

**CARD RATES FOR ADVANCES**

1. Rate of Interest = Benchmark Rate\* + Spread (Credit Risk Premium + Business Strategy Premium)

\* For MSME Borrowers : EBLR

& For Non-MSME Borrowers: MCLR

2. **For Micro, Small and Medium Enterprises (MSME) Borrowers**

**Table A: Spread for Exposure up to Rs 25.00 lakh**

Amount Category	Up to Rs 50,000	> Rs 50,000 up to Rs 2.00 Lakh	> Rs 2.00 Lakh up to Rs 25.00 Lakh
Spread	1.50%	1.75%	2.75%

**Table B: Spread for Exposure above Rs 25.00 lakh and up to Rs 5.00 Crore**

Internal Rating (IR)	Spread (IR Applicable)	
	> Rs 25 Lakh up to Rs 1 Crore	> Rs 1 Crore up to Rs 5 Crore
CR1	2.60%	2.95%
CR2	2.95%	3.25%
CR3	3.50%	3.70%
CR4	4.15%	4.20%
CR5	6.00%	6.05%
CR6	7.30%	6.85%
CR7	7.50%	6.95%
CR8-CR10	7.70%	7.05%

**Table C: Spread for MSME Exposure above Rs 5.00 Crore**

INTERNAL RATING (IR)	Spread (Internal Rating & External Rating Applicable)						
	> Rs 5 Crore up to Rs 25 Crore	> Rs 25 Crore					
		AAA	AA	A	BBB	BB & Below	Unrated
CR1	1.30%	0.55%	0.80%	1.05%	1.50%	2.80%	1.70%
CR2	1.55%	0.60%	0.90%	1.20%	1.65%	2.95%	1.85%
CR3	2.00%	0.70%	1.10%	1.50%	1.95%	3.25%	2.15%
CR4	3.00%	0.75%	1.35%	2.00%	2.45%	3.70%	2.65%
CR5	4.90%	2.45%	2.70%	2.95%	3.40%	4.65%	3.60%
CR6	5.75%	3.15%	3.35%	3.65%	4.10%	5.30%	4.30%
CR7	5.85%	3.25%	3.45%	3.75%	4.20%	5.40%	4.40%
CR8-CR10	5.95%	3.35%	3.55%	3.85%	4.30%	5.50%	4.50%



#### **Table D: Additional Credit Risk Premium for Term Loans**

Additional credit risk premium for Term Loans over 1 year will be applicable above card rate for loans above Rs 25.00 lakh for MSMEs based on the period of advances at the time of sanction. The additional credit risk premium is as follows:

<b>Additional Credit Risk Premium</b>				
<b>Total Term of Loan (Incl. Moratorium)</b>	<b>Greater than 1 yr &amp; upto 3 yrs</b>	<b>Greater than 3 yrs &amp; upto 5 yrs</b>	<b>Greater than 5 yrs &amp; upto 10 yrs</b>	<b>Greater than 10 yrs</b>
<b>Additional Credit Risk Premium</b>	0.10%	0.25%	0.50%	1.00%

- The additional credit risk premium added to longer term loans should be mentioned in the sanction advice.
- For Commercial Real Estate exposure (other than CRE-RH) a risk premium of 50 bps shall be added (both in case of Working capital and Term Loan Facility) irrespective of credit exposure and in addition to the above additional credit risk premium rates.

#### **Table E: Collateral Based Concession**

The details of collateral-based concession are as follows:

<b>Collateral Coverage in terms of Land /Building and Liquid Assets of Loan Accounts</b>				
<b>Collateral Coverage</b>	<b>Less Than 50%</b>	<b>50% to below 100%</b>	<b>100% to below 150%</b>	<b>150% and above</b>
<b>Discount to be given</b>	0.00	0.10%	0.25%	0.50%

- i. The concession in ROI based on collateral level is on the card rate itself. Such concession will be in addition to the concession sanctioned, if any, as per the delegation defined in extant policy on delegation of loaning powers.
- ii. Further, there shall also be no change in the existing delegation of loaning powers for granting concession in rate of interest.

