

**Service Charges relating to Credit Matters**

**Process Fees on Working Capital & Upfront Fee on Term Commitments:**

	<b>Short Term Loans (Repayable within 12 months) &amp; Working Capital</b>	<b>Term Commitment (Repayable in more than 3 years )</b>
<b>Credit limits</b>	<b>FB+NFB</b>	<b>FB+NFB</b>
Upto Rs.25000/-	Nil	Nil
Rs.25001/- to Rs.2 lakhs	0.25% of Sanctioned Limit, with a minimum of Rs.100 /-	0.5% of Sanctioned Limit, with a minimum of Rs.250 /-
Above Rs.2 lakhs	0.25% of Sanctioned Limit, with a minimum of Rs.500 /- and no maximum ceiling	1.25% of Sanctioned Limit, without any minimum or maximum ceiling.
Short Term Loans repayable upto 1 year	Upfront fee at 0.50% of the loan amount without any ceiling	
Adhoc Limits	Normal process fee as applicable to WC should be charged	
Restructuring of Credit Limits	As applicable to Working Capital and Term Commitments	

**Upfront Fee for Demand Loans**

(Repayable in over 12 months but less than 3 years)

<b>Demand Loans</b> (Repayable in over 12 months but upto 3 years)	Upfront fee at 0.50% of the loan amount without any ceiling	
	Slab	Rate
Revalidation of Sanctioned Terms and Conditions for all types of limits.	Upto Rs. 1 Crore	0.50% of the limit with maximum of Rs.10,000/- for each revalidation
	Above Rs. 1 Crore	0.10% of the limit with maximum of Rs.10,000/- and maximum Rs.100,000/- for each revalidation
Modification of Terms of sanctioned Terms.	Above Rs. 1 Crore	0.02% of the loan amount with a minimum of Rs.1000/- and maximum of Rs.5 lakhs
<b>Documentation Charges:</b> For all limits including Demand, Adhoc, limits where documents are obtained as per guidelines	Upto Rs. 2 lakhs	Nil
	Above Rs.2 lakhs	0.10% with a minimum of Rs.500/- and maximum of Rs.25,000/-
Charges for copy of the documents for submission to any statutory authority	Actual photocopying charges + Rs.1000/-	

Charges if presence of bank official is required along with the documents for obtention of photo copies	Actual photocopying charges + Rs.2000/- + Out of pocket expenses
Charges for cancellation of Bank's lien on Government Securities / LIC Policies on closure of the Loan	1. Within one month from the date of closure of the loan: at the rate of Rs.100/- per instrument + Out of pocket expenses 2. After one month from the date of closure of the loan: at the rate of Rs.200/- per instrument + Out of pocket expenses
Lead Bank charges as Leader of Consortium on total assessed limits	0.30% of FB & NFB limits
Where entire non-fund based credit facilities under consortium on behalf of member banks on risk sharing basis	30% of the commission should be retained towards service charge and the remaining 70% should be shared among the consortium banks, including our Bank.

### **Agriculture Loans**

Upto Rs.50,000/- ( In case of other Priority Sector advances – upto Rs.25000/-)	No processing Charge No Supervision charge No upfront charge	
Above Rs.50,000/-	0.5% of total project cost	
Nabard assisted project over Rs.2 lakhs	0.5% of total project cost	
<b>Dena Kisan Credit Card</b>	<b>Upfront Fee</b>	<b>Supervision Fee</b>
Upto Rs.50000/-	Nil	Nil
SC/ST	Nil	Nil
Above Rs.50000/-	0.5%	
- Upto Rs.2 lakh		Rs.25 per qtr
- Above Rs.2 lakh		Rs.50 per qtr

**- No process Fee, Inspection Charges and Supervision Charges are applicable for all Agriculture Advances upto Rs.50,000/- & all other Priority Sector Advances upto Rs.25000/-.**

Government Sponsored Schemes	Nil
Loan against Term deposits	Nil
Staff Loans	Nil
Dena Vidya Laxmi	Nil
Dena Senior Citizen	Nil

