

<p style="text-align: center;">कार्पोरेशन बैंक (सार्वजनिक क्षेत्र का अग्रणी बैंक) प्रधान कार्यालय, डा.पे. सं.- 88 मंगलूर- 575001</p>	 ई-सर्कुलर e-CIRCULAR	<p style="text-align: center;">Corporation Bank (A Premier Public Sector Bank) Head Office, PB No.88, Mangalore – 575 001</p>
Retail Lending Division Email : Horls@corpbank.co.in		
प्र.का. परिपत्र सं. HO Circular No. 590/2015	सूचकांक Index No. 52.00/66/2015	दिनांक Date : 18-September-2015

समस्त शाखाओं/ कार्यालयों हेतु TO ALL THE BRANCHES / OFFICES

Subject : DELEGATION OF POWERS TO PERMIT CONCESSION IN CONVERSION CHARGES TO CLCC & ZLCC FOR MIGRATION OF THE EXISTING HOUSING LOANS TO CURRENT BASE RATE LINKED INTEREST RATE STRUCTURE

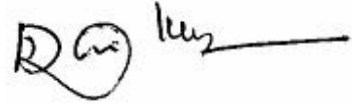
HIGHLIGHTS

In order to speed up the process of preventing the existing borrowers from shifting their housing loan, the powers to permit concession in conversion charges have been delegated to CLCC & ZLCC.

Accordingly, ZLCC may permit concession upto 50% and CLCC may permit full waiver of applicable conversion charges based on merits.

- 1.0 Please refer to HO.Circular No. 531/2015 [Index No. 52.00/59/2015] dt. 20.08.2015 regarding reduction in conversion charges.
- 1.1 As per the above Circular conversion charges being collected from existing housing loan borrowers under floating rate option for migrating from COBAR or higher Interest rates linked to Base Rate, to current interest rate structure offered to fresh loans has been reduced from 1% to 0.50%+ tax.
- 1.2 Detailed operational guidelines, terms and conditions for conversion and formats of documents to be obtained at the time of conversion have also been communicated vide the above Circular.
- 2.0 In spite of several communications emanated from this Division by means of Circulars, email flashes etc., a few branches have not created awareness among the existing borrowers regarding the existence of conversion scheme.
- 2.1 In a few cases, the borrowers by virtue of their prompt repayment history, are either reluctant to pay conversion charges or seek concession. There is a need to consider such cases favourably based on merits, not only to retain the borrowers but also to facilitate cross selling of other loans in future.
- 2.2 Presently, as per HO. Cir 240/2015 dt.11.03.2015, CLCC is empowered to permit 50% concession in conversion charges. Concession for above 50% is submitted to HLCC.

- 2.3 However, in order to speed up the process of preventing the existing borrowers from shifting their housing loan, it has been decided to delegate the powers to permit concession in conversion charges to ZLCC & CLCC.
- 2.4 Accordingly, ZLCC may permit concession upto 50% and CLCC may permit full waiver of applicable conversion charges based on merits.
- 3.0 The existing housing loans under fixed rate option [CHOMF] are eligible for conversion to current base rate linked floating rate structure as per terms and conditions mentioned in HO.Circular 331/2010 dt. 22.04.2010 by payment of applicable conversion charges. In this case also the borrowers may seek concession in conversion charges. However, in such cases, CLCC is empowered to permit concession upto 50% of applicable conversion charges as per HO.Circular 240/2015 dt.11.03.2015. For concession above 50%, it may be submitted to HLCC-Head Office.
- 4.0 Branches /Office are advised to note the above for strict compliance to retain the existing borrowers and avoid customer complaints.



[डि. रविकुमार D.RAVIKUMAR]

उप महाप्रबंधक Dy. General Manager