

LENDING RATES ON AGRICULTURAL ADVANCES
With effect from 01.01.2015

A. RATE OF INTEREST

OUR CURRENT BASE RATE : 10.25%

I. Direct Agricultural Advances

The rates shall be applicable on advances which are classified under ‘*Direct Agriculture*’ as per the extant RBI guidelines, *except the following categories:*

- a. Loans to Poultry units;*
- b. Agricultural advances against Warehouse Receipts;*
- c. Advances under Govt. Sponsored Schemes where Specific Rate of Interest has been stipulated and*
- d. Advances covered under Interest Subvention Schemes of the Central Govt.*

1. Direct Agriculture:

(excluding the categories mentioned above)

| Sanctioned Limit | Rate of Interest |
|--|----------------------------|
| <i>Up to `3.00 lakh</i> | <i>BR + 1.00% = 11.25%</i> |
| <i>Above `3.00 lakh to up to `25 lakh</i> | <i>BR + 1.50% = 11.75%</i> |
| <i>Above `25 lakh to up to `1.00crore</i> | <i>BR + 2.00% = 12.25%</i> |
| <i>Above `1.00 crore - As per credit Rating, as under:</i> | |
| <i>CBI-1 to CBI-3</i> | <i>BR + 1.00% = 11.25%</i> |
| <i>CBI-4 to CBI-6</i> | <i>BR + 2.00% = 12.25%</i> |
| <i>CBI-7 to CBI-9</i> | <i>BR + 3.00% = 13.25%</i> |

As per the *Central Govt. interest subvention scheme* in vogue, in case of *short term crop loans/production credit up to `3.00 lakh per borrower, interest @ 7% is to be recovered*. Similarly, in case of short term production credit of more than `3 lakh per borrower, the loan amount *up to `3 lakh* will attract interest @ 7% and the amount above `3 lakh will attract normal applicable rate as above, clubbing all agriculture loans of the borrower.

The interest subvention scheme is being announced by Central Govt. every year and the extant guidelines on the scheme are to be referred in this regard.

2. Poultry Advances:

| Sanctioned Limit | Rate of Interest |
|--|----------------------------|
| <i>Up to `1.00 crore</i> | <i>BR + 1.00% = 11.25%</i> |
| <i>Above `1.00 crore - As per credit Rating, as under:</i> | |
| <i>CBI-1 to CBI-3</i> | <i>BR + 1.00% = 11.25%</i> |
| <i>CBI-4 to CBI-6</i> | <i>BR + 1.50% = 11.75%</i> |
| <i>CBI-7 to CBI-9</i> | <i>BR + 2.00% = 12.25%</i> |

3. Advance against Pledge of Warehouse Receipts (classified under Agriculture):

- i. For advances where the services of Collateral Managers approved by Bank ***have been availed:***

| Sanctioned Limit | Rate of Interest |
|--|-------------------------|
| Up to `10.00 lakh | BR + 1.00% = 11.25% |
| Above `10.00 lakh to up to `1.00 crore | BR + 1.25% = 11.50% |
| Above `1.00 crore | BR + 1.50% = 11.75% |

Collateral Management Charges along with applicable service tax, wherever applicable, ***will be borne by the bank.***

- ii. For advances where the services of Collateral Managers approved by Bank ***have not been availed:***

| Sanctioned Limit | Rate of Interest |
|----------------------------------|-------------------------|
| Up to `10.00 lakh | BR + 0.25% = 10.50% |
| Above `10.00 lakh to `1.00 crore | BR + 0.75% = 11.00% |
| Above `1.00 crore | BR + 1.25% = 11.50% |

As per Central Govt. extant guidelines on interest subvention scheme, to avoid distress sale, interest subvention is also available to Small and Marginal Farmers having Kisan Credit Card, for a further period of up to 6 months post-harvest against Negotiable Warehouse Receipt on the same rate which is applicable on crop loans.

II. Indirect Agricultural Advances

1. Agri-Clinic & Agri-Business Centers :

| Sanctioned Limit | Rate of Interest |
|------------------|---------------------|
| Up to 3.00 lakh | BR + 1.00% = 11.25% |
| Above 3.00 lakh | BR + 2.00% = 12.25% |

2. Loans to PACS, FSS and LAMPS, Cooperative Societies and credit facilities under financial inclusion:

| Category of Borrower | Rate of Interest |
|---|---|
| a) Loans to <u>PACS, FSS and LAMPS</u> for on lending to farmers for agricultural and allied activities. | At Base Rate % (i.e., 10.25% at present), irrespective of the loan limit. |
| b) Loans to farmers indirectly through the <u>Co-operating system</u> . | |
| c) Loans under <u>GCC, Cent Janata Credit Card</u> in rural and semi-urban areas and any other credit facilities under <u>financial inclusion</u> eligible to be classified under Indirect Agriculture. | |

3. Loans for Construction and running of Storage Facilities :

| Sanctioned Limit | Rate of Interest |
|--|----------------------------|
| Up to 1.00 crore | BR % = 10.25% |
| <i>Above Rs.1.00 crore - based on credit rating, as under:</i> | |
| CBI 1 to CBI 3 | BR + 0.50% = 10.75% |
| CBI 4 to CBI 6 | BR + 1.00% = 11.25% |
| CBI 7 to CBI 9 | No loan will be sanctioned |

4. Advances to NBFCs/MFIs/NGOs and Other Indirect Agricultural Advances not listed elsewhere:

| Sanctioned Limit | Rate of Interest |
|---|---------------------|
| Up to Rs.100 lakh | BR + 1.50% = 11.75% |
| <i>Above Rs.100 lakh - based on credit rating as under:</i> | |
| CBI 1 to 3 | BR + 1.50% = 11.75% |
| CBI 4 to 6 | BR + 1.75% = 12.00% |
| CBI 7 to 9 | BR + 3.00% = 13.25% |

B. Term Premium on Agricultural Term Loan

Term premium, as under, is applicable on Agricultural term loans. The rate of interest will be fixed *after adding tenure premium, wherever applicable*.

| Sanctioned Limit & Tenor | Term Premium |
|--------------------------------|--------------|
| A. On loans of up to 5.00 lakh | NIL |

| | |
|--|--------------|
| B. On loans of more than ₹5.00 lakh : | |
| <i>i. Repayable up to 3 years</i> | <i>NIL</i> |
| <i>ii. Repayable more than 3 years and up to 5 years</i> | <i>0.25%</i> |
| <i>iii. Repayable more than 5 years</i> | <i>0.50%</i> |