


<p>कापेरिशन 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. 165/2013	Index No. 11.00/12/2013	12-March-2013

TO ALL THE BRANCHES / OFFICES

Subject : PROPER UPDATION OF RATE OF INTEREST IN THE SYSTEM WILL MINIMIZE REVENUE LEAKAGE

HIGHLIGHTS

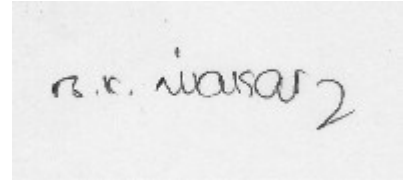
Branches to verify and confirm that the correct rate of interest clearly indicating mark up / down with reference to Base Rate / COBAR wherever applicable, is charged to all the applicable loan accounts as per the circulars issued from time to time

During the course of various audits at the branches, the inspecting official have observed seepage of interest income at branches. On a careful study, it is observed that one of the reasons for the above is wrong application of the rate of interest on loan accounts by the branches and not entering mark up / mark down with reference to Base Rate / COBAR in the system, which culminated into wrong application leading to lower interest income. Hence there is urgent need to verify all the loan accounts in the system and update the revised rate of interest.

In this connection, we once again invite the attention of the branches to HO Circular No. 792/2011 dated 21.11.2011, informing the implementation of the COBAR / Base Rate module programme in the CBS live server and advising branches to update the rate of interest in the system linking to COBAR / Base Rate and clearly specifying the spread mark up / down.

At the cost of repetition, we once again advise the branches to re confirm that the correct rate of interest is charged to all the applicable loan accounts as per the circulars issued from time to time and clearly entering the correct mark up / down in the system. Wherever aberrations are noticed, the same shall be corrected immediately and the short collection recovered. Further, branches have been advised to update the data in the system to complete this exercise with all its seriousness, carefully and diligently and update the markup / markdown with the reference rate of interest in the system clearly specifying the spread. Any laxity in the matter and consequent seepage of income will be viewed seriously.

All our Branches and other Offices are advised to note the above for information and strict implementation

A rectangular box containing a handwritten signature in black ink. The signature appears to be "B. K. Divakara" written in a cursive style.

[B K DIVAKARA]
GENERAL MANAGER

Note : Hindi version of the Circular follows.