



**INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LTD
HEAD OFFICE, DHAKA.**

Ref:HO:F&A:87:4949

Date: 26.01.2012

ALL BRANCHES OF
IFIC BANK LIMITED,
HEADS OF DIVISIONS &
DEPUTY MANAGING DIRECTORS
AT HEAD OFFICE

Circular No. 09

Re: Revision of Rates of Interest on Lending.

Further to our Circular No. 01 (HO:F&A:87:32) dated 01.01.2012, Circular No. 02 (HO:F&A:87:767) dated 04.01.2012 & Circular No. 03 (HO:F&A:87:1372) dated 08.01.2012 we are to inform that the rates of interest on lending has been revised by the Asset Liability Committee (ALCO) of the Bank in its meeting held on 24.01.2012. Detailed rates of interest on lending (Category wise & Product wise) are given in the following manner with effect from 24.01.2012:-

Revised rates of interest on Lending (Category wise) are as under:

Sl. No.	Categories of Lending	Existing Rates	Revised Rate (Mid-rate) w.e.f. 24.01.2012
1.	Agriculture (loans to primary producers only) (Includes Farms, Fish Culture, Forestry & Livestock)	13.00% (Max)	13.00% (Max)
2.	Large & Medium Industry (Terms Loan) (Loans to manufacturing units* only)	16.00%	17.00%
3.	Working Capital Industries: (Loans to manufacturing units* only) a) Jute Mills (Large/Medium & Small Enterprise) b) Other Manufacturing Industries (Large/Medium & Small Enterprise)	16.00 & 16.50% 16.00 & 16.50%	17.00 & 17.50% 17.00 & 17.50%
4.	Exports: a) Jute & Jute Goods Export b) Readymade Garments c) Leather Goods d) Frozen Foods & Agricultural Products e) Potato Export f) Other Export	7.00% 7.00% 7.00% 7.00% 7.00% 7.00%	7.00% 7.00% 7.00% 7.00% 7.00% 7.00%
5.	Commercial Lending: a) Jute Trading b) Other Internal Trade c) Services Establishment d) Import Finance	16.50% 16.50% 16.50% 16.50%	17.50% 17.50% 17.50% 17.50%
6.	Housing: a) Urban Housing (commercial) b) Urban Housing (Residential) c) Rural Housing	17.00% 17.00% 17.00%	18.00% 18.00% 18.00%
7.	Small Scale Industry (Term Loan) (Loans to manufacturing units* only)	16.50%	17.00%

* Manufacturing Unit means an establishment producing Goods for Sale to the Public.

