

<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>
Retail Lending Division Email : horls@corpbank.co.in		
HO Circular No. 201/2014	Index No. 52.00/32/2014	19-March-2014

TO ALL THE BRANCHES / OFFICES

Subject : CONVERSION OF EXISTING COBAR/BASE RATE LINKED HOUSING LOANS AVAILED BY STAFF MEMBERS, TO PREVAILING BASE RATE LINKED SLAB RATE UNDER FLOATING RATE

HIGHLIGHTS

The Scheme of conversion of the existing COBAR/Base Rate linked Housing Loans to prevailing Base Rate linked Slab Rates under floating rate option is applicable to staff members also.

However, conversion charges are not applicable to staff members including retired employees.

- 1.0 Please refer to HO.Circular No. 318/2013 [Index No.52.00/29/2013] dt.13.06.2013 regarding introduction of migration facility to the existing teaser rate housing loans under 'CHOMD' & 'CHSMT' schemes to the Base Rate linked slab rate of interest mentioned therein.
- 1.1 A reference may be made to HO.Circular No. 681/2013 [Index. No. 52.00/64/2013] dt. 19.11.2013 on introduction of migration facility to the existing COBAR and Base Rate linked housing loans with sanctioned limit upto Rs.25 lakhs to prevailing Base Rate linked slab rate under floating rate option.
- 1.2 Further, as per HO.Circular No. 29/2014 [Index. No. 52.00/10/2014] dt. 13.01.2014 on extending the migration facility to housing loans with sanctioned limit of above Rs.25 lakhs also.
- 2.0 Though the scheme was introduced on 13.06.2013, a number of queries are being received from staff members /retired employees as to their eligibility to the scheme which indicates, the Branches have not created awareness nor sent suitable communication to them.

- 3.0 In view of the above, it is clarified as under:
- 3.1 The scheme of migration to prevailing Base Rate linked slab rate of interest under floating rates, mentioned above is equally applicable to our staff members including retired employees.
- 3.2 Staff members including retired employees are eligible for migration facility subject to compliance of all terms and conditions governing the Scheme.
- 3.3 Conversion charges prescribed therein are not applicable to staff members including retired employees. [i.e applicable conversion charges are fully waived]
- 3.4 To be eligible for the concession, staff member /retired employee shall be the main applicant/borrower to the existing housing loan.
- 3.5 The staff members including retired employees will be eligible for 0.50% interest concession even after migration to the Base Rate, subject to the terms and conditions as communicated vide HO. Circular 79/2013 dt. 08.02.2013, even though the resultant rate goes below the Base Rate.
- 3.6 Since a few staff members have already retired and settled elsewhere after retirement, they might have not exercised their consent. Therefore, the Branches may send the consent letter by Post/e-mail to their latest available address to facilitate exercising the option.
- 3.7 The staff members who are in the service may send consent letter [HO-Circular 29/2014, Annexure-I] duly signed by all the borrowers/ guarantor directly to the Branch where housing loan exists.
- 3.8 On receipt of the consent letter, migration may be effected and the same shall be communicated in the prescribe format [HO- Circular 29/2014, Annexure-II] and acknowledgement shall be held in loan documents.
- 3.9 All other operational guidelines governing the Scheme, mentioned in respective Circulars shall be strictly complied with.



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GENERAL MANAGER