

PETROLEUM EMPLOYEES UNION

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February 15, 2021

To

Director (HR)

Pt. Deen Dayal Urja Bhavan,
5-A, Nelson Mandela Marg, Vasant Kunj,
New Delhi-110070.

RPT :

Director (Finance)

Pt. Deen Dayal Urja Bhavan,
5-A, Nelson Mandela Marg, Vasant Kunj,
New Delhi-110070.

Sub: Reduction in HBA rate of interest

Respected Madam/Sir,

This is to bring to your kind notice that Home loan interest rate have been substantially reduced by various Financial institutions due to reduction in repo rate, reverse repo rates and MCLR rate by RBI. For example, Home Loan Interest Rate for SBI has come down from 12.21% to 7.00% from 2009 to 2020.

In this regard, ONGC is also providing Housing loan for the regular employees as a welfare scheme, but the rate of interest have not been reviewed since 2004. On contrary to the same, home loan interest rates provided by the various financial institutions has been reducing drastically throughout the years.

It is high time that ONGC Management should also think of reducing the home loan interest rate at this particular time, as motto behind the House Building Advances is to provide welfare facility to the regular employees and not to make profit.

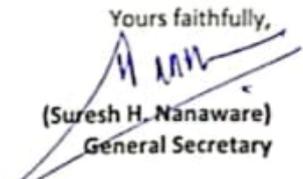
Also, we suggest the following to be looked into: -

- **Span of repayment -**
To increase the repayment span upto 30 years (360 months) from 25 years (300 months) with optional from 20 to 30 year.
- **Signing Surety for borrower -**
Required more options.
- **House Betterment Scheme -**
To reduce/abolish the clause of minimum years.

In view of above, we hope that management will look into above suggestions and come with positive revised guidelines.

Thanking you,

Yours faithfully,


(Suresh H. Nanaware)
General Secretary