CIRCULAR
(LA No.: 546)

Reg. : Processing Charges

Attention is invited to PG Circular No. 1113 dated 25.06.2005 and PG Circular No. 1256 dated 30.03.09 on the subject cited above. Representations have been received from the entrepreneurs/ industrial associations for reduction/ rationalization of rate of Processing Charges.

The PC &CC in the meeting held on 09.06.2010 has reviewed the existing rate structure of Processing Charges and in supersession to earlier guidelines, it has been decided to revise rate of Processing Charges as under:

<table>
<thead>
<tr>
<th>S. NO</th>
<th>Range of Loan amount sanctioned</th>
<th>% of Loan amount sanctioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Upto Rs. 5.00 lacs</td>
<td>Nil</td>
</tr>
<tr>
<td>b)</td>
<td>Above Rs. 5.00 lacs and upto Rs.100.00 lacs</td>
<td>0.50%</td>
</tr>
<tr>
<td>c)</td>
<td>Above Rs. 100.00 lacs and upto Rs.1000.00 lacs</td>
<td>0.75%</td>
</tr>
<tr>
<td>d)</td>
<td>Above Rs. 1000.00 lacs</td>
<td>1.00%</td>
</tr>
<tr>
<td>e)</td>
<td>Loan sanctioned under 'Fast track loan Scheme for existing borrowers and all Good Borrowers Schemes except Card Schemes</td>
<td>0.25% less than the prevailing rate under respective slabs</td>
</tr>
</tbody>
</table>

P&G-CIRCULAR-1328-16-06-2010-PROCESSING-CHARGES
Govt. levies such as Service Tax & Education Cess applicable from time to time shall also be charged.

Further, it has also been decided that 50% of the requisite processing charges shall be deposited by the borrower before issue of sanction letter and remaining 50% charges shall be deposited after issue of sanction letter but before execution of loan documents.

The above changes in Processing may be incorporated in P&G at LA-2 at Serial No. 4.4 of Page No.16 of P&G and above revised structure shall be applicable in all loan cases to be sanctioned henceforth.

All concerned are advised to take a note of above and ensure compliance of the same.

Sd/-
(G.S. Sandhu)
Chairman & Managing Director

Copy to:
1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.