यूनियन बैंक ऑफ इंडिया Union Bank of India

Credit Policy & MSME Department, Central Office

Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai 400021.

Instruction Circular No:1867-2020 5th March 2020

TO ALL BRANCHES/OFFICES

Management of Credit Portfolio -
Service Charges on Domestic Rupee Advances w.e.f 01.04.2020

1. Service Charges is an important source of non-interest income for the Bank. In view of the amalgamation between Union Bank of India (Anchor) with Andhra Bank and Corporation Bank, the Service Charges pertaining to Domestic Rupee Advances for the amalgamated Bank have been finalized.

2. In order to have comprehensive guidelines on Service Charges at one place, Service Charges for Domestic Rupee Advances is enclosed as Annexure-I and the "Rules Governing the Service Charges" is enclosed as Annexure-II for providing better clarity on application of advance related Service Charges.

3. Goods & Service Tax (GST) will be applicable at all the service charges. The rate of GST applicable to service charges pertaining to Domestic Rupee Advances is 18% (existing rate) as per Government notification. In case of any change in GST Rate by Government of India, Branch/Offices to compute and recover the revised Service Charges accordingly.

4. **The aforesaid service charges on Domestic Rupee Advances shall be effective from 1st April 2020**. Service Charges which are levied on monthly / quarterly basis, will be effective from new month / quarter.

5. The necessary system support in Finacle for recovery of applicable service charges will be provided by Department of Information Technology, Central Office.

6. As per BCSBI Code – prior notice is required to be given to the customers before implementation of revised charges. Branches are therefore advised to display notice at the Branch at prominent place as given in Annexure immediately for information of customers. The notice for customers is enclosed as Annexure-A.

7. All Branches / Offices to take careful note of the above and ensure compliance.

(C M Minocha)
Head - CP&MSME

ग्राहकों के लिए नोटिस Notice to customers	
बैंक ने भारत सरकार की अधिसूचना G.S.R. 154(E) **दिनांक** 04.03.2020 (F.No.7/93/2019-BOA.I) **के आधार पर समामेलित बैंक अर्थात यूनियन बैंक ऑफ इंडिया (अग्रणी बैंक) के साथ कार्पोरेशन बैंक एवं आंध्रा बैंक के लिए दिनांक** 01.04.2020 **से घरेलू अग्रिमों पर सेवा प्रभारों को लागू करने का निर्णय लिया है.**	Bank has finalized the service charges for domestic advances to be effective from 01.04.2020 for amalgamated Bank i.e. Union Bank of India (Anchor Bank) with Corporation Bank and Andhra Bank in line with Government of India notification G.S.R. 154(E) dated 04.03.2020 (F.No.7/93/2019-BOA.I)
ग्राहकों से अनुरोध है कि कृपया इसे नोट करें . कृपया उचित प्रभारों के लिए हमारी वेब साइट www.unionbankofindia.co.in **पर** "Rates & charges >> Fees & Services >> Schedule of charges and fees for Inland Rupee Advances" **पर जाएँ.**	Customers are requested to take a note. Please visit our website www.unionbankofindia.co.in for service charges under the section - "Rates & charges >> Fees & Services >> Schedule of charges and fees for Inland Rupee Advances"

Annexure-I PART-A

UNION BANK OF INDIA

Credit Policy & MSME Department, Central Office

Schedule of SERVICE CHARGES pertaining to advances (excluding GST)

Sr. No.	Particulars	Service charges (excluding GST)
I. PROCESSING CHARGES ON FUND BASED (WORKING CAPITAL) AND NON FUND BASED LIMITS		
1	**Processing charges on Working Capital (FB / NFB) - Fresh Sanctions / Review / Renewal**	
i.	upto Rs.25,000	NIL
ii.	Above Rs.25,000 - Rs.2.00 lacs	400 per proposal
iii.	Above Rs.2.00 lacs - Rs.10.00 lacs	300 per lac or part thereof minimum Rs.1000
iv.	Above Rs.10.00 lacs	350 per lac or part thereof For Priority Sector - maximum 30 lacs, For other advances - No cap
v.		No processing charges for MSE loan upto Rs.5.00Lacs, agriculture loan upto Rs. 3 Lacs and advance to SHG & JLG upto Rs.3.00Lacs.
vi.		No processing charges on BGs/LCs backed by 100% and above cash/FDR margin (self/third party FDR of our Bank)
vii.		50% concession in processing charges on advances against Govt. securities, UTI/Mutual fund Units, NSCs, Life Insurance Policies, KVPs, IVPs, RIBs.
viii.		No processing charges for Bills Discounted under LC of reputed / Prime Bank on regular / ad-hoc limit.
2	**Adhoc sanctions**	150% of normal charges for actual period of adhoc limit
3	**Upfront recovery of processing fees**	Rs.1.00 cr and above – 50% before handing over the sanction letter to the customer & remaining 50% at the time of documentation Below Rs.1.00crore: 100% at the time of documentation

