

INTEREST RATES ON MSME ADVANCES

1. FOR EXPOSURE UPTO RS.25.00 LAKH

CATEGORY	RATE OF INTEREST
MICRO & SMALL ENTERPRISES	MCLR+1.75%+BSS

2. RISK BASED PRICING FOR EXPOSURE ABOVE RS. 25.00 LAKH AND UPTO RS. 5.00 CRORE

INTERNAL CREDIT RISK RATING	APPLICABLE RATE OF INTEREST
AAA	MCLR+2.00%+BSS
AA	MCLR+2.50%+BSS
A	MCLR+3.00%+BSS
BBB	MCLR+3.50%+BSS
BB	MCLR+4.50%+BSS
B & C	MCLR+5.00%+BSS

3. RISK BASED PRICING FOR EXPOSURE ABOVE RS.5.00 CRORE SHALL BE AS PER EXTERNAL RATING VIS-À-VIS INTERNAL CREDIT RATING MATRIC:

MATRIX		EXTERNAL RATING						EXTERNALLY UNRATED
		AAA	AA	A	BBB	BB&B	C&D	
INTERNAL RATING	AAA	MCLR +0.50%	MCLR +0.75%	MCLR+ 1.00%	MCLR +2.00%	MCLR +3.00%	MCLR + 3.50%	MCLR +2.50%
	AA	MCLR +0.50%	MCLR +0.75%	MCLR +1.25%	MCLR +2.25%	MCLR +3.25%	MCLR +3.75%	MCLR +2.75%
	A	MCLR +0.75%	MCLR +1.00%	MCLR +1.25%	MCLR +2.50%	MCLR +3.50%	MCLR +4.00%	MCLR +3.00%
	BBB	MCLR +1.50%	MCLR +1.50%	MCLR +1.75%	MCLR +2.50%	MCLR +4.00%	MCLR +4.25%	MCLR + 3.50%
	BB&B	MCLR +3.00%	MCLR +3.00%	MCLR +3.50%	MCLR +3.50%	MCLR +4.00%	MCLR +4.50%	MCLR +4.00%
	C&D	MCLR +3.50%	MCLR +3.50%	MCLR +4.00%	MCLR +4.00%	MCLR +4.50%	MCLR +4.50%	MCLR +4.50%

4. INCENTIVE FOR COLLATERAL SECURITIES – REDUCTION IN ROI

PERCENTAGE COLLATERAL SECURITY OFFERED	DISCOUNT / REDUCTION IN RATE OF INTEREST
MORE THAN 50% TO 75%	0.25%
MORE THAN 75% TO 100%	0.50%
MORE THAN 100%	0.75%

ELIGIBLE COLLATERAL SECURITIES FOR CONCESSION IN RATE OF INTEREST FOR MSME ADVANCES ARE AS UNDER

	NATURE OF SECURITY	VALUATION
1	FREEHOLD LAND AND BUILDING (EXCL. AGRICULTURAL LAND)	DISTRESS VALUE

2	PAPER SECURITIES IN THE FORM OF	
I	FDR	PRINCIPAL + ACCRUED INTEREST
II	NSCs/KVPs-KISAN VIKAS PATRA	PRINCIPAL + ACCRUED INTEREST
III	INSURANCE POLICIES	SURRENDER VALUE
IV	DEBT INSTRUMENTS OF PUBLIC LTD COMPANIES WITH AAA & AA RATED BY RBI APPROVED EXTERNAL RATING AGENCIES.	PRINCIPAL AMOUNT
V	GOVERNMENT SECURITIES	PRINCIPAL AMOUNT
3	GOLD	VALUATION BY APPROVED VALUER

5. SCHEME FOR FINANCING TO TRADE, SERVICE & MSE (LOAN AGAINST PROPERTY):

MCLR+1.25%

6. SPECIAL SCHEME FOR FINANCING DOCTORS, CHARTERED ACCOUNTANTS, ENGINEERS AND ARCHITECTS:

LOAN AMOUNT	APPLICABLE ROI
LOAN UPTO RS. 100.00 LAKH	MCLR+0.50%
LOAN ABOVE RS. 100 LAKH AND UPTO RS. 200 LAKH	MCLR+2.00%
LOAN ABOVE RS. 200 LAKH AND UPTO RS. 500 LAKH	MCLR+3.00%

7. SPECIAL SCHEME FOR FINANCING TRANSPORT OPERATORS (MAHABANK TRANSPORT OPERATOR LOAN SCHEME.)

LOAN AMOUNT (FOR NEW VEHICLE)	PROPOSED ROI
LOAN UPTO RS.25.00 LAKH	MCLR+0.50%
LOAN ABOVE RS. 25 LAKH AND UPTO RS. 100 LAKH	MCLR+1.50%
LOAN ABOVE RS. 100 LAKH AND UPTO RS. 200 LAKH	MCLR+2.50%

8. SCHEME FOR FINANCING BUSINESS LOAN AGAINST PROPERTY

MCLR+2.30%

9. BUSINESS STRATEGY SPREAD (BSS)

- a. FOR ADVANCES UPTO Rs.25.00 CRORE: BSS SHOULD BE AT LEAST 25 BPS
- b. FOR ADVANCES ABOVE Rs.25.00 CRORE: BSS MAY BE AT THE DISCRETION OF SANCTIONING AUTHORITY