

Pradhan Mantri Jan-Dhan Yojna
Overdraft upto Rs 5,000/- in PMJDY Accounts

Modalities of Scheme	
Purpose	General purpose loan to provide hassle free credit to low income group / underprivileged customers to meet their exigencies without insistence on security, purpose or end use of the credit.
Eligibility (Individuals only)	a) BSBD accounts, which are operated satisfactorily for at least six months b) OD to be granted to the earning member of family, preferably women of the house. c) There should be regular credits under DBT/ DBTL scheme/other verifiable sources d) Account should be seeded with Aadhaar for avoiding duplicate benefit e) BSBD account holder should not be maintaining any other SB account with any Bank/branch to ensure compliance with RBI directives. f) Age of applicant between 18 years to 60 years (Not eligible: Minors, KCC/GCC borrowers, more than one member of the same family)
Nature of facility	Running OD facility in SB account
Period of Sanction	36 Months subject to annual review of account
Loan amount	a) 4 times of Average monthly balance b) or, 50% of credit summations in account during the preceding 6 months c) or, Rs 5000/- whichever is lower (System will be enabled to provide report on eligible amount)
Security	Nil
Interest rate	Not exceeding 2% above base rate
Processing Fee	Nil
Sanctioning authority	Branch
Disbursement	Withdrawals through branch/BC/ATM/POS
Documents	<ul style="list-style-type: none"> • Loan application-cum-undertaking • Arrangement letter duly accepted by the Account Holder
Inspection & follow up	Inspection waived for all standard assets. All irregular accounts to be followed up closely.
Other features	<ul style="list-style-type: none"> • Mobile Number of the borrower/family members to be kept on record • Aadhaar number will remain seeded with NPCI during the period of loan. Move-out of Aadhaar for such accounts will be restricted by NPCI.

	<ul style="list-style-type: none"> • SBOD account will become primary account to receive all subsidies/benefits. DBT should also be frozen to such accounts till the currency of loan. • NPCI will provide repository of Aadhaar Seeding for SBOD to the Banks to verify any earlier seeding. • Loan accounts will be subject to IRAC norms of RBI.
Credit Guarantee Cover	<ul style="list-style-type: none"> • Guarantee cover upto 60% of default amount in PMJDY • Banks will pay guarantee fee @ 1% on loan outstanding at the end of each year. <p>(PMJDY document provides creation of a corpus of Rs 1000 crore for default in PMJDY OD scheme. DFS guidelines are awaited on this account and also the entity managing such fund and claim process)</p>

Encl:

1. Loan application
2. Arrangement letter duly accepted by the Account Holder

Loan Application-cum-undertaking for Overdraft in BSBD Accounts under PMJDY

The Branch Manager,
_____ Bank,

Date:

Dear Sir,

Sub: Overdraft limit in my Savings Account number:

I hereby apply for Overdraft limit of Rs _____ -
(Rupees _____ only) in my Savings Bank Account
Number _____ for meeting my emergency/family needs.

1. Name of the applicant: _____
2. Date of Birth: _____
3. Father's/Husband's name: _____
4. Address: _____
5. Aadhaar No: _____ Mobile Number _____
6. Source of Income: _____ Annual Income _____
7. Existing liabilities of borrower, if any
 - a) _____ Our _____ Bank

 - b) Other Banks/Co-op credit society/Others: _____
8. Particulars of family members:

Name	Relationship	Whether dependent	Annual Income (Rs)

9. I shall abide by the terms and conditions stipulated by the Bank in this regard.
Further, I undertake that

- a) Details of family members who have availed Overdraft facility under PMJDY.
- b) Details of family members having KCC/GCC liability.
- c) Details of any other bank account of the PMJDY account holder in any other bank.
- d) I shall route all Government benefits/earnings through above said account.

e) I hereby authorize the Bank to disclose all or any particulars or details or information relating to my loan accounts with the Bank, to any other financial institution, government or any agency (ies) as may be considered necessary or desirable by the Bank.

f) It will be in order for the bank to disqualify me from receiving any credit facilities from the Bank in case it is proved that the declaration of my outside borrowings made above contain misrepresentation of facts.

g) I hereby declare that I have no borrowings/liabilities excepting those mentioned under item (7) as on the date of application.

h) I hereby undertake to abide by the terms and conditions that the Bank may stipulate in sanction of this loan.

i) I hereby declare that the particulars given above are true and correct to the best of my knowledge and belief.

j) I hereby agree that in the event of breach of undertaking or terms and conditions subject to which overdraft facility has been sanctioned and /or any of the undertakings or information, the Bank at its sole discretion may discontinue the OD facility.

k) I hereby undertake and agree to repay the outstanding together with interest, cost, charges, etc in the event of termination or discontinuation of the facility.

Yours faithfully

(Signature of Applicant)

Place:

.....

(For office use only)

a) Aadhaar Number Seeded to the account: Yes/No

b) Amount of Loan:

i)	4 times of Average monthly balance	Rs:
ii)	50% of credit summations in account during the preceding 6 months	Rs:
iii)	Loan Amt (Lower of item i or ii) subject to Maximum Rs 5000/-	Rs:

Sanctioned overdraft limit of Rs _____ (Rupees _____)

for a period of 36 months subject to annual review.

Branch official

Date:

(Confirmation of Aadhaar Seeding with NPCI for OD limit to be recorded here or separate proof to be kept alongwith documents)

Letter of Arrangement

Shri / Smt.
.....

Dear Sir / Madam,

SAVINGS – CUM- OVERDRAFT UNDER PMJDY SCHEME

With reference to your application datedrequesting grant OD limit, we have pleasure in sanctioning a limit of Rs.....(Rupeesonly in your Savings account number _____ on the following terms and conditions:

- a. **Interest:** Interest will be charged monthly at the rate of(2% above Base rate) on the amount outstanding in the account.

- b) You should confine to our Bank only for your banking business of every description. The advance is also subject to the terms and conditions stipulated in the documents for the loan granted and also other conditions, if any, stipulated by the bank from time to time.

Please acknowledge receipt of this letter by affixing your signature/thumb impression on the duplicate copy thereof.

Yours faithfully,

Original Received

Branch Manager

Signature of the Borrower

Place:

Date: