such cases

#### **4. Margin/ Promoter's contribution:**

The applicant should bring in their entire contribution before the release of the Loan or in the manner otherwise provided in the sanction. Further, it should also be ensured that the margin stipulated is maintained/provided at each stage of disbursement (wherever applicable).

#### **5. Fee & other Charges: Fees and other charges as applicable on application/ during the currency of the loan/ conversion charges for switching**

a) All service charges viz. Upfront Fees/ processing Fees, Documentation Charges, Inspection charges etc. will be charged from the applicant as per sanction before the release of credit facilities.

b) All other event-based charges like legal fees, valuation fees, charges for dishonour of cheques/ NACH mandate/ standing instructions, charges for drawing of Credit Information Report from Credit Information Companies like CIBIL etc., registration of charge with CERSAI in case of mortgage of property etc. will be recovered from the applicant immediately on occurring of the event.

c) The Processing Fee/upfront fee paid by the Customer for availing the loan is non-refundable.

#### **6. Penal Charges:**

6.1 Penalty, if charged, for non-compliance of material terms and conditions of loan contract by the borrower shall be treated as penal charges.

6.2 The events where the account attracts levying of penal charges are as under (wherever applicable):

a) Default in repayment of loans;

b) Irregularities in Overdraft accounts;

i. In case of irregularities in OD accounts due to levy of monthly/quarterly/half-yearly interest or service charges or/and the outstanding balance in the OD account is in excess of the sanctioned limit/drawing power, the borrower shall regularize the account within the time period of 7 days. If the account is not regularized, penal charges shall be levied from first date of default. In case interest/service charges are not paid on time, penal charges shall be levied.

c) Non- submission of documents for review/renewal

i. Non-submission of complete papers by the borrower for review/renewal of credit facilities as per terms and conditions of sanction, shall attract penal charges.

- d) Non-creation/perfection of Security as per Terms and conditions of sanction;
- e) Non-compliance of Terms and conditions of sanctions (other than specified above).
  - i. Bank shall levy penal charges in case of default in observance of terms & conditions of the sanction.

6.3 Penal charges for the period of default is to be levied as under:

- I. On the amount of default/irregularity
  - (i) For any one of trigger events stated at point no. (a) & (b) above: 2.00% p.a.
  - (ii) For two or more trigger events stated at point no. (a) & (b) above: 3.00% p.a.
- II. On the total outstanding
  - (i) For one or more trigger events stated at point no. (c) to (e) above: 2.00% p.a.

Note for I and II: If the trigger events are a combination of point (a) to (b) and point (c) to (e) then penal charges shall be capped at 4% p.a., i.e., 2% on the default/irregularity and 2% on the outstanding amount.

#### **6.4 Exemptions from Levying of Penal Charges**

6.4.1. Penal charges should not be levied in the following areas:

- a. All advances up to ₹25000/-.
- b. Advances against deposits, life insurance policies and government securities/gold where the drawings are within the available value of the security.

#### **6.5 Penal charges on pre-payment/foreclosure of loan in case of takeover i.e. loan is prepaid by the borrower for shifting to other Bank/ FI.**

6.5.1 Pre-payment charges shall be applicable @2% of the pre-paid outstanding amount in case of Term Loans only & not to other facilities such as Non-Fund based, Working Capital Limits, Overdrafts etc.

6.5.2 However, no prepayment charges are to be levied in the following cases:

- (a) MSE Borrower
- (b) Floating rate term loan (Non-Business) sanctioned to Individual Borrowers.
- (c) Microfinance Loans (Except Loans to NBFC-MFIs)
- (d) Loans sanctioned at a fixed rate with reset clause, if the borrower exercises his option for floating rate interest at the time of reset.
- (e) Where the loans are prepaid by the borrowers from their own sources.
- (f) Where the borrower shifts to other banks within 30 days from the date of issuance of circular for upward revision in the spread to be charged in his account or change in other terms of sanction.
- (g) In case of upward revision in the interest rate due to reset of benchmark rates and the borrower informs the Bank within 30 days from the date of reset & shifts its account to other Bank within 90 days from the date of reset.

6.6 Non-repayment of Interest or EMI on the due date will amount to default and may affect the CIC score.

**7. Repayment of loan:** Loan to be repaid in Equated Monthly Instalments (EMI) or as stipulated in the sanction if otherwise.

**8. Security:** The loan will be secured by mortgage of/ hypothecation of/ charge on assets purchased through bank funds in case of primary security and/or assets in case of collateral

security, within the stipulated time period as specified in the sanction. Personal guarantee if any, will be obtained as per sanction.

