

<p>कार्पोरेशन बैंक (सार्वजनिक क्षेत्र का अग्रणी बैंक) प्रधान कार्यालय, डा.पे.सं. 88, मंगलूर - 575 001</p>	 ई-सर्कुलर e-CIRCULAR	<p>Corporation Bank (A Premier Public Sector Bank) Head Office, PB No.88, Mangalore – 575 001</p>
<p>Priority Sector Division Email : afs@corpbank.co.in</p>		
<p>प्र.का. परिपत्र सं. HO Circular No. 387/2016</p>	<p>सूचकांक Index No. 45.00/43/2016</p>	<p>दिनांक Date: 23-June-2016</p>

समस्त शाखाओं/कार्यालयों हेतु TO ALL THE BRANCHES/ OFFICE

Subject : Revision in Rate of Interest on Corp Jewel Loan- Business Purpose and Other Priority Sector Advances

HIGHLIGHTS

Rate of interest on Jewel Loans is revised for Business Purpose and Other Priority Sector with effect from 23.06.2016.

- 1.0 Our Bank over the decades has been engaged in Gold Loan Financing following the established systems and procedures which are subject to modifications from time to time based on field level feedbacks and market requirements.
- 2.0 On review of the Bank's performance under Jewel Loan portfolio, it is noted that, the JL portfolio over the last two years has registered a negative growth. The portfolio under JL reached a peak level of Rs.4883 Crore as on 31.03.2014 and reduced drastically by 31.03.2016 to reach a level of Rs.3875 Crores, thereby registering a negative growth of Rs.1008 Crores over last two years.
- 3.0 This drastic reduction in most secured advance is the cause for concern. In this regard, Bank has initiated several measures to improve the Jewel Loan portfolio.
- 4.0 Among others, the important one is revision in the Scale of Finance for Jewel Loan in tune with the variation in market rate. Accordingly the Scale of Finance has been revised upward to Rs.1900/- per gram of 22 carat gold with effect from 06.06.2016.
- 5.0 The attractive banners are provided to all the Branches to ensure adequate publicity for our Corp Jewel Loan Scheme.

6.0 Now, the competent authority has approved for downward revision in the Rate of Interest on loan against pledge of Jewel sanctioned for the purpose of **Business and Other Priority Sector** advances as below:-

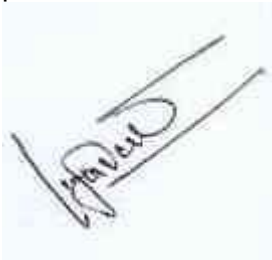
Category of loan	RoI		
	Existing	Revised	
		Loan Amount	RoI
Corp Jewel Loan scheme for Business purpose & under other priority Sector [CADL/CAOD/CATL- Erstwhile Corp Abharana Scheme]	MCLR+2.35%	Up to Rs. 5.00 Lakhs	MCLR + 0.60% (at present 10.15% p.a)
		Above Rs. 5.00 Lakhs	MCLR + 1.20% (at present 10.75% p.a)

3.0 The above revision in Rate of Interest is applicable to all new loans sanctioned /renewed with effect from 23.06.2016.

4.0 All the Branches/ Offices are advised to take note of the revision in ROI and improve their Jewel Loan portfolio, as the above reduction in ROI is most competitive among the peer bankers in the market.

5.0 Majority of the Jewel Loans sanctioned at this rate of interest falls mainly under Micro Enterprises segment i.e., 5th digit code being "S" or "N" and 7th digit must be 3 to 8 depending on activity.

6.0 Regulatory target of 7.5% of ANBC is stipulated for Micro Enterprises from current year onwards, Branches/ Offices are advised to utilize the untapped potential in this segment to scale up Jewel Loan portfolio as well as advances under Micro Enterprises.



[Virendra Singh]
ASSISTNAT GENERAL MANAGER