Sr. No.	Particulars	Service charges (excluding GST)
4	**Refund of Processing fees**	
		a. 75% of the charges recovered at the time of handing over the sanction letter to be refunded if sanction is not agreed when conveyed. b. However, if the consent / acceptance or otherwise for limit sanctioned is not given within 2 weeks from conveying of sanction by branch, the processing charges recovered upfront will be forfeited. c. Processing charges recovered by the Bank on completion of documentation will not be refunded whether limit is availed fully or not. d. In case limits allocated in a consortium arrangement is lower than the sanctioned limit, the processing charge will be recovered on allotted limit as per documentation and excess processing charges, if any will be refunded by the Bank. Note:If concession is approved at the time of the supply of service and transaction value is net of discount, GST needs to be paid only on the transaction value. If concession is subsequently given, GST already paid should not be refunded.
II.	**Processing charges on Term Loan / DPGL / Demand Loan (including schematic loans)**	
5	**At the time of sanction**	
	Upto Rs.25000	NIL
	Above 25000 - Rs.2 lacs	Rs.1000/- per loan
	Above 2 lacs - 5 crores	1.30% of limit subject to minimum Rs.3000
	Above 5 crores - 25 crores	1.10% of limit subject to minimum Rs.7 lac
	Above 25 crs	1% of the limit subject to minimum Rs.30 lacs For priority sector - max Rs.100 lacs For other advances - No cap
		No processing charges for MSE loan upto Rs.5.00Lacs.
6	**At the time of review - Processing charges should be levied on outstanding loan amount and not on the sanctioned amount**	
	a. In case no enhancement / restructuring / reschedulement is involved	upto Rs.50 lacs - Nil 50 lacs upto Rs.5 crores - 0.075% subject to max 20000 Above 5 crs upto 10 crs - 0.040% subject to max Rs.35000 Above 10 crores - 0.035% subject to max Rs.75000
	b. In case any enhancement / restructuring / reschedulement is involved	1% for the additional Term Loan and 0.25% for restructured / rescheduled amount (Subject to maximum Rs.1.00crore)

Sr. No.	Particulars	Service charges (excluding GST)
7	**Processing charges on short term loan**	
		Same as applicable for Fund Based Working Capital facility and to be recovered separatly. (It is clarified that charges & maximum ceiling of FB WC will be applicable on pro-rata basis as per tenor of Short Term Loan. For example STL of 3 months will have processing charge of 1/4th of applicable charge for FBWC limit with maximum of Rs.7.50lacs)
8	**Rescheduling/ restructuring of accounts**	
		0.25% for restructured/rescheduled amount subject to maximum Rs. 1 cr.
	Notes:	
9	**Pre-payment charges**	At 2% flat on the amount of term loan prepaid as on the date of closure of the account (Term Loans where repayment period is fixed beyond 36 months). Pre payment is not applicable for working capital facilities.
		Detailed guidelines covered under rules governing Service Charges
10	**Commitment charges for unutilised limit / underutilise limit (including accounts under Loan system for delivery of Bank credit)**	0.50% p.a. [It would be applicable to all borrowal accounts where total limits (Fund based working capital plus non-fund based plus Term Loan) is Rs.5 crores and above.]
		Detailed guidelines covered under rules governing Service Charges
11	**Processing charges for miscellaneous requests**	
11.1	Earmarking limits for CP / STLs to be availed with other banks / our Bank	0.10% of the amount of limit earmarked. Minimum - Rs.25000 & Maximum - Rs.2 lacs
11.2	Miscellaneous requests:	
	1.Modification in limits / sanction terms - per occasion (Including Sanction of new line of credit by earmarking existing limit) 2.Revalidation of limits 3. Sanction/Roll over of FCL 4. Issue of Comfort Letter for Buyers Credit 5.Interest concession 6. Reduction in commission/other service charges. 7.Reduction in Margin/collateral coverage 8.Waiver of personal/corporate guarantee 9.Waiver of any other sanction stipulation. 10.Issuance of NOC 11.Extension of COD 12.Any other misc. request.	Corporate & Non-Corporate Clients: Upto Rs. 10.00Lacs - Rs.2500 Above Rs.10 Lacs to Rs.1.00crore - Rs.15000 Above Rs.1.00crore to Rs.10.00crore - Rs.25000 Above Rs.10 crores to Rs.50 crore - Rs.100000 Above Rs.50 crores - Rs.500000 (In case of ad hoc limit, processing charges is to be recovered as per point no.2 above and no miscellaneous charges to be levied)

12	Processing charges on Retail Lending Schemes		
Sr. No.	Scheme	Processing Charges	Maximum
12.1	Union Home	0.50% of loan amount	
12.2	Union Miles	Flat Rs. 500/- for 2 Wheeler	
		Flat Rs. 1000/- for 4 Wheeler	
		No charges for staff members (Applicant / Co-applicant) availing loan under Union Miles Scheme	
12.3	Union Reverse Mortgage	0.50% of loan amount	Rs.10000
12.4	Union Top-Up	0.50% of loan amount	
12.5	Union Mortgage	0.50% of loan amount	
		In case of staff members: 0.25% of loan amount	
12.6	Union Mortgage Plus	0.50% of loan amount	
		No charges for staff members availing loan under Union Mortgage Plus Scheme	
12.7	Union Personal	0.50% of loan amount subject to a minimum of Rs.500	
12.8	Union Cash	0.10% of loan amount subject to minimum of Rs.100	
12.9	Special Union Cash Scheme for BSNL/MTNL VRS optee/Retired Emp.	Upto Rs. 4.00 lakh	Rs. 500/-
		Above Rs. 4.00 lakh to Rs. 6.00 lakh	Rs. 1000/-
12.10	Union Education	NIL	
12.11	Any other retail scheme not specified above	0.50% of loan amount	
12.12	Legal fee to advocate (Per Asset) - Retail Loans		
	Nature of cases		Other Centres
	Fee for giving Title Search Report		Rs. 1000
	Vetting of Documents (including mortgage)	Up to Rs.10 crore	Rs. 750/-
		Above Rs.10 crore	Rs. 1000/-
	Vetting of Documents related to Mortgage at Mortgage Cell if available		Rs. 750/-
	Out of pocket expenses such as fee to Registrar, etc (if any)		At actual
12.13	Valuation fee to valuer (Per Asset) - Retail / Agriculture Loans (To be governed by Policy on Valuation of Properties and empanelment of valuers)		
	Value of the Security		Fees
	Upto 50000/-		500/-
	Above 50000/- upto Rs.25 lac		1000/-
	Above Rs.25 lac upto Rs.1 crore		3000/-
	Above Rs.1 crore		10000/-
12.14	Relaxation Charges		
	Product Name	Charges	
	Union Home	0.10% of loan amount subject to minimum of Rs. 500 and maximum of Rs. 5000	
	Union Miles	0.10% of loan amount subject to minimum of Rs. 500 and maximum of Rs. 5000	
	Union Mortgage	0.10% of loan amount subject to minimum of Rs. 500 and maximum of Rs. 5000	
	Mortgage Plus	0.10% of loan amount subject to minimum of Rs.500 and maximum of Rs.10000	
	Union Education	0.10% of the loan amount subject to minimum of ₹ 500 and maximum of ₹ 5000 on one time basis	
	Any other retail scheme not specified above	0.10% of the loan amount subject to minimum of ₹ 500 and maximum of ₹ 5000 on one time basis	
	Note: No miscellaneous request charges is to be levied on retail loans.		

