

Circular No. CHO/PMG/31/ 2025-26

Date 10-10-2025

CIRCULAR TO ALL BRANCHES/OFFICES IN INDIA

Sub: Demand Loan facility to retired staff pensioners/staff family pensioners of the Bank for payment of Group Medical Insurance Premium for Insurance Coverage Period 2025-26.

The IBA Group Medical insurance policy for Bank retirees for the policy year 2024-25 is expiring on 31.10.2025. For renewal of IBA Group Medical Insurance Scheme for retired staff pensioners/staff family pensioners from the period 01.11.2025 to 31.10.2026, Insurance Company has confirmed the rate of premium payable for Retired officers and award staff employees, the same has been circulated vide our Circular no. **CHO/PMG/24/2025-26 dated 20.09.2025.**

Upon receipt of requests from many of the retired staff pensioners/staff family pensioners, the matter was taken up with the Competent Authority for extension of Demand Loan to Staff Pensioners and Staff Family Pensioners of the Bank, for payment of insurance premium for the policy year 2025-26.

Accordingly, A Demand Loan Scheme has been approved by the Competent Authority for retired staff pensioners/staff family pensioners towards payment of insurance premium for renewal of IBA Group Medical Insurance Scheme for retirees for Insurance period 2025-26. The salient features and detailed guidelines on the New Demand Loan Scheme are given below:

Salient Features/Guidelines:

Sl	Particulars	Guidelines
1.	Objective / Purpose	To provide a Demand Loan facility to retired staff pensioners/staff family pensioners for payment of Group Medical Insurance Premium for insurance period 2025-26
2.	Eligibility	Staff Pensioners and Staff Family Pensioners covered under IBA Group Medical Insurance Policy.

3.	Quantum of Loan	10 times of take-home monthly pension subject to a maximum of total premium payable including premium for Top-up Policy. However, It is to be ensured that total deduction including the Instalment of the proposed loan should not exceed 60% of the gross monthly pension.
4.	Rate of Interest	UCO Float Rate i.e. presently @ 8.30% per annum. ROI is subject to change from time to time with change in UCO Float Rate.
5.	Repayment	Maximum of 10 EMI's (to be recovered from monthly pension/family pension) to commence from one month after disbursement
6.	Processing/Documentation Charges	Nil
7.	Guarantee	a) Personal guarantee of spouse eligible to receive family pension in the event of death of pensioner. b) In case of family pensioner (surviving spouse), a third-party guarantee having sufficient income should be positively obtained. Wherever possible, the Branch should obtain personal guarantee of Son(s)/Daughter(s) in case the spouse is pre-deceased or a third party guarantee acceptable to the Bank.
8.	Documentation	i. DP Note(A1) ii. Letter of Waiver (A47). iii. Letter of Guarantee (A21A) iv. Irrevocable letter of authority as per prescribed format.
9.	Sanctioning Authority	Branch Head of pension paying Branch

10.	Other Conditions	► Net take home pension must be 40% of the total pension after deduction of all EMIs including proposed loan. ► If premium is already paid for insurance period 2025-26 by the retired employees, then loan may be provided on declaration basis. ► The Scheme will remain effective till 31.12.2025. No loan will be sanctioned on or after 01.01.2026. ► Application form duly signed by the retired staff pensioners/staff family pensioners should be submitted to the Sanctioning Authority. ► Those who have outstanding balance in the loan availed by them earlier should clear off the outstanding dues to avail the proposed loan.		
11.	Scheme Code	Description of Scheme	Interest Table Code	GL Sub-Head Code
	Demand Loan L751A	DL-UCO Ex-Staff Health Insurance Premium Loan	R751A	43026

All heads of the Branches/Offices are advised to display a copy of this Circular on the Notice Board for visibility and information of all concerned.


Rajesh Nagar
Chief General Manager
(HRM, PSD, TRAINING & OL)



Encl: Application Form
Irrevocable Letter of Authority

Application For Demand Loan for UCO Bank Retirees for Payment of Group Medical Insurance Premium-2025-26

To

The Branch Head

UCO Bank,

..... Branch

Photograph

Dear Sir,

Re: Loan under Demand Loan Scheme for Payment of Group Medical Insurance Premium-2025-26.

I am a pensioner of UCO Bank Pension Scheme / Family Pension Scheme drawing a monthly pension of Rs..... My Pension A/C No. is..... My pension is paid through your branch every month and the same is credited to my Savings A/C No..... with your branch.

In connection with the Payment of Group Medical Insurance Premium, I request to sanction me a loan of Rs.....(.....Only) against the Total Premium of Rs.....) paid by me / to be paid. I have been explained the terms and conditions of the Loan Scheme and undertake to abide by the same.

I shall repay the loan of Rs..... with interest in..... equated monthly instalments of Rs..... each.

I furnish below further details about myself:

SL No.	Detail	
1	Name	
2	Father's/Husband's Name	
3	Address	

4	Date of birth	
5	Date of Retirement	
6	Mobile Number	
7	Name of the Spouse eligible for family pension	
8	Name(s) of children, occupation, age and their present address	
9	Premium Amount	
10	Name of the guarantor proposed, Occupation, age and address.	
11	Period for repayment of loan	
12	Survival certificate last submitted up to	

Yours faithfully.

Date:

(Signature of Borrower)

IRREVOCABLE LETTER OF AUTHORITY

I Mr./Mrs./ Miss..... a pensioner of UCO Bank hereby irrevocably authorize UCO Bank..... Branch to debit my Saving A/C No..... towards the monthly instalment of loan sanctioned to me under Demand Loan Scheme for retirees for payment of Group Medical Insurance Premium every month till entire loan with interest is fully recovered. In the event of any change in receiving the pension amount or any change in the title of the account to which the pension amount will be credited, I shall inform UCO Bank well in advance.

- In the event of my death during the currency of the loan, my spouse who is eligible to receive family pension shall to repay the balance of the loan amount (In case of Staff pensioner)
- In the event of my death during the currency of the loan, my sons(s)/ daughter(s)/guarantor whose name(s) given above shall repay the balance of the loan amount (in case of Family Pensioner/in absence of spouse).

Yours faithfully.

Signature of the Pensioner/Family Pensioner)

(Strike out whichever is inapplicable)

Date:

BISHNUPRIYA SAHU 53369
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