

Business Standard

Bank of Baroda cuts six-month MCLR To 8.15%, keeps one-year MCLR unchanged

The lender has also decided to discontinue the computation and declaration of MCLR for tenors above one year

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In a strategy running contrary to trend of hardening of rates, Bank of Baroda (BoB) has slashed benchmark lending rate — Marginal Cost of funds-based Lending Rates [MCLR] by 10-25 basis points for tenors less than one year.

The lender has also decided to discontinue the computation and declaration of MCLR for tenors above one year.

The bank, however, did not elaborate as to how it would price loans above one year.

The MCLR rate for one-year tenor remains at existing level 8.3%. For all other short tenors, rates are : overnight (7.80%), one month (7.85%), three months (7.95%) and six months (8.15%).

It does not add any mark-up on its MCLR for its best-rated home loan borrowers. The bank offers home loans at one-year MCLR for its best-rated customers. One-year MCLR i.e. 8.3%, is applicable irrespective of the total home loan amount and is available for a tenure of up to 30 years, BoB said.