13	Processing and Service Charges on Crop / Gold loans					
No.	**Particulars**	**Processing**	**Documentation**	**Inspection**	**Advocate**	**Valuation**
13.1	**Crop loans (KCC / UGC)**					
	Upto Rs.3 lacs	Nil	Nil	Nil	Nil	NIL
	Above Rs.3 lacs	Normal charges as per schedule of service charges				As per point no.12.13
	Note: The service charges for Crop Loan (KCC/UGC) limit above Rs.3 Lacs should be recovered on total limit sanctioned and not on the difference of total limit & exemption limit of Rs.3.00 Lac. e.g. If KCC limit of Rs.10 Lacs is sanctioned service charges to be recovered for entire Rs.10 Lacs only and not for Rs.7 Lacs					
13.2	**Gold Loans**	**Processing**	**Documentation**	**Inspection**	**Appraiser**	**Re-appraiser**
a.	Gold Loans for agriculture purposes	Nil	Upto Rs.20 lacs - Nil Above Rs.20 lacs - 25% of normal documentation charges	Upto Rs.20 lacs - Nil Above Rs.20 lacs - Normal inspection charges	0.40% of loan, minimum Rs.100 and maximum Rs.500 per case	0.20% of loan, minimum of Rs.50 and maximum of Rs.250 per case
b.	Gold Loans for other than agriculture purposes (Non-Priority Sector as well as priority sector other than agriculture)	0.50% of limit sanctioned subject to maximum 1000	Upto Rs.20 lacs - Nil Above Rs.20 lacs - Normal documentation charges	Upto Rs.20 lacs - Nil Above Rs.20 lacs - Normal inspection charges	0.40% of loan, minimum Rs.100 and maximum Rs.500 per case	0.20% of loan, minimum of Rs.50 and maximum of Rs.250 per case

Annexure-I PART- B

UNION BANK OF INDIA

Credit Policy & MSME Department, Central Office

Schedule of SERVICE CHARGES pertaining to advances (excluding GST)

Sr. No.	Particulars	Service charges (excluding GST)
	MISCELLANEOUS CHARGES	
1		
1.1	**Performance Guarantee**	2% pa Minimum for each quarter
1.2	**Other Guarantees**	3% pa Minimum for each quarter
1.3	Renewal / Extension of Guarantee	Same charges as applicable for issuance of fresh guarantee except that the claim period not to be charged if the renewal is effected before the expiry data of the original guarantee
1.4	Guarantees Secured by 100% cash margin	500
1.5	Guarantee secured by 100% term deposit including third party deposits of our bank	25% of normal charges to be recovered for minimum 1 quarter
1.6	Refund of Guarantee commission on guanrantees tendered for cancellation before the expiry date	Covered in rule governing the service charges
1.7	Commission for Guarantee claim period	Commission for the claim period to be recovered on quarterly basis, at the beginning of the quarter, till the original guarantee is received by the Bank.
2	**Inland Letter of Credit**	
2.1	LC opening charges - Usance Charge	2.40% p.a. for the usance period for complete month or part thereof. In case of sight bills / usance for less than 1 month, minimum 1 month charge @ 0.20% minimum Rs.750
2.2	LC opening charges - Commitment charge should be levied for the period of liability (from the date of opening of credit to the last date of its validity)	Commitment charges : 1.20% p.a. with a minimum period of 1 month or part thereof
2.3	Extension of period	Same as usance / commitment charges (Minimum Rs.750)
2.4	Other amendments to LC	Rs.500 Per amendment
2.5	Increase in amount of credit	As applicable for LC issuing on prorata basis for the amount increased above original amount, minimum Rs.750

Sr. No.	Particulars	Service charges (excluding GST)
2.6	Revolving LC	Same as above at the time of opening and on each reinstatement on the amount of reinstatement, period of reinstatement and usance period of bill, min Rs.750
2.7	Advising of LCs	Flat Rs.750
2.8	Advising of amendments	Rs.500 Per amendment
2.9	Confirmation of LC	As applicable to LC opening charges
2.10	Transferable LC - Per Transfer	Flat Rs.1000 per transfer
2.11	Acceptance commission	On all LCs established by other banks calling for usance drafts to be drawn on & accepted by our Bank, an acceptance commission @ 2.40% p.a. with a minimum of Rs.750
2.12	Negotiation charges - With a minimumk plus discount at applicable rate of interest from the date of negotiation to the date of reimbursement	0.40% minimum Rs.1000 & maximum Rs.15000/- (In case of sight documents Minimum Rs.750)
	Collection of LCs established by other banks -	Negotiation charges and interest thereon are to be collected for the LC's established by other banks. In such case, collection charges should not be levied.
	LCs established by our bank Branches	In case of LC's established by our bank branches, only collection and interest as per rating should be collected for the usance period. In case of sight documents interest for a maximum period of 15 days should be collected subject to a minimum Rs.750.
2.13	Non-payment and non-acceptance of bills on presentation / on due date	0.20 % of bill amount. Minimum Rs. 500/-

