

BFCI Section, BSNL Corporate Office  
5<sup>th</sup> Floor, Bharat Sanchar Bhawan,  
Janpath, New Delhi-110001  
Ph.23329670, 23037744, Fax : 23734033



भारत संचार निगम लिमिटेड  
(भारत सरकार का उपक्रम)  
**BHARAT SANCHAR NIGAM LIMITED**  
(A Govt. of India Enterprise)

Dated: 14.01.2013

No. 1-9/BFCI/Staff Loan/12-13

To

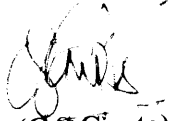
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**SUB : MOU Signed with Canara Bank for extending various Loan Schemes to BSNL Employees .**

MOU with **Canara Bank** for extending various loans to BSNL employees has been **signed on 11<sup>th</sup> January, 2013**. This agreement is valid from 01.11.2012 to 30.11.2013. The general terms and conditions and Rate of interest are given in **Annexure- I , II and III** of MOU.

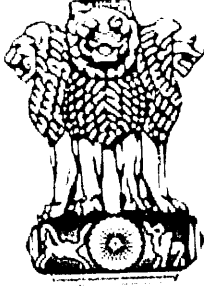
A copy of the agreement has been placed on our intranet web site i.e. [www.intranet.bsnl.co.in](http://www.intranet.bsnl.co.in) under the head Director (Finance) and sub-head Budget & Finance Control.

**Encl: Copy of Agreement**

  
**(C.S.Gupta)**  
**DGM (BF III)**  
**Ph. 23715103, 23329670**  
**Fax: 23734033**

Copy to:

1. The Assistant General Manager, Canara Bank, Retail Assets Hub, New Delhi-1.



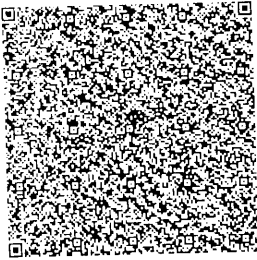
सत्यमेव जयते

# INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No. : IN-DL65079962718105L  
Certificate Issued Date : 08-Jan-2013 12:33 PM  
Account Reference : IMPACC (IV)/ dl739603/ DELHI/ DL-DLH  
Unique Doc. Reference : SUBIN-DL73960329948761073268L  
Purchased by : CANARA BANK  
Description of Document : Article 5 General Agreement  
Property Description : NA  
Consideration Price (Rs.) : 0  
(Zero)  
First Party : CANARA BANK  
Second Party : NA  
Stamp Duty Paid By : CANARA BANK  
Stamp Duty Amount(Rs.) : 100  
(One Hundred only)



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## MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is made as of this 11<sup>th</sup> day of January 2013.

BETWEEN

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

हुते केवरा जेयते

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Stamp Duty Alert

Stamp Duty Alert: The Stamp Duty is to be paid at all the District Collector Offices and Sub-District Collector Offices. For more information, please visit the website of the Government of National Capital Territory of Delhi at [www.delhi.gov.in](http://www.delhi.gov.in) or the website of the Stamp Duty at [www.stampduty.com](http://www.stampduty.com).

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. Chandra Shekhar Gupta(Deputy General Manager), (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**.

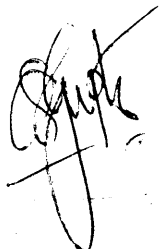
**AND**

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. Ashok Aggarwal(Deputy 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. In pursuance of the above, vide letter Dated 27/11/2012, Ref No. 1-9/BFCI/Staff Loan/2012-13 BSNL invited Bank's proposal for various loans facilities for its employees on all India basis.
4. Vide letter no. DCO/RAI/MKTG/175/2012 dated 04.01.2013, 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).



