

Policy: Staff Loans

PL No – 8

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Applicability – All Employees on Company Roll

Total Number of Pages – 2

All staff loans will be given under the following conditions.

- 1- Any staff who have completed minimum one year in the company can apply for a loan.
- 2- A staff can only get loan maximum 2 times in 5 year period. Hence only use this benefit when it is of absolute necessity.
- 3- Staff loans will be given for genuine and necessary needs only. If found otherwise, the loan term will be made to minimum possible and 45% interest rate will be applied on that.
- 4- If it is found and proved that any loan was given which are not necessary or genuine. That staff cannot apply for any loans/advances for next five years. For the same he will have to get an “OKAY” from HR-Head that he qualifies to get a loan.
- 5- All loans will be provisionally approved by your HOD first, before sending the application any further.
- 6- It is expected and mandatory for the HODs that they verify the genuineness of the demand of their junior as it is not easy and possible for anyone else and it is only best if HOD gives provisional approval since they are working closely with the applicant in daily routine.



- 7- Once the HOD has given provisional Okay, HR – Head will approve the loan under the following conditions.
- A) HR – Head will get calculated applicant’s F&F value as on loan applied date and can approve up to 50% of that with the upper limit of 1 Lac for an individual.
 - B) All loans beyond 1 Lac will be approved by the Management.
 - C) Any loan which is below 1 Lac but is beyond 50% of the present day F & F of that employee will be approved by HR-Head only.
- 8- In case of HODs asking a loan, they also need to follow the same protocol, except that they need not take provisional approval.
- 9- In case of HR Head asking a loan, He/she will also follow the same protocol and the loan will be approved by the management only.
- 10-Loans upto Rs. 50,000/- will have maximum tenure of 6 months.
- 11-Loans beyond Rs. 50,000/- may have tenure longer than 6 months but not more than 12 months.
- 12-If you are taking a loan, always keep the tenure as less as possible and the EMIs as high as possible, since the early you close your loan, the more you help your fellow staff. There is chance that someone is in waiting to get loan but being refused due to too many loans are in open state.
- 13- Any exceptions to the above can only be done by the Management only.
- 14-The loan form needs to be filled in hard copy only.
- 15-The loan form is attached for reference with this policy.
- 16-If you do not have loan form, you can get it from HR department.

Ok Approved

Written By
Head – HR



Approved

Approved By
Management