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Ref:Mktg./ZD/23/2016

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**All Zonal Managers and Sr./Divisional Managers(I/C) of Divisions
MDC/ZTCs/STC/Audit Centres and Inspection Department**

**Re: Enhancement of loan quantum under the Agent's(Club Members') Housing
Loan Scheme and Second Housing Loan to Club Member Agents**

This is with reference to CO circular Ref: HPF/YSP/719 dated 17.01.2003 and Ref: Mktg/ZD/35/2012 dated 19.10.2012 on the above subject.

I. Revision in quantum of loan:

It has been decided by the competent authority to enhance the quantum of loan to be granted to the Club Member Agents. The Maximum loan that can be granted to a Club Member Agent as per his eligibility will be as under:

Agents Club category	Basic Loan @ 5% Interest.	Extended Loan @ 9.5% Interest	Total Loan
Corporate Club	28,00,000	32,00,000	60,00,000
Club Galaxy	21,25,000	28,75,000	50,00,000
CM Club	18,50,000	21,50,000	40,00,000
ZM Club	11,25,000	13,75,000	25,00,000
DM Club	9,00,000	11,00,000	20,00,000

II . Second Housing Loan to agents:

It has also been decided by the competent authority to grant second housing loan under the Agent's (Club Members') Housing Loan Scheme on the following conditions:

A. Quantum of second housing loan will be equal to the total eligible loan under revised scheme minus the amount of **first loan** availed under Agent's (Club Members') Housing Loan Scheme by the agents. The **first loan** will include basic as

well as extended loan.

B. Granting of second housing loan will be considered only after the expiry of five years from the date of drawing the last installment of the first housing loan.

C. An agent will not be treated as "ineligible" for grant of first and / or second housing loan under the revised scheme if he/she, his/her family / spouse own any house in his/her/their name anywhere in the country.

General Conditions:

(A) Escalated cost of housing is not the only criteria while deciding quantum of loan but Purpose of loan and repaying capacity of mortgagor has to be also taken into account. Lowering of Club Membership or agent becoming non-club member is likely to affect commission income and thereby repayment of loan, hence decision to grant the loan should be exercised judiciously while sanctioning the loan by competent authority.

(B) To safeguard the interest of the Corporation, CIBIL report and last one year bank transaction should be made compulsory so as to ascertain other financial liabilities before granting loans to agents.

(C) In case of adverse CIBIL report and/or wherever last one year bank transactions are not satisfactory, concurrence from Marketing Department of the Division may be sought for, before sanctioning of loan.

You may, therefore, exercise proper care while sanctioning housing loans to Agents and in case of adverse CIBIL report and /or whenever last one year bank transactions are not satisfactory the application may not be considered.

All other provisions of the circular Ref: HPF/YSP/719 dated 17.01.2003 will remain same, however wherever rate of interest for extended loan is shown as 7.5%, the same should be read as 9.5%.

Enhancement of Financial Power in accordance with FPSO, 1960 will be issued separately.


Executive Director (Marketing/PD)