#### **9. Insurance:**

- a) The borrower shall get the assets, mortgaged/ hypothecated/ charged to the bank, insured against all risks at their own cost with usual bank clause. A copy of the insurance policy will be kept on bank's records also.
- b) In case the same is not complied with, the bank will have the right (and not the obligation) to get the same insured and cost recovered from the borrower.
- c) The Borrower may avail health and/or life insurance cover for himself with the Bank as the sole beneficiary under the policy/policies.
- d) In case of myproperty loan, the property will be kept insured at reconstruction cost basis in respect of fire, riots and wherever required, against other appropriate hazards, such as earthquake, flood etc. by the borrower, with usual bank clause at borrower's cost as per Bank Guidelines and original policy should be held on record.

#### **10. Disbursement:**

- a) The borrower shall submit all relevant documents as mentioned in the Sanction Letter/Loan Agreement before disbursement. The borrower shall execute loaning and security document in favour of the bank to secure the credit facilities sanctioned.
- b) The borrower will request for disbursement of the loan in writing (as per the manner prescribed by Bank).
- c) The payments will preferably be made directly to vendor/ seller from whom the applicant proposes to purchase the asset. Original bills/cash memos for all the assets financed by bank/ payments made by the bank, shall be submitted by the borrower, and to be held on bank's record.
- d) Before disbursement of Loan, applicant to ensure that all necessary statutory and other approvals/permissions have been obtained.
- e) Loan will be utilised strictly for the purpose as per sanction. Deviation if any, will be treated as non-compliance.
- f) Borrower to comply with all preconditions for disbursement of the loan as mentioned in the Sanctioned Letter.

#### **11. General Terms and Conditions:**

- a. The sanction shall be valid for six months from the date of sanction. Facilities not availed within the above period shall be treated as lapsed.
- b. The Bank, however, reserves the right to withdraw all or in part or any of the sanctioned loan even before the expiry of the said period of 6 months.
- c. The borrower will inform the Bank for any change in his employment/contact/present and permanent address details etc.
- d. The Bank shall have the right to avail the benefit of Sections 138-142 of the NI Act read with Section 25 of Payment and settlement Act against the borrower in case of dishonour of the ECS/NACH(debit)/ Standing Instruction (SI) mandate on account of insufficiency of funds.
- e. The borrower shall comply with all relevant guidelines of the Bank/RBI.
- f. If any third-party liability arises on the bank due to wrong information by the borrower, it will be the responsibility of the borrower and borrower shall indemnify the bank and its employees in case any such third party liability arises.

## 12. Recovery of dues:

- a) Customers have been explained the repayment process of the loan in respect of, tenure, periodicity, amount and mode of repayment of the loan. No notice, reminder or intimation is given to the customer regarding his/her obligation to pay the EMI/ Instalment regularly on due date.
- b) On non-payment of EMI/ Instalment by the due dates, Bank shall remind the customers by making telephone calls, SMS, sending written intimations by post and electronic medium or by making personal visits by Bank's authorized personnel at the addresses provided by the customer. Costs of such calls/communication /visits shall be recovered from the customer.
- c) Notwithstanding what is stated herein, it shall be the liability of the customer to ensure that the EMIs/ Instalments are regularly paid on the due dates.
- d) Credit information relating to any customer's account is provided to the Credit Information Bureau (India) Limited (CIBIL) or any other licensed CIC company on a monthly basis. To avoid any adverse impact on the credit history with CIC company, it is advised that the customer should ensure timely payment of the amount due on the loan amount.
- e) The recovery process of enforcement of mortgage/securities, including but not limited to, taking possession and sale of the mortgaged property in accordance with the procedure prescribed under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) or under any other law, is followed purely as per the directions laid down under the respective law.
- f) Intimation/Reminders/Notice(s) are given to customer prior to initiating steps for recovery of overdue, under the Negotiable Instruments Act, Civil Suit as well as under the SARFAESI Act.

**13. Customer Service:** Customer Service Queries including requirement of documents can be addressed to the Bank through the following channels:

- a) Write to the branch or contact us through toll free number 1800-1800 / 1800-2021.
- b) Contact the branch within the working hours for:
  - i. Photo Copies of loan documents, which can be provided in 7 working days from date of placing request. Necessary administrative fee shall be applicable.
  - ii. Original documents namely Title Deed of Property etc. will be returned within 30 working days from the date of closure of loan.
  - iii. Loan Account statement (time line): Within 3 working days of the receipt of request.

**14. Grievance Redressal:** There can be instances where the Borrower is not satisfied with the services provided. To highlight such instances & register a complaint the Borrower may follow the following process:

- a) Borrower can meet or write to the Branch Head of the concerned branch or
- b) The Borrower can complain to customer care through our website: [www.pnbindia.in](http://www.pnbindia.in) or email at [care@pnb.co.in](mailto:care@pnb.co.in) –or through Internet Banking/ Mobile Banking or on toll free number.
- c) In case the grievance remains unresolved beyond a period of 15 days, the borrower may escalate the matter to Principal Nodal Officer, Punjab National Bank, Customer Care Division, Head Office, Sector 10 Dwarka, New Delhi 110075 or email at [care@pnb.co.in](mailto:care@pnb.co.in).

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