Sl. No.	Categories of Lending	Existing Rates	Revised Rate (Mid –rate) w.e.f. 24.01.2012
8.	Others:		
	a) Transport Loan	17.00%	18.00%
	b) Cold Storage	16.50%	17.50%
	c) Service Industries	16.50%	17.50%
	d) Other Non-manufacturing Industries	16.50%	17.50%
	e) Execution of Work Order	16.00%	17.00%
	f) Bill purchased (clean)	16.50%	17.50%
	g) Inland Documentary Bill Purchased (IDBP)	16.50%	17.50%
	h) Other Demand Loans (created under forced circumstances)	17.00%	18.00%
	i) Against Financial Instruments (LM):		
	1. IFIC Bank & other Banks' FDR	2.5% & 3% above FDR rate but not less than 14.50% & 15%	3% & 3.5% above FDR rate but not less than 15% & 15.50%
	2. ICB Unit Certificate & WES Earners Dev. Bonds and other Financial Instruments		
	3. NFCB	2.50% above FDR rate but not less than 15.50%	17.00%
	4. Shares Quoted in Stock Exchange		
	5. Pension Saving Scheme		
	6. MIS (IFIC & other Banks')		
	7. In case of combination of securities	Interest rate applied on major portion of securities will be the applicable rate	Interest rate applied on major portion of securities will be the applicable rate
	j) Consumer Credit Scheme:		
	i. Consumer Durable Loan	18.50%	19.50%
	ii. Parua	17.50%	18.50%
	iii. Thikana	17.00%	18.00%
	iv. Peshajeebi Loan	17.00%	18.00%
	v. Auto Loan	18.50%	19.50%
	vi. Festival Loan	18.50%	19.50%
	vii. Any Purpose Loan	18.50%	19.50%
	viii. Home renovation Loan	18.50%	19.50%
	ix. Holiday Loan	18.50%	19.50%
	x. Emergency Medical Loan	18.50%	19.50%
	xi. CNG conversion Loan	18.50%	19.50%
	xii. Marriage Loan	18.50%	19.50%
	xiii. Easy Loan (3% above IFIC FDR, 3.50% above other Bank FDR & 3.50% above other Financial Obligation)	14.50%, 15.00% & 15.50% (Min)	15%, 15.50% & 16.50% (Min)
	k) Small Enterprise Financing:		
	i. Retailers' Loan	17.00%	18.50%
	ii. Transport Loan	17.50%	18.50%
	iii. Possession Right Loan	17.00%	18.50%
	iv. Working Capital & Contractors' Loan	16.50% & 17.00%	17.50% & 18.00%
	v. Bidders' Loan	17.00%	18.00%
	vi. Project Loan	16.50%	17.00%
	vii. Muldhan Loan (1.00% above without any security)	17.00%	18.00%
	viii. Prottyasha	15.50%	17.00%
	ix. Krishi Saronjam Rin	14.50%	13.00% (max)
	x. Shech Saronjam Rin	14.50%	13.00% (max)
	xi. Poshupokkhi & Motsho Khamar Rin	14.50%	13.00% (max)
	xii. Phalphasali Rin	13.00% (max)	13.00% (max)
	xiii. Phashali Rin	13.00% (max)	13.00% (max)
	xiv. Easy commercial loan (Other Financial Obligation) (3% above IFIC FDR) & (3.5% above other Bank FDR)	16.50% 14.50% & 15.00% (Min)	17.00% 15% & 15.50% (Min)
	l) Lending to Non-Banking Financial Institutions (NBFIs)	17.00%	18.00%
	m) Others	17.00%	18.00%

Revised Rates of Interest on Lending (Product Wise) are as under:

Borrower Category: Large Enterprise Financing

Sl.	Products under Large Enterprise Financing	Rate of Interest W.E.F (24.01.2012)	Remarks
1	Term Loan (Industrial)	17.00% (Mid-rate)	
2	Term Loan (Others)	17.50% (Mid-rate)	
3	Term Loan (Others)- MFIs Linkage Agriculture	14.50% (Mid-rate)	
4	House Building Loan	18.00% (Mid-rate)	
5	Transport Loan	18.00% (Mid-rate)	
6	Loan General (Others)	17.50% (Mid-rate)	
7	Loan General (Agt FDR of IFIC Bank)	15.00% (Min)	3.00% above the FDR rate but not less than 15.00%
8	Loan General (Agt FDR of Other Banks)	15.50% (Min)	3.50% above the FDR rate but not less than 15.50%
9	Loan General (Agt Other Financial Obligation)	17.00% (Mid-rate)	
10	Demand Loan	18.00% (Mid-rate)	For Guarantee Invocation
11	Demand Loan (Others)	18.00% (Mid-rate)	
12	OD (Garments)	13.00% (Mid-rate)	
13	OD (Others)-Working Capital	17.00% (Mid-rate)	
14	OD (Others)- Contractors loan	17.00% (Mid-rate)	
15	OD (Others)- MFIs Linkage Agriculture	14.50% (Mid-rate)	
16	SOD (Agt FDR of IFIC Bank)	15.00% (Min)	3.00% above the FDR rate but not less than 15.00%
17	SOD (Agt FDR of Other Banks)	15.50% (Min)	3.50% above the FDR rate but not less than 15.50%
18	SOD (Agt Other Financial Obligation)	17.00% (Mid-rate)	
19	CC (Hypo)	17.50% (Mid-rate)	
20	CC (Pledge)	17.50% (Mid-rate)	
21	IBP	17.50% (Mid-rate)	
22	FBP (Clean)	17.50% (Mid-rate)	
23	IDBP	17.50% (Mid-rate)	
24	PAD (Cash)	17.50% (Mid-rate)	
25	PAD (Forced)	19.00% (Mid-rate)	
26	PAD (EDF)		As per BB circular from time to time
27	PAD (Inland)	17.50% (Mid-rate)	
28	PAD (Others)	18.00% (Mid-rate)	Forced PAD agt. Cash L/c (Def.) other than Garments
29	LIM	17.50% (Mid-rate)	
30	LTR	17.50% (Mid-rate)	
31	ECC	7.00%	
32	Packing Credit	7.00%	
33	Lease Finance	18.00% (Mid-rate)	

