

### **Time Frame for Disposal of Applications for Credit Limit**

The operative levels while acknowledging receipt of loan applications (complete in every respect) shall indicate to the applicant borrower the time period for disposal of the application. The disposal period of the proposal will mean the time period covering receipt of the proposal (complete in every respect) from the borrower till sanction is issued. The following time frame is prescribed for disposal of loan applications.

<b>Category of loan application</b>	<b>Maximum time period for disposal after receipt of the loan application along with relevant information/ documents.</b>
All categories of loan applications (fresh, renewal or enhancement) falling within the powers delegated to Business unit Heads.	10 days
All categories of loan applications (fresh, renewal or enhancement) for limits falling within the powers delegated to Zonal Heads and Cluster Heads.	2 weeks from the date of receipt of the proposal
All categories of loan applications (fresh, renewal or enhancement) falling within the powers of CHQ (other than proposals to be sanctioned by BOD/MCB)	4 weeks from the date of receipt of the proposal
All categories of loan applications (fresh, renewal or enhancement) falling within the powers of BOD/MCB	6 weeks from the date of receipt of the Proposal.

### **Disposal of proposals for in-principle sanction**

Branch Heads/ Cluster Heads/ Zonal Heads shall submit proposals for in - principle sanction in the prescribed format, before processing regular proposals, under following circumstances:

- Proposals involving sanction of Term Loans having door to door maturity for a period exceeding 10 years except the credit proposals relating to Infrastructure, hotels and all such loans which have specified maturity period given in the scheme.
- In other cases where the applicant/ Syndicating Agency is seeking prior in - principle approval

All proposals involving in-principle sanction will be sanctioned by respective sanctioning authorities within a period of 15 days.

### **Disposal of proposals for sanction of Adhoc / TOD facilities**

Applications for sanction of TODs up to limits falling within the delegated powers of Business unit Heads shall be disposed off on the same day. In case of TOD and Adhoc facilities, for limits falling within the delegated powers of Cluster Heads/ Zonal Heads / relevant Credit Vertical CHQs, the applications submitted by business units

for eligible categories of borrowers shall be disposed off by Cluster Head/ Zonal Heads/ relevant Credit Vertical at CHQ within the time period of 3 days.

**Rejection of loan applications**

In case of all categories of loans, irrespective of any threshold limit, including credit card applications, operative levels may, if not found viable, reject a loan application, falling within their delegated powers. The decision should invariably be conveyed in writing to the concerned applicant, citing therein the main reasons, which have led to the rejection of the loan application. The rejection of loan applications falling under Priority sector should be done only by the next higher authority.

**Disbursement of loans**

The sanctioned loans should be timely disbursed in conformity with the terms and conditions. In case of any change in terms and conditions including interest rates, service charges etc. the borrower should be promptly informed.