

BCC:BR:112:647

Date: 29.10.2020

Sec. Circular

ISSUED BY RISK MANAGEMENT DEPARTMENT
 Baroda Corporate Centre, Mumbai
 alm.bcc@bankofbaroda.com

Dear Sir,

Re: Revision in Baroda Repo Linked Lending Rate (BRLLR) due to the change in Mark-Up/Base Spread for all new floating rate Personal or Retail loans (housing, auto etc.) and floating rate loans to Micro, Small and Medium Enterprise Loans w.e.f 01st November' 2020.

We refer to our circular no. BCC:BR:111:490 dated 27th September'2019 on the "Implementation of External Benchmark Based Lending Rate for all new floating rate Personal or Retail loans (housing, auto etc.) and floating rate loans to Micro and Small Enterprise Loans w.e.f. 1st October 2019" and Circular No. BCC/BR/112/185 dated 31st March'2020 on the introduction of External Benchmark Based lending Rate (Repo Linked) for floating rate loans to Medium Enterprises interalia advising the branches/offices in India about the details of the External Benchmark Lending Rate introduced by the Bank named as Baroda Repo Linked Lending Rate (BRLLR).

It was further advised that the **Baroda Repo Linked Lending Rate (BRLLR)** will comprise of: **RBI Repo Rate + Mark-Up/Base Spread.**

The Bank has now decided to revise the Mark-Up/Base Spread component of BRLLR from 3.00% to 2.85% with effect from 1st November'2020 for all new floating rate Personal or Retail loans (housing, auto etc.) and floating rate loans to Micro, Small and Medium Enterprise Loans. **Hence, the BRLLR is reduced by 15 BPS i.e., from existing 7.00% to 6.85% which is applicable from 01st November 2020**

The BRLLR for the new loans as mentioned above w.e.f 1st November' 2020 will be as under:

Particulars	Rate (%)
Current RBI Repo Rate	4.00%
Mark-Up/ Base Spread (revised w.e.f 01.11.2020)	2.85%
Baroda Repo Linked Lending Rate (BRLLR)	6.85%


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*We have taken current RBI Repo Rate in the example. RBI Repo Rate is a variable component, therefore the prevailing RBI Repo Rate at the time of first disbursement shall be applicable.

All other guidelines related to Baroda Repo Linked Lending Rate (BRLLR) as communicated hitherto remain unchanged. The change in Mark-Up/Base Spread whenever effected will be communicated from time to time.

Further, no loans under the above mentioned categories shall be sanctioned below the Baroda Repo Linked Lending Rate (BRLLR) which is 6.85% (prevailing repo rate 4% plus 2.85% mark-up) w.e.f 01st November 2020.

We request you to take a careful note of the revised Mark-Up/Base Spread under BRLLR w.e.f 01st November 2020.

Clarifications if any, may be sought from the Risk Management Department through the Regional Office.

Yours faithfully


Sidheswar Patra
Chief General Manager [Risk Management]
Chief Risk Officer