



CIRCULAR TO ALL BRANCHES/OFFICES/DEPARTMENTS

NO: 100/HO/ADV/2022-23/117/455

Date: 31.03.2023

RE: REVISION OF INTEREST RATES & INTRODUCTION OF UNIFIED PROCESSING & DOCUMENTATION CHARGES FOR LOANS UNDER BANKS' 'SUHANA SAFAR' SCHEME

We are continuously realigning our rate of interest in various segments and schemes to make them market competitive in order to boost our credit growth. Our scheme 'Suhana Safar' is contributing handsomely in the credit growth in the last few years and from past few months we are receiving the feedback from the Branches and Regional Offices on facing constraints in canvassing good quality loan proposals. In order to keep up the momentum in the car loan segment we have come out with reduction in rate of interest in the captioned scheme.

NEW RATE OF INTEREST ON LOANS UNDER 'SUHANA SAFAR' SCHEME:

Existing Rate of Interest (IN%)			Proposed Rate of Interest (In %); NRLLR at present: 9.50%		
CIBIL Slabs	Spread Over NRLLR	Effective ROI	CIBIL Slabs	Spread Over NRLLR	Effective ROI
For individuals for New Car linked to CIBIL Credit Vision Score-					
750 and above	0.00	9.50	800 & above	-0.60	8.90
700 to 749, -1, 3 to 5	0.25	9.75	725 to 799, 0, -1, 3 to 5	-0.45	9.05
Below 700 and 1&2	1.50	11.00	675 to 724, 1 and 2	1.00	10.50
			650 to 674	2.00	11.50
			Less than 650	3.00	12.50
Corporate Borrower	0.50	10.00	Corporate Borrower	0.00	9.50
For Two Wheeler Not linked to CIBIL Scores	2.50	12.00	For Two Wheeler Not linked to CIBIL Scores	2.50	12.00*
For old Car Not linked to CIBIL Scores	1.50	11.00	For old Car Not linked to CIBIL Scores	1.50	11.00*
For Staff and Ex Staff Not linked to CIBIL Scores Only for Car Loans	0.15	9.65*	For Staff and Ex Staff Not linked to CIBIL Scores Only for Car Loans	-0.50	9.00

The proposed concessional rates shall be effective wef 01.04.2023 and shall only be applicable for the new loans sanctioned till 30th September 2023.





The processing and documentation charges applicable in the Suhana Safar scheme have been waived off till the period ending March 2023. However, since the rate of interest on the loans sanctioned under Bank's Suhana Safar scheme have been considerably reduced, it has been decided to introduce the charges, viz processing and documentation, (though at a very nominal rate). It is to be noted that the loans sanctioned under this scheme shall be charged as per the table given below:

UNIFIED PROCESSING & DOCUMENTATION CHARGES APPLICABLE TO LOANS SANCTIONED UNDER 'SUHANA SAFAR' SCHEME:

Existing		Proposed (W.E.F. 01.04.2023)	
Processing charges: Car Loan (Suhana Safar)/ Two wheeler Loan	0.50% in addition to documentation charges (Minimum Rs.500/-plus GST).	Slab Of Amount Of Finance (In Lacs)	PCDC Charges (Tax etc.)
	No processing and documentation charges to Permanent PSU/Government Salaried Employee having minimum 2 years of services and customers already having housing loan/business loan of more than Rs.10.00 Lakh with sufficient value of collateral and satisfactory track record of last 3 years.	<= 3.00	Nil
		>3.00 & <=5.00	Rs.1000
		>5.00 & <=10.00	Rs.2000
		>10.00 & <=20.00	Rs.3000
		>20.00 & <=30.00	Rs.4000
		>30.00	Rs.5000
	Staff & Ex-Staff: No Charges.	Staff & Ex-Staff: No Charges.	

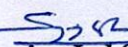
**** The revised processing and documentation charges to be recovered in all credit facilities accounts sanctioned on or after 01.04.2023 in the above mentioned schemes and to be credited to the respective GL head meant to recover processing charges.**

All the Branch/Departmental Heads are advised to bring the contents of this circular to the notice of all the staff members at the branch/office/department by specially calling an urgent staff meeting.

We believe that after the aforesaid rationalization of interest rate, the branches will canvass new viable proposals in their area of operation and will make their contribution in achieving newer heights and growth in the said credit portfolio of the Bank. The same should be reflected in the respective balance sheet of the branches.

Regional Office to pay special emphasis to augment the volume of business in this segment.

Yours faithfully,


(Sanjay Lal Sah)
Vice President Credit