2.14	**Guarantees on account of discrepancies in**	
	1. If payment received under reserve is credited to beneficiary's account -	0.25% minimum Rs.750
	2. If payment received under reserve at the request of the customer is not parted with -	No charges
	3. When called upon to refund payment made to them under reserve	No charges
	Presentation of usance Bills for acceptance -	Rs.250 per bill

Sr. No.	Particulars	Service charges (excluding GST)
2.15	LC secured by 100% cash margin / term deposit	25% of normal charges in respect of L/C opening charges subject to a minimum of Rs.750
2.16	Standby LC	As per the changes applicable for financial Bank Guarantee
2.17	Overdue interest (This is applicable to demand / usance bills negotiated under LC opened by the branches. The reason for the same is that in case of any default, the Bank, which has opened the LC would be liable to honour the commitment under the LC. The position where the LC is opened by another branch of the negotiating bank or by a branch of a bank other than the negotiating bank, does not affect the position of the negotiating bank / branch)	Overdue interest should be charged if the bill is not paid on due date.
2.18	Attestation of commercial invoice	at the time of negotiation - Nil subsequent occasion - Rs.100
2.19	Out of pocket expenses	All out of pocket expenses such as postages, internet usage, telexes, fax, etc shall be collected from the beneficiary unless otherwise specified.
2.20	charges of authorised signatory including reconstitution of account	Rs.500 per charge
2.21	Redemption of securities(other than loan against deposit)	Actual exp. + Rs.250/-
2.22	Transmitting of Inland LC through SFMS (for each completed LC) - (as charged by IDRBT from member banks)	100
3	**Documentation Charges(Fund Based) Also applicable on adhoc limits/single transaction limits**	
	Rs.2.00 lacs to 10.00 lacs	1250
	Rs.10.00 lacs to 25.00 lacs	2500
	Above Rs.25 lacs to Rs.1.00 crore	5000
	Above Rs.1.00 crore to Rs.10.00crore	0.10% subject to maximum 20000/- (Other than actual expenditure, if any & applicable Stamp duty.)
	Above Rs.10.00crore	0.02% subject to maximum Rs. 35000/- (Other than actual expenditure, if any & applicable Stamp duty.)

Sr. No.	Particulars	Service charges (excluding GST)
		Actual charges in case of charges paid to Security Trustee
3.1	**No documentation charges:**	Loan against deposits, Retail Lending Schemes (unless otherwise specified in scheme), Crop loans upto Rs.3 lacs, gold loans upto Rs.20 lacs for agriculture / non-agricultural purpose and Loan to SHG / JLG
3.2	**Other points:**	25% of normal documentation charges on a. Advances against Government Securities, UTI/Mutual Fund Units, NSCs, KVPs, IVPs, RIBs, IMDs, Life Insurance Policy. b. Agricultural advances (other than crop loans upto Rs.3 lacs) c. Gold loan above Rs.20 lacs for agricultural purpose d. Bank Guarantees / Letter of Credit backed by 100% cash margin / FDR margin
4	**Inspection Charges on advance proposals**	
	Upto Rs.5 lacs	Rs.150 per quarter
	Above Rs.5 lacs to Rs.50 lacs	Rs.500 per quarter
	Above Rs.50 lac to Rs.2 crore	Rs.1000 per quarter
	Above Rs.2 crore to Rs.5 crore	Rs.2500 per quarter
	Above Rs.5 crore	Rs.4000 per quarter
		a. Over and above these charges, out of pocket expenses will be recovered on actual incurred basis. b. No inspection charges on advances under Retail Lending Scheme (unless otherwise specified in scheme) and on crop loans (UGC / KCC) upto Rs.3 lacs and gold loans upto Rs.20 lacs for agriculture / non-agriculture purposes and loans against deposits.

Sr. No.	Particulars	Service charges (excluding GST)
5	**Mortgage Charge / Mortgage Creation charges:**	Upto Rs.10 lacs - Rs.2500 Above Rs.10 lac to Rs.50 lac - Rs.5000 Above Rs.50 lac to Rs.1 crore - Rs.10000 Above Rs.1 crore to Rs.5 crore - Rs.15000 Above Rs.5 crore - Rs.25000
		Related guidleines covered in Rule governing service charges
		Above charges are per instance and applicable for a maximum of 5 mortgages only. Beyond 5 mortgages, Rs. 1000 per mortgage to be recovered. The aforesaid mortgage charges will be applicable for all type of mortgages created by the Bank other than for retail loans and loans uptoRs. 3 lacs under agrl. Unless otherwise specified.
5.1	**Registration of Mortgage with Central Registry including modifications**	For credit facility upto Rs.5 lacs - Rs.150
		For credit facility more than Rs.5 lacs - Rs.300
5.2	**Satisfaction of Mortgage with Central Registry**	NIL
5.3	**Particulars of securitisation or reconstruction of financial assets related to Asset Reconstruction Companies**	1000
5.4	**Particulars of satisfaction of securitisation or reconstruction transactions related to Asset Reconstruction Companies**	250
5.5	**Any application for information recorded/ maintained in the register by any person**	50
5.6	**Any application for condonation of delay upto 30 days**	Not exceeding 2500 in case of creation of security interest for a loan upto 5 lacs and not exceeding 5000 in all other cases.