श्री अशोक अगारवाल  
Deputy General Manager  
Handwritten signature of Ashok Aggarwal  
Deputy General Manager

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:

**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:

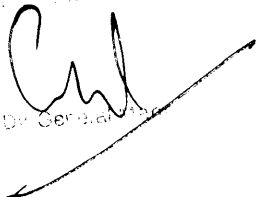
- (a) Housing Loan including Repair and Renovation.
- (b) Car Loan/ Two Wheeler Loan(Canara Mobile)
- (c) Personal Loan (Canara Budget)
- (d) Educational Loan
- (e) Natural Calamity Loan

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 general terms and conditions are annexed herewith as Annexure - II.
4. That the Financial Quotations i.e. Floating Rate of Interest for the loan facilities applicable in respective cases are annexed herewith as Annexure - III.
5. In respect of Education Loans, the same shall be as per EL scheme norms of the bank.
6. That the loan facilities shall be sanctioned by the appropriate authorities of the Bank with all the agreed concessions and relaxations.
7. That the maximum limits for the loan facilities are subject to the income/repaying capacity of Borrowers.
8. That the security for the loan facilities shall be as applicable on the respective schemes.



कृते केनरा बैंक / Canara Bank

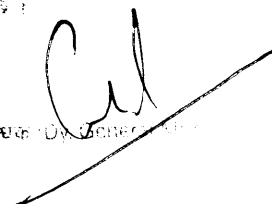


कृते केनरा बैंक / Dr. General Manager

9. That salary mandate to be registered by BSNL for recovery of installments from the salaries of Borrowers and remittance to the respective branches
10. Whenever there is revision in the ROI, 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.
11. That minimum net take home salary of 25% shall be maintained after meeting the loan installments.
12. 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.
13. That in case of retirement/resignation/termination/death of Borrower, BSNL undertakes not to release terminal benefits without obtaining prior written "No Objection Certificate" from the financing branch of Bank.
14. That the Bank shall not charge processing charges on the loan.
15. 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.
16. 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 other than Housing Loans is taken over by other bank/institutions prepayment penalty @ 2 % p.a. for the outstanding loan amount will be levied.
17. That repayment shall commence one month after disbursal of the loan.
18. That this deed shall be binding upon the parties, their successors and assigns.
19. 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.



BSNL



20. 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.
21. That no amendment, notification or release from or waiver of any provision hereof shall be effective unless in writing and signed by the parties.
22. 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.
23. That this deed and the rights and obligations hereunder shall be construed in accordance with and governed by the substantive laws of India.
24. 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.
25. 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.
26. 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.



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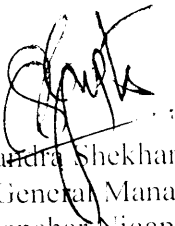
27. Either party can terminate the MOU by giving a notice of 90 days in writing. However, all the clauses of the MOU shall be binding and enforceable in respect of outstanding loans and interest on the date of termination irrespective of such termination.

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

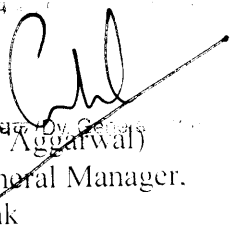
29. This agreement is valid from 1.11.2012 to 30.11.2013

**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.

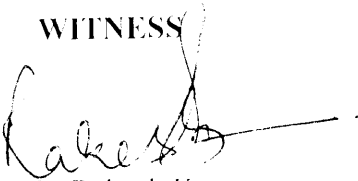
**FOR M/S. BHARAT SANCHAR NIGAM LIMITED**

  
(Mr. Chandra Shekhar Gupta)  
Deputy General Manager(BFCL)  
Bharat Sanchar Nigam Limited  
Corporate Office, New Delhi

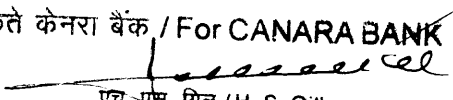
**FOR CANARA BANK**

  
(Mr. Ashok Aggarwal)  
Deputy General Manager.  
Canara Bank  
Circle Office, New Delhi

**WITNESS**

  
Mr. Rakesh Kumar  
Deputy Manager  
Bharat Sanchar Nigam Limited  
Corporate Office, New Delhi

