

THE FEDERATION OF BANK OF INDIA OFFICERS' ASSOCIATIONS

(REGD.No.7364)

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Circular No. 2017/55

Date: 04/11/2017

Dear Comrades,

**RATES OF INTEREST ON STAFF
HOUSING, VEHICLE LOANS & OVERDRAFT SLASHED.**
Let us move ahead to earn more to get more benefits

At the outset on behalf of our Federation and on my personal behalf convey my greetings on GURUNANAK BIRTHDAY, KARTIK and RASA POORNIMA. May Guru's teachings of Service to Humanity keep on enlightening us in our personal and social life.

Our members are aware that in the changed regime Interest Rates on Advances have been delinked from Base Rate and linked to MCLR. Due to this change Rates of Interests charged on Loans and Advances granted to borrowers are decided and based on Marginal Cost of funds and competitive premiums loaded thereon. In the declining Rate of Interest on Deposits, cost of funds has been continuously declining and its benefit has been passed on by the Banking Industry to its customers, whereas parameters of Interest Rates on Staff loans remained unchanged.

Our Federation has been pursuing with the Management of the Bank the issue of reduction in ROI in Staff Housing Loan, Overdraft and Staff Vehicle Loans in view of the changed scenario despite the fact these loans are already subsidized and concessional loans with Simple Rate of Interest. But due to the financial position of the Bank the issue got dragged. But our sustained and vigorous efforts have been converted into reality now. We are happy to inform you that our Bank's Board in its meeting held on 30/10/2017 at Kolkata has decided to substantially reduce the interest rates on Staff Housing Loan, Clean OD & Loan and Vehicle Loans as under:-

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|------------------|--|
| Housing Loan | 5% p.a. (Simple) Upto Rs. 1.10 Lakh 6.5 % p.a. (Simple) above Rs. 1.10 Lakh upto Rs. 40 Lakh 7% p.a. (Simple) above Rs. 40 lakh. |
| Clean O/D & Loan | 8% p.a. |
| Vehicle Loan | 6.5% Simple on entire Loan |

Circular in this regard has also been issued by the Bank on 03.11.2017 itself. We convey our thanks to the Management of the Bank for considering our just and reasonable demand. Comrades, let us celebrate this achievement with much more involvement to maximize the profit of the Bank so that we can justifiably ask for more benefits.

With Warm Greetings,

Yours comradely,

(SUNIL KUMAR)
GENERAL SECRETARY