6	**Lead Bank Charges (FB +NFB)**	0.25% with max Rs. 50 lakh (in addition to applicable processing charges)
		Related guidelines covered under Rules governing Service Charges

Sr. No.	Particulars	Service charges (excluding GST)
7	**Holding of consortium meeting**	Rs.10000 + actuals
8	**Project Appraisal Charges**	
		Upto Rs.1.00crores: Same as inspection charges Above Rs.1.00crore: - Project Finance: • For own use: 0.10% of New Term Loan • For sharing with customer/other lender: Additional 0.10% of New Term Loan (Subject to maximum Rs.5.00Lacs) - Other than Project Finance: Same as inspection charges Rules: a. In case TEV report from empanelled TPSP of our bank/Consortium member bank is obtained, inspection charges as specified above is to be recovered for Technical Inspection. b. Technical inspection charges are to be recovered on completion of documentation. c. Out of pocket expenses are to be reimbursed to the Bank.
9.1	**Issuance of Solvency Certificate**	
	Upto Rs.1 lacs	250 per certificate
	Rs.1 lacs - 10 lacs	1000 per certificate
	Rs.10 lacs - 1 crore	5000 per certificate
	Rs.1 crore - 5 crore	10000 per certificate
	Above Rs.5 crore	25000 per certificate
9.2	**Capability Certificate**	• Rs.5/- per Rs.1000/- or a part thereof with a minimum of Rs.100/- and maximum of Rs.1000/- per certificate • Additional capability certificate in respect of same Student (who has already taken earlier) for applying to other Universities / same University within 12 month from the issue of original capability certificate: Rs.100/- per certificate

Sr. No.	Particulars	Service charges (excluding GST)
10	**Issuance of any other certificate for business purpose. (No Dues, Balance confirmation, Maintenance of Account, NOC for release of security in case of sale of flat units under real estate project etc. Certificate on behalf of our clients as well as clients referred by other banks (other than for govt. sponsored schemes). Charges are per certificate**	
	Loan upto Rs.10Lacs	150
	Loan above Rs.10Lacs to Rs.100Lacs	250
	Loan above Rs.100Lacs to Rs.10crore	500
	Loan above Rs.10.00crore	1000
		a. The certificate should be for business purpose. b. The borrowers under the Government schemes are exempted from the levy of charges on issuance of 'No due certificate'. c. No service charges should be levied on the balance confirmation certificate issued in borrowal account at the end of the year.
11	**Marking of / lifting of lien on NSC/RBI Bonds/KVP /IVP Assignment of LIC Policy**	Rs.100 per instrument plus out of pocket expenses if any
12	**Marking of / lifting of lien / hypothecation / other charges with RTO / revenue authority**	Rs.500 per asset plus out of pocket expenses if any. No charges on Retail Lending schemes (unless otherwise specified in the scheme)
13	**TUF subsidy application processing fee**	
	upto Rs.1 crore - Rs.1000	1000
	Above Rs.1 crore - Rs.2500	2500
14	**Charges for supplying copy of document**	
	Upto Rs.1.00 crore (Other than Govt. Sponser Schems and P.S. upto Rs.25000/-)	500 per set of document
	Over Rs.1.00 crore (Other than Govt. Sponser Schems and P.S. upto Rs.25000/-)	1000 per set of document
		Out of pocket expenses to be recovered separately other than for Govt. sponsor schemes and priority sector upto 25000
15	**Providing Service charges for credit opinion**	

Sr. No.	Particulars	Service charges (excluding GST)
	when no credit limit availed from us.	500 per opinion
	when credit limits are availed from us	1000 per opinion
16	**ROC registration/modification /satisfaction**	Each Transaction - Actual + Rs.500
17	**Search Report**	Each Transaction - Actual + Rs.500
18	**Verification of power of attorney**	Rs.500 per POA
19	**Providing Credit Information Reports from Credit Information Companies for credit appraisal**	Consumer Report - Rs.100 Commercial Report - Rs.500 (These charges are not applicable for retail loans and other loans upto Rs.25Lacs. The maximum aggregate charge for generating CIC reports should not exceed Rs.5000/- per borrower per annnum. Charge should not be recovered for obtaining multiple reports of same entity during particular review/renewal process. These charges are subject to periodical changes as per change in charges by CICs. Separate guidelines will be issued in case of any changes).
19.1	**Providing copy of credit information report as obtained and available from CIC based upon borrower's request**	Consumer Report - Rs.100 Commercial Report - Rs.1000
20	**Fee for opening / operating Escrow / TRA a/cs (Trust & Retention a/c)**	Upto Rs.5 crore - Rs.1 lacs Above Rs.5 crore upto Rs.10 cr - Rs.2 lacs Above Rs.10 crore - Rs.5 lacs (The charges prescribed are per annum)
21	**Lodgement / Release of pledged goods**	₹ 100/-+actual conveyance, if any. (Not applicable for gold loans)

Annexure – II

RULES GOVERNING THE SERVICE CHARGES

1. **Processing charges on Working Capital/ One time upfront fees on Term Loan**

1.1 One time upfront fees on Term Loan is to be recovered based on aggregate amount of Term loan/s sanctioned in a single proposal. For example, in a proposal for sanction of 5 TLs of Rs.2Lacs each, upfront fees will be as applicable for aggregate term loan of Rs.10.00Lacs. (The same modality will be applicable for processing charges for annual review of term loan.)