### Retail Banking Products

	Upfront Fee
Consumer Loan	
Upto Rs.25000	250
Above Rs.25000	500
2 Wheeler	250
Car	500
Dena Rent	0.5%. Max Rs.1 lakh
Dena Suvidha	1%
Trade Finance	Supervision charges as per CC limits
Dena Niwas	0.5%
Mortgage Loans	1%
Loan against NSC/KVC/LIC	1%. Min Rs.250/-
Dena Vidya Laxmi	Nil
Dena Senior Citizen	Nil

### Commission on Bills Purchased & Discounted:

Where the BP is collected through our Bank branches, 50% of the Commission as per collection of bills/instruments plus interest including penal interest where applicable

Where the BP is realized through other Banks, 25% of the commission as per collection of Bills//instruments plus interest including penal interest where applicable.

Co-acceptance of Bills

Rs.100+0.75% per quarter or part thereof for the liability period of the bill

### Supervision Charges: -

Less than Rs.25000/-	Nil
Above Rs.25000	0.05%, subject to Minimum of Rs.100/- & Maximum of Rs.10,000/- per quarter

### Applicability:

- On Fund Based working capital limits.
- The above rates are per borrower and not for each account of the borrower
- Rates are – per quarter rates
- No supervision charges on Term Loans

### Inland Guarantee Commission – (Recoverable upfront)

	Slab	Rate
Performance Guarantees	Upto Rs.10 lakhs	Rs.120/- + 0.60% per quarter with a minimum of 1.2%
	above Rs.10 lakhs	Rs.120/- + 0.30% per quarter without any ceiling
Other Guarantees	Upto Rs.10 lakhs	Rs.120/- + 0.80% per quarter with a minimum of 1.6%

	above Rs.10 lakhs	Rs.120/- + 0.40% per quarter without any ceiling
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Modification in Guarantees, without any modification in amount and period		Rs.200/- per amendment
Others:		
Inland Letter of Undertaking		0.60% p.a. (as applicable to Financial Guarantee)
Letter of Comfort		0.05% of the amount with a minimum of Rs.500/- and maximum of Rs.5000/-
Capability Certificate		Re.1/- per Rs.1000/- with minimum of Rs.100/-
Additional Capability Certificate in respect of the same student for applying to other Universities / same university within 12 months from the issue of original capability certificate		Rs.50/- per certificate
Solvency Certificate		0.10% with a minimum of Rs.500/- and maximum of Rs.10000/- per certificate / Per instance

**Renewal of Guarantee:** The charges are same as those applicable for issuance of fresh guarantees, except that the claim period be not charged, if the renewal is effected before the expiry date of original Guarantee

**Concessions in Inland Guarantee commission**

100% Margin in the form of Bank's Term Deposit Receipts	50% concession is permitted.
100% Margin in the form of Cash	75% Concession is permitted.

**Refund of Guarantee Commission for unexpired period**

If unexpired period is less than 1 quarter	Nil. However, in case Bid Bond Guarantee for tender deposit is returned within 1 month, 45 days charges will be levied instead of 1 Quarter
If unexpired period is more than 1 quarter	50% of commission for unexpired period

**DEFERRED PAYMENT GUARANTEE/CO-ACCEPTANCE/ ACCEPTANCE OF BILLS :**

1. For DPGs, commission shall be charged on the reducing liability and for co-acceptance /acceptance of bills, commission shall be charged on the individual bill amount.
2. For DPGs having duration of more than 2 years and where the total commission chargeable is more than Rs.1 lakh, the amount of commission

may at the discretion of the sanctioning authority, be collected in instalments.

The first such instalment shall not be less than Rs.5000/- and the balance shall be collected in equal instalments, payable at the commencement of each 12 months period.

3. In the case of DPGs foreclosed before due date commission collected need not be refunded.
4. Collection of commission on guarantees/DPGs Co-acceptance of bills on deferred basis may be permitted in exceptional cases. In such cases the commission should be collected at the rate prevailing on the due date of the instalment/actual collection of commission. In other words, if there is any upward revision of the rates of guarantee commission the same should be given prospective effect while collecting the commission on due date.

