

**BHARAT SANCHAR NIGAM LIMITED**  
(A Govt. of India Enterprise)  
**CORPORATE OFFICE (Banking Finance Division)**  
5<sup>th</sup> Floor, Bharat Sanchar Bhavan, Harish Chandra Mathur Lane

F.No.1-9/BBF/STAFF LOAN/2014-15

Dated 01.06.2016

To

All Head of Circles

Reference: This office letter no: F.No.1-9/BBF/STAFF LOAN/2014-15 dated 28.03.2016.

**Sub: MOU Signed with Canara Bank for extending various Loan Schemes to BSNL Employees- Linking the ROI to MCLR.**

MOU with Canara Bank for extending various loans to BSNL employees was signed on 23.03.2016, which is valid upto 31.12.2016. (copy available on BSNL's intranet site [www.intranet.bsnl.co.in](http://www.intranet.bsnl.co.in) under head Director (Fin) and sub-head Budget & Finance Control).

I am directed to inform that upon introduction of MCLR concept by RBI effective from 01.04.2016, ROI is to be linked to MCLR. Canara Bank has intimated an upward revision in the rate of interest in case of Canara budget loans from 11.65% to 11.75% (Copy enclosed). Canara Bank has intimated the Comparative Rate of interest for various loan schemes w.r.t. the existing MOU for staff loan with Canara Bank as under:-

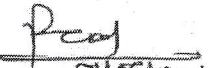
Nature of Loan	Amount	Existing rate of interest	New applicable Rate of interest linked to MCLR
Housing Loan	Upto 1 Crore	BR i.e 9.65%	MCLR+0.20% i.e 9.65%
	Above 1 Crore – For HNI	BR+0.10% i.e 9.75%	MCLR+0.30% i.e 9.75%
Canara Vehicle	<b>A) Two Wheelers</b> 80% of the total value inclusive of invoice value, life, tax, registration premium and other accessories	BR + 1.50% i.e. 11.15% pa floating	MCLR + 1.70% i.e. 11.15% pa floating
	<b>B) Four Wheelers</b> 90% of an road price new and 75% for old vehicles repayable in 7 years	BR + 0.30 i.e presently 9.95% pa floating (as per the prevailing card rate)	MCLR + 0.50% i.e presently 9.95% pa floating
	<b>Four wheelers (Ladies)</b> 90% of an road price new and 75% for old vehicles repayable in 7 years	BR + 0.25 i.e presently 9.90% pa floating	MCLR + 0.45 i.e presently 9.90% pa floating
Canara Budget Loans	20 months gross salary with a ceiling of 10.00 lacs whichever is less	Base Rate +2.00% i.e 11.65% pa floating	MCLR +2.30% i.e 11.75% pa floating

*Per*

It is also intimated that the words "Repayable in 7 years" in respect of Canara Vehicle Loans-Four wheelers under loan quantum column in annexure-II stands deleted, from the MOU dated 23.03.2016.

You are requested take necessary action for wide publicity of the above in your circle.

This is issued with the approval of GM(BFCD).

  
(P.C.Khandelwal) 01/05/2016  
AGM (BA&CI)

Copy to:

1. All Circles' IFA
2. The Assistant General Manager, Canara Bank, Retail Assets Hub I, Marketing cell, 6, Bhagwan Das Road, Delhi 110001, in reference to your letter No. DCO/RAH/MKTG/31/2016 dated 13.04.2016.