**WITNESS**

कृते केनरा बैंक / For CANARA BANK  
  
एच. एस. गिल / H. S. Gill  
सहायक महाप्रबन्धक / Asstt General Manager  
RAII, B. D. Road, New Delhi-110001  
Mr. H. S. Gill  
Assistant General Manager.  
Canara Bank, RAII  
Circle Office, 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 loans upto Rs 30 lacs only	Purchase of plot and construction of house thereon. Purchase of ready built house. Purchase of flat from Housing board /development agency / private builders. For repairs and renovation maximum of Rs.7.50 lacs.	100 months basic pay or 60 months gross salary whichever is less subject to a maximum of Rs.30 lacs. For repairs and renovation maximum of Rs.7.50 lacs.	Confirmed employees with 5 years of regular service.	Minimum 20%	Maximum of 360 months or date of retirement of the employee whichever is earlier
CANARA MOBILE 4 wheeler	Purchase of new / Used Car	20 times of basic pay subject to a maximum of Rs.5.00 lacs	5 years of regular service with minimum basic pay Rs.9000/- p.m.	10% on road price for new vehicles and 25% for old vehicles	84 months
Canara Mobile Two wheeler	Purchase of new Motor cycle /Scooter/ Moped	10 times of basic pay with a maximum of Rs.50000.00		10% on on-road price for new vehicles and 25% for old vehicles	60 months
CANARA BUDGET	To meet genuine personal financial requirements	10 times of gross salary subject to a maximum of Rs.5.00 lacs	Confirmed employees	NOT APPLICABLE	60 months
NATURAL CALAMITY	To meet financial needs of families of BSNL employees affected by natural calamities	5 times of Basic pay or Rs50000/- whichever is less	Confirmed employees with minimum 3 years of service	--	30 Months.

25/11/2017

25/11/2017

कृत केनरा बैंक / For CANARA BANK

25/11/2017  
25/11/2017



## ANNEXURE II

### 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. The maximum limits for the above loans quoted are subject to the income / repaying capacity of the employees.
3. Except Housing loan, repayment to commence one month after availing the loan.
4. In respect of Housing loan commencement of repayment shall be as per Housing loan scheme.
5. In respect of housing loans, maximum dwelling unit per borrower shall not be more than 2 units to be covered under the package.
6. Minimum net take home salary of 25% to be maintained after meeting the proposed loan installment.
7. 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.
8. No processing charges will be charged on the loans.
9. The interest will be charged on monthly rests on the daily reducing balance basis. The rates are linked to BASE RATE.
10. All the concessions are applicable for fresh loans only.
11. Minimum amount of the loan will be Rs.25000/- in the case of Natural calamity advance and Two wheeler advance. In all other cases, it will be Rs.50000/- per occasion. However the bank can give loan for a lesser amount also at its own discretion.
12. No rollover is permitted.

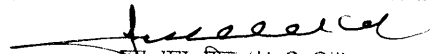


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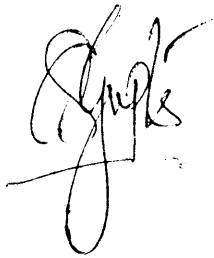
कृपया कनारा बँके / For CANARA BANK

  
एच. एस. गिल / H. S. Gill  
सहायक वित्तिय अधिकारी / Assistant Manager  
Retail Finance Department


ANNEXURE III

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

Nature of loan	Repayment period	Rate of Interest
	Upto 10 years	BASE RATE i.e., 10.50%
Housing loans upto Rs.30 lacs	>10 years & upto 30 yrs	BASE RATE + 0.25% i.e. 10.75%
Canara Mobile	4 Wheeler: 84 Months 2 Wheeler: 60 Months	BASE RATE + 0.25% i.e., 10.75%
Canara Budget	60 months	BASE RATE +2.75%, presently 13.25% p.a.
Natural Calamity	30 months	BASE RATE +3%, presently 13.50% p.a.



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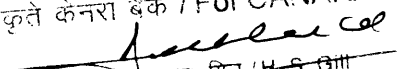
  
 Dy. Manager (BF&CI)  
 (C.O.) BSNL, N.D. - 1

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WITNES

कुले केनरा बैंक / For CANARA BANK  
  
 अ. एस. गिल / H.S. Gill  
 अवरिक्त प्रबंधक / Asst. Secy. of Manager