1.2 Processing charges for term loan to trader is also applicable for accounts covered under schematic norms.

1.3 The cycle for recovery of processing charges to commence from date of sanction irrespective of revalidation of sanction, if any at later date.

1.4 FITL & WCTL are Term Loan facility and applicable upfront fees is to be recovered thereof.

1.5 Processing charges are to be collected on yearly-basis on respective due dates of the accounts on the existing limits invariably even where Review is conducted and operations are allowed for a further period of say 3 months.

1.6 However, in the case of enhancements subsequent to the renewal on due date, Processing Charges are to be recovered on the enhanced portion of the limits.

1.7 In case of reduction of limits subsequently, the proportionate additional charges collected, excluding GST, may be refunded.

1.8 These charges are applicable to all credit facilities sanctioned to individuals/ firms/ societies /trusts/ companies etc.

1.9 These charges are not applicable to Loans against Deposits.

2. **Processing charges in review/renewal of limits**

2.1 In case the facility is utilised during the intermittent period i.e. from the expiry of original limits till its renewal (or cancellation/abeyance, as the case may be), processing charges at prescribed rates on pro-rata basis should be levied.

2.2 In case the facility is kept under abeyance during the intermittent period or period stipulated by the sanctioning authority, processing charges need not be levied.

3. **Processing charges on Review of Term Loan**

3.1 Processing charges on Term Loan at the time of review will be recovered based on outstanding liability plus unavailed limit (If disbursement is still to be completed) in a particular sanction.

3.2 FITL & WCTL are Term Loan facility and applicable processing charge/s for review of Term Loan is to be recovered thereof.

3.3 The applicable processing charge/s is for a period of 12 months. In case review of term loan/s is for less than 12 months, pro-rata charge/s is to be recovered. Similarly, In case next due date for review of term loan is above 12 months, pro-rata charges is to be recovered for period over and above 12 months. Further, processing charges are to be recovered on pro-rata basis for interim/lapsed period i.e. period between due date of review and actual review date, in case facility is utilised during the period.

4. **Pre-payment penalty for pre-maturity closure of Term Loan**

4.1 At 2% flat on the amount of term loan prepaid as on the date of closure of the account (Term Loans where repayment period is fixed beyond 36 months).

4.2 However, whenever waiver of pre-payment penalty for pre-closure of Term Loan is expressly approved by the Sanctioning Authority, no pre-payment penalty will be levied.

4.3 Wherever the prepayment is from internal accruals/own sources and/or interest rate reset date, no pre payment penalty may be levied.

4.4 Pre payment is not applicable for working capital facilities.

4.5 Pre-payment penalty will not be levied for Fixed Rate loans upto Rs.50.00Lacs and floating rate loans extended to MSE borrowers.

4.6 No prepayment charges if payment is at the instance of lender/s.

4.7 Prepayment charges should not be levied for prepayment/pre-closure of loans under any of the crop schemes including takeover by other banks.

4.8 No foreclosure charges/pre-payment penalties on any floating rate term loan sanctioned for purposes other than business to individuals with or without co-obligant(s) i.e. Retail loans.

4.9 For Retail loans, the pre-payment penalty (other than exemption mentioned herein) is specified in the individual schemes.

4.10 In other cases, delegation for waiver of pre-payment penalty would be as per Policy on Delegation of loaning powers.

5. **Commitment charges on un-availed / or partly availed sanctioned limits.**

5.1 Branches are aware that capital is an expensive source of funding and any increase in such capital allocation would translate into additional cost to the Bank. Under these circumstances, Bank is compelled to pass on the burden of

additional capital charge to the borrowers for providing capital on unavailed / partly availed portion of the credit limits.

5.2 The commitment charges are to be levied on all borrowal accounts where total limits (fund based working capital plus non-fund based plus term loan) is Rs.5 crores and above.

5.3 **Operational guidelines:**

5.3.1 **Working Capital:**

5.3.1.1 Commitment charge would be made applicable wherein working capital limit remain unutilized in excess of 30% of the sanctioned limits.

5.3.1.2 Commitment charge is to be recovered on unutilized portion of working capital limits in excess of 30% of sanctioned limits.

5.3.1.3 The unutilized portion of working capital limit shall be ascertained by the branches by calculating the average utilization during the quarter and comparing the same with the sanctioned limits.

5.3.2 **Term Loan:**

5.3.2.1 In case of term loans, the commitment charges should be levied on undrawn portion with reference to draw-down schedule.

5.3.2.2 Undrawn portion shall be arrived at after deducting actual drawl of term loan in each quarter of the financial year from drawable portion of term loan for the financial year in terms of the draw down schedule for the account.

5.3.2.3 It should be ensured that a draw-down schedule is stipulated in every Term Loan of Rs.5 crores & above and the disbursement is to be monitored as per draw-down schedule. The same should be stipulated at the time of sanction itself and should invariably form a part of term loan assessment in the Executive Summary. The draw-down schedules so stipulated should also be fed in the system while opening Term Loan accounts in the Finacle.

5.3.2.4 Commitment charge on Term Loan to be applicable on delayed drawdown beyond 2 months.

5.3.3 The commitment charges will become applicable from the date of 1st disbursement.

5.3.4 Operational guidelines for calculating commitment charges for non-fund based limit is same as in case of fund based working capital limits.

5.3.5 In the case of accounts under consortium / multiple arrangements, our stand on commitment charges should be explained to other Banks so that a consensus is evolved on levy of commitment charges.

