


<p>कार्पोरेशन बैंक (सार्वजनिक क्षेत्र का अग्रणी बैंक) प्रधान कार्यालय, डा पे सं. 88 मंगलूर - 575 001</p>	 e-CIRCULAR	<p>Corporation Bank (A Premier Public Sector Bank) Head Office, PB No.88, Mangalore – 575 001</p>
<p>Credit Division [Credit Policy & Planning Section] Email : CPMS@corpbank.co.in</p>		
HO Circular No. 590/2014	Index No. 11.07/1/2014	05-August-2014

TO ALL THE BRANCHES / OFFICES

Subject : CONCESSION / RELAXATION IN RATE OF INTEREST, PROCESSING CHARGES AND MARGIN

HIGHLIGHTS

The Authority to extend concession / relaxations in ROI, Processing /Service Charges and Margin in respect of other than Corp Schemes at various levels.

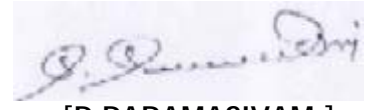
1. We invite the attention of all our branches and other offices to our HO Circular No 497/2012 dated 01.09.2012, inter alia communicating the delegated lending powers for extending concession in rate of interest for various functionaries / committees.
2. It is now decided to stream line and bring under one roof the authority to extend / relax major financial concessions to the borrowers.
3. Accordingly, the powers to extend concessions /relaxations in ROI, Processing /Service Charges and Margin in respect of other than Corp Schemes at various levels shall be as under:

Particulars	Concessions/Relaxations	Permitting Authority
Rate of Interest	For Loans against our Banks Deposit	
	Up to & inclusive of 25 bps-----→	Zonal Head
	Up to & inclusive of 75 bps-----→	Circle Head
	Up to & inclusive of 100 bps-----→	GM [Credit/Retail] at HO
	Above 100 bps-----→	HLCC & above at HO
	Other than loan against Banks deposit: -	
	Up to & inclusive of 50 bps where the applicable ROI as per gradation is 14% and above.	CLCC*
	Up to & inclusive of 25 bps where the applicable ROI as per gradation is 12% to 14%.	
	Above 50 bps	
	In cases where the ROI as per gradation is below 12% and up to Base Rate	HLCC*/CAC/MC
Processing / Service Charges	Up to and inclusive of 25%	CLCC*
	Above 25%	HLCC*/CAC/MC
Margin	Up to & inclusive of 10% below the stipulated margin	CLCC*
	Above 10%	HLCC*/CAC/MC

*in respect of their sanctions and sanctions by any lower level authorities/committees

Note:

- I. The effective rate of interest after relaxation/concession shall not fall below Base Rate in respect of loans other than loans against own deposits.
 - II. The relaxation/concession as above shall not contravene the RBI directives/guidelines on rate of interest and margin stipulation wherever applicable.
 - III. The Concessions/relaxations in respect of Corp Schemes shall be governed by the instructions issued by Retail Lending Division, HO from time to time [HO Cir 328/2014 dated 12.05.2014]. Further, powers to permit concession in rate of interest & processing charges vested with CLCC have since been withdrawn vide HO Cir 366/2014 dated 30.05.2014.
 - IV. Where a higher authority has rejected sanction/approval of Concession/relaxations, lower authority shall not sanction/approve the concessions to the same party even within their delegated powers, unless the higher authority specifically permits such lower authority to sanction/approve the concessions within their delegated lending powers.
4. All the branches and other offices are advised to note the above for strict compliance



[P PARAMASIVAM]
GENERAL MANAGER

Note: Hindi version of the Circular follows.