#### **DELIVERY ORDER/GUARANTEE INDEMNITY ;**

Whenever branches issue delivery order/guarantee/indemnity favouring Railways/ Transport Companies/other carriers to enable the consignee to take delivery of the goods received under our LC, commission at the rate of rs.200/- per guarantee/delivery order to be collected besides other incidental expenses like postage.

#### **ISSUANCE OF INLAND LETTERS OF CREDIT:**

##### **Inland Sight / Usance / Revolving LC Charges**

<b>Usance Period</b>	(per quarter or part thereof)	
Commitment Charges	Commitment charge (To be taken separately)	0.30% per quarter with a minimum of Rs.150/-
<b>Usance Charges</b>	<b>Usance Charges</b>	
	Upto 7 days sight Bills	0.25%
Sight LC & Upto 90 Days	Over 7 days & upto 3 months	0.50%
Above 90 days	Beyond 3 months	0.50% for first 3 months + 0.25% p.m. in excess of 3 months or part thereof
Concession in Charges		50% concession on applicable rate if 100% margin is maintained in TDR; 75% concession on applicable rate if 100%

		margin is maintained in cash
Revolving LCs		Usance Charges + Commitment charges on reinstated amount as also reinstatement charges on each reinstatement with a minimum of Rs.200/-
Advising Charges		0.20% for advising each LC with a minimum of Rs.200/-.
Amendment Charges	Advising Amendments	Flat charge of Rs.500/- per amendment
Confirmation Charges		Commitment charge + Usance Charge
<b>Negotiation Charge</b>	<b>Negotiation Charge</b> For Bills upto Rs.2.50 lakh For Bills over Rs.2.50 lakhs	0.50% with a minim of Rs.120/- 0.30% with a minim of Rs.1250/-
		In addition to above charges, discount charges at applicable interest rate for the period of negotiation plus out of pocket expenses if any will be charged.  Overdue interest is to be charged in all cases of demand / usance bills negotiated under LCs and not paid on due date
Charges for giving guarantee for discrepant document		0.20% with a minimum of Rs.100/-
Charges for accepting Bills under LCs		0.25% with a minimum of Rs.100/-
Charges for retirement of Bills under LC		0.25% with a minimum of Rs.100/-
Charges for Non-acceptance and Non-payment of bills on presentation / on due date		0.05% with a minimum of Rs.100/-
Out of pocket expenses		In addition to above charges, actual out of pocket expenses towards postages, fax, telephone charges etc should be recovered

## **GENERAL PROVISIONS AND GUIDELINES;**

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1. Commission is chargeable when an ILC is opened or amended. Refund of commission is not permissible under any circumstances whatsoever, whether credit is cancelled, party availed or unavailed.
2. All charges in respect of advance bills and/or bills under letters of credit are for the account of applicant of LC or as per terms of LC.
3. ***In case of LCs secured by 100% margin or by our own term deposits, a reduction in charges at 25% of normal charges for opening LCs will be collected with a minimum of Rs.150/- This is applicable only for LC opening charges. All other charges such as negotiation charges etc. are to be collected at our usual rates,***
4. Out of pocket expenses such as postage, courier (approved by the Bank), FAX shall be collected in addition to the applicable LC charges.

## **OUT OF POCKET EXPENSES :**

All out of pocket expenses towards postages, couriers, telexes, cables shall be collected from the beneficiary of LC unless otherwise specified.

## **CLEAN PAYMENTS RECEIVED UNDER LETTERS OF CREDIT ;**

A flat charge of Rs.200/- will be levied by the beneficiary's bank for receiving clean payment and crediting beneficiary's account.

## **CERTIFICATES ;**

When the beneficiary asks for attestation of commercial invoice at the time of negotiation/ collection, such attestation, may be done free of charge but should the beneficiary ask for attestation of invoices on a subsequent occasion then charge of Rs.25/- per invoice with a minimum of rs.50/- should be levied on each occasion.

