



WEST BENGAL INDUSTRIAL DEVELOPMENT CORPORATION LTD.

(A GOVERNMENT OF WEST BENGAL UNDERTAKING)

"PROTITI", 23, Abanindranath Thakur Sarani (Camac Street), Kolkata - 700 017
Phone : +91 33 2255 3700-705, Fax : +91 33 2255 3737,
E-mail : wbdc@wbdc.com www.wbdc.com

No. PID-P-2008(6)I/183

Date: 13.04.2011

CIRCULAR

Restructuring of Interest Rate

It was resolved in the 250th Executive Committee meeting of West Bengal Industrial Development Corporation Ltd. held on 29th March 2011, that Bench Mark Prime Lending Rate (BPLR) is to be replaced by Prime Lending Rate (PLR) which stood at 12.75%. Adding 1% as profit margin to PLR, the present interest rate of interest stands at 13.75%. This is the Term Loan interest rate which is taken as reference point for further determination of category wise interest rate. The revised interest rates for different types of loans will be as follows:

1. Term Loan – 13.75% subject to credit rating of the company as per Table 1.
2. Term Loan under Equipment Finance Scheme (EFS) – 13.75%
3. Bridge Loan against subsidies under the State Govt. Incentive Scheme – 13.75%.
4. Short Term Loan for WBIDC assisted units– 14.25% subject to credit rating of the company as per Table 2.

The types of loans and their corresponding rates of interest will be as follows:

Type of loan	Type of rate	PLR	Applicable Interest Rates	Moratorium period	Interest payments
Term Loan	Floating rate	12.75% per annum	13.75% (12.75% + up to 1%)	18 months	Payable quarterly
Term Loan under Equipment Finance Scheme	Floating rate	12.75% per annum	Term loan interest rate i.e. 13.75% (12.75% + 1%)	Up to 9 months moratorium period	Payable quarterly



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Bridge Loan	Fixed rate	12.75% per annum	Term loan interest rate i.e. 13.75% (12.75% + 1%)	NA	Payable quarterly
Short Term Loan	Fixed rate	12.75% per annum	Term loan interest rate + upto 50 bps = 14.25%	Total installments and interest should be met in PDCs within 9 months from disbursement.	PDCs for installment payments and interest. Total maximum duration of loan - 9 months.

There is a provision of Credit Rating of loan proposals in WBIDC. Concomitant to the rating, the rate of interest for the Term Loan will be as follows-

Table - 1

Sl.No	Credit Rating	Rate of Interest
1	A+	Term loan interest rate - 75 bps = 13.00%
2	A	Term loan interest rate - 50 bps = 13.25%
3	B	Term loan interest rate = 13.75%

In case of Short Term Loan, the fixed rate of interest will be commensurate with the credit rating by WBIDC. The rate of interest for the Short Term Loan will be as follows-

Table - 2

Sl.No	Credit Rating	Rate of Interest
1	A+	14.25% - 50 bps = 13.75%
2	A	14.25% - 25 bps = 14.00%
3	B	14.25%

The above rates would be effective from 1st April, 2011 for all cases where floating rate of interest has been introduced i.e. all sanctions on or after 1st July, 2008 and where loans had been sanctioned but disbursement of term loan had not started prior to 1st July, 2008.



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Henceforth the interest rate calculated will be placed before Managing Director, WBIDC on bi-monthly basis or as per need vis-à-vis changes in the market rate of interest.


13/IV/2011
(Subrata Gupta)
Managing Director

No. PID-P-2008(6)J/183/1(18)

Date: 13.04.2011

Copy forwarded for information to:

- 1) Managing Director, WBIDC,
- 2) Advisor (Industry),
- 3) Executive Director I&II, WBIDC,
- 4) Executive Director III, WBIDC &
- 5) - 17) All HODs, WBIDC -
- 18) Website.

Division,


13/IV/2011
(Subrata Gupta)
Managing Director