5.3.6 Commitment charges on working capital and term loans to be recovered on half yearly basis in September and March every year based on above methodology.

5.4 **Exemptions from levying commitment charges:**

5.4.1 Working capital limits sanctioned to sick / weak units irrespective of amount.

5.4.2 Credit limits granted to Government owned concerns both State and Central Government.

5.4.3 Limits sanctioned with Unconditionally Cancellable Clause as an integral part of terms of sanction.

5.4.4 Usance Bills Discounting under Letter of Credit (UBD-LC) limit.

5.4.5 Working capital limits being not allowed to be availed at the instance of the Bank due to various reasons like stress, non-availability of Drawing Power, etc.

5.4.6 Limits sanctioned for export credit as well as against export incentives.

5.4.7 Inland bill limits extended by way of bills purchased / discounted or overdrafts / cash credit limits as sub-limit against bills for collection.

5.4.8 Limits sanctioned to Public Sector Undertakings Semi-government undertakings / State Government undertakings / Central government undertakings.

5.4.9 Limits unutilized during off season by Seasonal Industries.

5.4.10 For the exposure falling under Loan system for delivery of bank credit, this exemption will not be considered.

5.4.11 Retail lending schemes (Unless otherwise specifically mentioned in the scheme.)

5.5 The delegation for waiver of commitment charges would be as per Policy on Delegation of Loaning Powers.

6. **Recovery of processing charges in miscellaneous request**

6.1 Processing charges for miscellaneous request is not applicable for the request/s forming integral part of the regular proposal.

6.2 The processing charges on miscellaneous requests are to be recovered on the basis of sanctioned limit.

6.3 Miscellaneous request charges are not applicable on retail loans.

7. **Service Charges waived for Retail Lending Schemes** (Unless otherwise specifically mentioned in the scheme.)

7.1 One time upfront fee on Term Loans. (However, processing fees as mentioned in the scheme is to be recovered)
7.2 Processing fees on review of Term Loans
7.3 Documentation charges
7.4 Mortgage Charges

7.5 Service charges for generating reports from portal of Credit Information Companies

7.6 Commitment charges for unutilized limit

7.7 Restructuring charges

All other charges such as overdue, prepayment, takeover, CERSAI, processing fees etc will be as applicable for respective retail lending scheme.

8. **Commission on Bank Guarantee**

8.1 **Commission on Expired Guarantees**

8.1.1 Guarantees expired but not reversed form part of total outstanding contingent liability and attract capital charge on entire outstanding guarantees including guarantees expired. Hence, commission on guarantees should be charged till the date of guarantee reversal. However, Commission on expired bank guarantee pending reversal need not be charged in case customer supports the branch to comply with the procedure for reversal of expired guarantee as per Guarantee & Co-acceptance Policy of the Bank.

8.1.2 In order to meet the stiff competition to retain customers and attract good new customers into our fold, suitable concessions have been extended to valued constituents as below:

i. In case of BGs/DPGs issued for a period of more than one year and where the commission chargeable is more than ₹ 50,000/- per annum, the commission may be collected on yearly basis instead of collecting the entire commission at the time of issue itself.

8.2 **Levy of Commission on BG Upfront-Delegation for levying on annual /half yearly/quarterly/monthly basis**

8.2.1 Commission on BG for entire period including action period if any, should be recovered upfront i.e. at the time of issuance of the guarantee. However, At times, guarantees of high value are issued for a longer period (more than one year).

8.2.2 The commission on such guarantee for entire period works out to be substantial and affect the cash flow of the party (on whose behalf guarantee issued) if paid up front.

8.2.3 The party therefore requests for levy of commission on yearly basis, even sometimes on monthly/quarterly/half yearly basis where guarantee is of very high value. In such circumstances, delegation is vested as per the Bank's policy on delegation of loaning powers. In such instances, wherein commission is to be recovered on deferred basis and original guarantee is returned for cancellation before the expiry date, commission for residual maturity period subsequent to completion of approved interval (for which charges are recovered upfront) need not be collected.

8.3 **Refund of Guarantee Commission**

8.3.1 If the purpose for which guarantee was issued is served and the original guarantee is returned for cancellation before the expiry date, no commission will be refunded.

8.3.2 In other cases, if the purpose is not served and the original guarantee is returned for cancellation before the expiry date, the commission will be refunded at 50% of original rate for the unexpired period of guarantee less 3 months (excluding service tax). In other words, out of unexpired period BG charges of 3 months will be forfeited and for the remaining unexpired period only 50% of original commission is to be refunded.

8.3.3 In respect of "A" and above (long term) rated accounts where the commission collected is ₹ 50,000/- or more per annum, Branches are permitted to refund 100% of BG commission applicable to unexpired period excluding the quarter in which original BG was returned, provided the original guarantee bond is returned duly discharged.

8.3.4 If the guarantee becomes 100% fully secured by our own deposit/ Cash margin at the later date after the issue of Bank Guarantee, pro-rata commission as applicable for Guarantees Secured by 100% cash margin and Guarantee secured by 100% term deposit including third Party Deposits of our Bank to be charged and excess commission recovered for the residual period is to be refunded with the permission of Regional Office.

8.3.5 The period elapsed, for the purpose of refund, shall be reckoned upto the completed month.

8.3.6 If concession is approved at the time of the supply of service and transaction value is net of discount, GST needs to be paid only on the transaction value. If concession is subsequently given ,GST already paid should not be refunded.