## **SERVICE TAX and such other tax/duty/cess that may be levied under the Statutes will be applied. Presently, the service tax is at 10.2%**

It is proposed that following powers be vested with Asst. General Manager/ Regional Manager & Above with regard to considering concession & Waiver in Service charges.

<b>Authority</b>	<b>Extent of concession</b>	<b>Resultant charge</b>
General Manager (Credit), General Manager (Gujarat) & General Manager (PSA) and General Managers in charge of Operations	25% of standard charges	75% of standard charges

Executive Director and above	100% of standard charges	0% of standard charges
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Commitment charges on Term Loan & Working Capital Limits:

Existing & Proposed		
For credit limits upto Rs.1 Crore: No commitment charge		
For Credit Limit above Rs.1.00 Crore		
If unavailed /under utilized	Working capital	Term Loan
Period	More than 3months	More than 6 months
Charge	0.5% of un /under utilized portion	0.5% of unavailed portion

**GUIDELINES ON COMMITMENT CHARGES:**

1. 0.5% p.a. on the committed line of credit and /or unutilized/unavailed sanctioned WC limits or ST limit for WC purposes and also TL.
2. Commitment charges are applicable to borrowers **Limited companies only** with sanctioned limits (Fund based, non fund based or combination thereof including term loan) of Rs.1 crore and above from our Bank.
3. The limit sanctioned/committed line of credit shall be availed within a period of 3 months from the date of sanction. In case limits are not availed within this period, commitment charge shall be collected from the date of sanction till its availment.
4. In case of term loans, the draw down schedules are to be obtained from the party while sanctioning the loan and levy of commitment charges shall be aligned to the same. In case the first disbursement as per the sanction does not take place within 3 months from the first scheduled draw down date, then commitment charge for the term loan shall be levied from the date of sanction till its first availment, computed on the amount of unavailed drawdown.
5. In case borrower avails 50% or more of the sanctioned limit/committed line of credit within the period of 3 months from the date of sanction, no commitment charge need be collected in such cases. However this provision is not applicable for term loan, where the drawdown shall be as committed at the time of sanction.
6. In case where Bank prescribes additional terms and conditions after sanction and before availment and if the party is unable to comply with the same resulting in non-availment of the sanctioned limit, the commitment charge need not be collected in these cases.
7. In case of partial availment of the working capital facility (less than 50%) commitment charge shall be collected from the date of sanction till its availment (at least 50% or more), on the balance unavailed portion.

8. The guidelines on commitment charges are applicable in respect of our advances under sole banking, multiple banking and consortium advances either as leader or member to the extent of our share/sanction.
9. Levy of commitment charges is not applicable in the following cases :
  - ? Limits sanctioned to sic/weak units
  - ? Limits sanctioned for export credit (both pre-shipment and post-shipment).
  - ? Short term credit facilities linked to market benchmarks like MIBOR (as put and call option with 24 hours notice is available).
11. The levy of commitment charges as above shall be over and above the normal processing charges, upfront fee, penal interest etc.
12. In case of genuine difficulties and or according to the merit of each case commitment charges may be waived/reduced by General Managers in case of sanctions upto the level of GMs and for sanctions by ED & CMD, the respective sanctioning authorities shall consider waiver/concession and for MC sanctions, the authority lies with CMD and in his absence with ED.

**Disbursement of Advances for ensuring end use:**

In order to ensure monitoring of the accounts at regular intervals, Bank officials would be required to visit the units and places where the securities are available. In such cases, the actual expenses incurred by the Bank will be charged.

**Service charges for issuance of No Due certificates under Government sponsored programmes, agricultural loans are as under**

Parameter	Size of Loan	Category of Farmer	charges	
			For first time	For second time
Issue of No Due Certificate	Upto Rs.50,000/-	SF & MF, Share croppers and the like	Nil	Rs.10/-
		Others	Nil	Rs.10/-
	Above Rs.50000/-	SF & MF, Share croppers and the like	Nil	Rs.25/-
		Others	Nil	Rs.50/-

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