Borrower Category: Medium Enterprise Financing

Sl.	Products under Medium Enterprise Financing	Rate of Interest W.E.F (24.01.2012)	Remarks
1	Term Loan (Industrial)	17.00% (Mid-rate)	
2	Term Loan (Others)	17.50% (Mid-rate)	
3	Term Loan (Others)- MFIs Linkage Agriculture	14.50% (Mid-rate)	
4	House Building Loan	18.00% (Mid-rate)	
5	Transport Loan	18.00% (Mid-rate)	
6	Loan General (Others)	17.50% (Mid-rate)	
7	Loan General (Agt FDR of IFIC Bank)	15.00% (Min)	3.00% above the FDR rate but not less than 15.00%
8	Loan General (Agt FDR of Other Banks)	15.50% (Min)	3.50% above the FDR rate but not less than 15.50%
9	Loan General (Agt Other Financial Obligation)	17.00% (Mid-rate)	
10	Demand Loan	18.00% (Mid-rate)	For Guarantee Invocation
11	Demand Loan (Others)	18.00% (Mid-rate)	
12	OD (Garments)	13.00% (Mid-rate)	
13	OD (Others)-Working Capital	17.00% (Mid-rate)	
14	OD (Others)- Contractors loan	17.00% (Mid-rate)	
15	OD (Others)- MFIs Linkage Agriculture	14.50% (Mid-rate)	
16	SOD (Agt FDR of IFIC Bank)	15.00% (Min)	3.00% above the FDR rate but not less than 15.00%
17	SOD (Agt FDR of Other Banks)	15.50% (Min)	3.50% above the FDR rate but not less than 15.50%
18	SOD (Agt Other Financial Obligation)	17.00% (Mid-rate)	
19	CC (Hypo)	17.50% (Mid-rate)	
20	CC (Pledge)	17.50% (Mid-rate)	
21	IBP	17.50% (Mid-rate)	
22	FBP (Clean)	17.50% (Mid-rate)	
23	IDBP	17.50% (Mid-rate)	
24	PAD (Cash)	17.50% (Mid-rate)	
25	PAD (Forced)	19.00% (Mid-rate)	
26	PAD (EDF)		As per BB circular from time to time
27	PAD (Inland)	17.50% (Mid-rate)	
28	PAD (Others)	18.00% (Mid-rate)	Forced PAD agt. Cash L/c (Def.) other than Garments
29	LIM	17.50% (Mid-rate)	
30	LTR	17.50% (Mid-rate)	
31	ECC	7.00%	
32	Packing Credit	7.00%	
33	Lease Finance	18.00% (Mid-rate)	

Borrower Category: NBFI

Sl.	Product	Rate of Interest W.E.F (24.01.2012)	Remarks
1	NBFI Loan	18.00% (Mid-rate)	