8.4 **Commission on Non Fund Based Limits (BG/ LC) against 100% Cash Margin / Term Deposit**

8.4.1 While allowing the concessional rate the branches should ensure the following:

a. Concurrence of the deposit holder is obtained by a separate letter for keeping the deposit as security / margin & no objection for appropriating the proceeds in case of invocation without any dispute.
b. The deposit receipt is duly discharged along with letter of lien.
c. The tenure of deposit is not less than the validity of BG / LC (Unless approved by the sanctioning authority as per policy on delegation of loaning powers). Such deposits should be with auto-renewable clause and no option for auto-closure.

9. **Documentation Charges**

9.1 The documentation charges are applicable for Fund based as well as Non-Fund Based Credit Facilities as well as ad-hoc limits / Single transaction limits (Stamp duty is to be recovered separately).

9.2 In case documentation is undertaken on behalf of consortium, overall limits under consortium are to be considered for arriving at applicable documentation charges. However, Documentation charges are not applicable for documents executed by other than our bank on behalf of the consortium.

9.3 The documentation charges are to be recovered at the time of execution of security/auxiliary documents and not for operational matters like issuance of BG/LC etc within sanctioned limit for which existing documents are already obtained & valid.

10. **Mortgage Charges**

10.1 Charges for mortgage shall be collected as per total exposure.

10.2 Charges for mortgage shall also be applicable to extension of mortgage for enhancement and for substitution of title deeds.

10.3 Charges applicable for extension of mortgage recorded in favor of other lenders also.

10.4 The mortgage charges will be applicable for all type of mortgages created by the Bank other than for retail loans and loan upto Rs.3Lacs under agriculture unless otherwise specified.

11. **Lead Bank Charges**

11.1 Fund based working capital limit, Term Loan and Non Fund Based Limits to be clubbed for arriving at total Lead Bank fees payable.

11.2 However, Lead Bank Charges are applicable on Term Loans upto DCCO only and no such charges would be levied subsequently on review / renewal of Term Loans. In case any enhancement / restructuring is involved subsequently, Lead Bank charges will be applicable only for the enhanced amount or restructured amount.

11.3 Lead bank charges are to be recovered from the date of becoming leader of the consortium.

11.4 The lead bank charges are yearly charges and to be recovered on pro-rata basis in case applicable period is less than 12 months.

11.5 Applicable Lead bank charges are to be recovered based on total exposure of the consortium. However, in case there are multiple consortiums, then lead bank charges, if any for each consortium are to be recovered separately as per norms.

12. **Restructuring / Reschedulement of loans:**

12.1 These charges applicable to all loans and advances.

12.2 No processing charges shall be recovered for the existing exposures. However, processing charges shall be recovered on all additional exposure (the additional exposure for the purpose of recovering Processing Charges on Working Capital

limits will be any amount assessed in excess of sanctioned limits as on date of restructure)

12.3 No processing charges on restructuring of the (a) Crop Loans, (b)any other agriculture loans, (c) Education loans, (d) Micro Enterprises and (e) Small Enterprise loans upto Rs 5.00 lacs.

12.4 Flat processing charge of Rs.500/- on restructuring per housing loan.

13. **Charges for in-principle sanction letter:**

13.1 Endeavor may be made to recover upfront charges (non refundable) for "in-principle" sanctions as under:

Upto Rs.50 crore – Rs. 25000/-
Above Rs.50 cr. – 0.01% subject to maximum Rs.1 lakh

These charges may be chargeable only when communicated in writing to the borrower and will not be linked to final sanction / rejection. The charges are not to be adjusted with any other charges.

14. **Appraiser / Re-appraiser charges for gold loans:**

14.1 For appraiser charges:

- The appraiser fee shall be recovered from the borrower with the exception of cases where appraisal exercise is initiated in standard account by the Bank for the purpose of authentication of original appraisal.

- The above appraisal charge is the ceiling limit for payment of fees. However, Regional Heads are empowered to prescribe lower fees at Branches in their Region for renewal as well as new accounts based on the prevailing competitive situation at local level.

14.2 For re-appraiser charges:

- Re-appraisal charges in case of regular accounts borne by the Bank and in case of overdue accounts borne by the borrower.

- The Appraiser shall not be paid any amount except commission for re-appraisal @ 0.20% of loan amount sanctioned with a maximum of Rs.250/- & minimum of Rs.50.00 per case. The above re-appraisal charge is the ceiling limit for payment of fees. However, Regional Heads are empowered to prescribe lower fees at Branches in their Region based on the prevailing competitive situation at local level.

15. **Other Matters**:

15.1 No advances related service charges to be recovered for buyer-wise (Corporate) limits processed and maintained for TReDS.

15.2 Service charges for financing against Warehouse Receipts to Traders / Processors / Arathias (non-farmers) to be charged as per the schematic norms.

15.3 Service Charges will be charged as per "Information Utility (IU) Services and Fee Structure" plus "GST" plus "10% handling charges" which to be borne by the customer as IU are registered under Insolvency & Bankruptcy Code of Government of India.

15.4 The service charges are to be recovered on all advance related services including commitment charges, pre-payment charges etc unless otherwise specified. Actual out of pocket expenses are to be recovered in all cases, except where specifically exempted as per norms.

15.5 These service charges will be applicable only for domestic advances. For foreign advances related service charges, guidelines issued by DFB&IBD to be referred.

15.6 All the service charges are minimum in nature. Endeavour should be made to negotiate and recover higher charges wherever possible.

15.7 GST as applicable as per Government notification (presently @ 18%) should be added to all the service charges invariably.

16. **Matters related to amalgamated entity:**

16.1 The service charges as given above will be effective for amalgamated entity with effect from date of amalgamation. In case service charges is not applied through system, Branches to recover the same manually. However, Branches to verify the charges as applied in the accounts and prevent any income leakage.