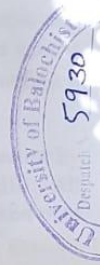




Satellite Town Branch Quetta (1083)
No. NBP/STQ/BUSINESS/21 **396**

Tel: 081-2440633, 2440518
Date: 22.10.2021

1. The Vice Chancellor,
University of Balochistan,
Quetta.
2. The Registrar,
University of Balochistan,
Quetta.
3. The Treasurer,
University of Balochistan,
Quetta.



Dear Sir,

**PROPOSAL FOR TAKEOVER OF PERSONAL LOANS (REGULAR)
EXTENDED BY HBL TO THE STAFF OF UNIVERSITY OF BALOCHISTAN**

National Bank of Pakistan is the leading commercial bank after redefining its role into a modern growth oriented institution by expanding business network and capturing substantial market share. It also acts as an agent to the State Bank of Pakistan.

Being the Nation's Bank, we aim to cater to the needs of our present & prospective customers. In this context, review of the personal loan facility extended by HBL to the employees of University of Balochistan revealed that the loans have been extended at an Annualized markup rate of **30% to 35.99% per annum, while National Bank of Pakistan is offering the same facility to its customers at a markup rate of 18%, which is far less than the mark up rate of HBL**

Below is a table showing comparison of additional mark up being paid by the employees of University of Balochistan for the same facility which is offered by NBP @ 18%:

Amount of Loan (as a sample taken up to 1 million, however loan can be taken upto 3 million (Rs)	Mark up charged by HBL (31% taken as average mark up rate) (Rs)	Mark up charged by NBP @ 18% fixed rate (Rs)	Excess amount paid by the employees of University of Balochistan due to high mark up rate (Rs)
100,000.00	75,631.66	41,000.00	34,631.66
200,000.00	151,263.32	82,000.00	69,263.32
300,000.00	226,894.97	122,999.99	103,894.98
400,000.00	302,556.63	163,999.99	138,556.64
500,000.00	378,158.29	204,999.99	173,158.30
600,000.00	453,789.95	245,999.99	207,789.96
700,000.00	529,421.61	286,999.99	242,421.62
800,000.00	605,053.26	327,999.99	277,053.27
900,000.00	680,684.92	368,999.99	311,684.93
1,000,000.00	756,316.58	409,999.99	343,316.59

Shot with my Galaxy A32

The above figures clearly depict the huge amount of excess markup being paid by the employees of university of Balochistan due to higher mark up rates. This excess mark up amount can be saved by availing the same loan facility from National Bank of Pakistan which is charging a fixed mark up rate of only 18% per annum.

In the interest of employees of University of Balochistan, we propose a plan of loan takeover by settling the outstanding loan balances of employees availed personal loan facility from HBL. All Facility after taking over will be extended @ 18% on the outstanding balances to be taken over by us.

Besides above, it is also pertinent to mention that HBL is also charging an early payment charges @ 6% and late payment charges of Rs. 1000 + FED, while early payment charges of NBP are only 2%.

We are looking forward for a meeting over it enabling us to finalize a proposal for onward submission to the competent authority, since all the previous regular loans in HBL will be adjusted and new loans at NBP will be extended in books at lower rate i.e. 18%.

Regards,

[Handwritten Signature]
22/10/21

Muhammad Yasir Khan
Manager



Plz circulate
A.R (Gen)
Katulkhan
22/10/21



Samsung Quad Camera

Shot with my Galaxy A32