Borrower Category: Small Enterprise Financing

Sl.	Products under Small Enterprise Financing	Rate of Interest W.E.F (24.01.2012)	Remarks
1	Easy Commercial Loan (SOD/Loan General) -(Agt Other Financial Obligation)	17.00% (Mid-rate)	
2	Easy Commercial Loan (SOD/Loan General)- (Agt FDR of IFIC Bank)	15.00% (Min)	3.00% above the FDR rate but not less than 15.00%
3	Easy Commercial Loan (SOD/Loan General) (Agt FDR of Other Banks)	15.50% (Min)	3.50% above the FDR rate but not less than 15.50%
4	Retailers Loan	18.50% (Mid-rate)	
5	Transport Loan	18.50% (Mid-rate)	
6	Commercial HBL	18.00% (Mid-rate)	
7	Possession Right Loan	18.50% (Mid-rate)	
8	Working Capital Loan (CC Hypo/ Pledge/SOD)	17.50% (Mid-rate)	
9	Contractors Loan	18.00% (Mid-rate)	
10	IBP	18.50% (Mid-rate)	
11	FBP (Clean)	18.50% (Mid-rate)	
12	IDBP	18.50% (Mid-rate)	
13	PAD (Cash)	17.50% (Mid-rate)	
14	PAD (Forced)	19.50% (Mid-rate)	
15	LIM	17.50% (Mid-rate)	
16	LTR	18.00% (Mid-rate)	
17	Lease Finance	18.50% (Mid-rate)	
18	Bidders Loan	18.00% (Mid-rate)	
19	Project Loan	17.00% (Mid-rate)	
20	Muldhan Loan	18.00% (Mid-rate)	1.00% above without any security
21	Protyasha (Woman Entrepreneurs Loan)	17.00% (Mid-rate)	
22	Krishi Saronjam Rin	13.00% (Max)	
23	Shech Saronjam Rin	13.00% (Max)	
24	Poshupokkhi & Motsho Khamar Rin	13.00% (Max)	
25	Phalphasali Rin	13.00% (Max)	
26	Phashali Rin	13.00% (Max)	
27	Term Loan (Others)	18.50% (Mid-rate)	For rescheduled Loan

Borrower Category: Consumer Financing

Sl.	Products under Consumer Financing	Rate of Interest W.E.F (24.01.2012)	Remarks
1	Consumer Durable Loan	19.50% (Mid-rate)	
2	Parua (Education Loan)	18.50% (Mid-rate)	
3	Thikana	18.00% (Mid-rate)	
4	Peshajeebi Loan	18.00% (Mid-rate)	
5	Auto Loan	19.50% (Mid-rate)	
6	Festival Loan		
7	Any purpose Loan		
8	Home renovation Loan		
9	Holiday Loan		
10	Emergency Medical Loan		
11	CNG conversion Loan		
12	Marriage Loan		
13	Easy Loan (SOD, Loan General) Agt FDR of IFIC Bank	15.00% (Min)	3.00% above the FDR rate but not less than 15.00%
14	Easy Loan (SOD, Loan General) Agt FDR of Other Banks	16.00% (Min)	3.50% above the FDR rate but not less than 16.00%
15	Easy Loan (SOD, Loan General) (Agt Other Financial Obligation)	16.50% (Min)	3.50% above the Financial Obligation rate but not less than 16.50%

The existing applied Interest Rates, which are higher than the revised Mid-rate will continue. Also, in case of existing sanctioned rate which is less than existing Mid-rate, further approval from Sanctioning Authority of CRM Division, Head Office to be obtained.

In case of further clarification on the matter the Branches may contact with respective Head of Departments under Credit Risk Management Division or Treasury Front Office, Head Office.

Branches are advised to acknowledge receipt of the circular and confirm to Finance & Accounts Division by 31.01.2012 that changes of interest rate have been implemented in all the loan accounts of the Branch (Specimen of acknowledgement is enclosed herewith).


S. M. Abdul Hamid
Senior Executive Vice President &
Chief Financial Officer (CFO)


Zaitun Sayef
Deputy Managing Director
(Risk Management)