In the name of Allah, the Most Beneficent, the Most Merciful

Mercantile Bank PLC.

Islamic Banking Division

Head Office, Dhaka

Islamic Investment Rates on Different modes of Finance

Sectors of Business	Sector wise declared Mark-up Profit Rate / Rent Rate (Mid-Rate)
Agricultural Investment:	
▪ Term Investment (Ijarah & HPSM)	12.50%
▪ Revolving Investment **(Bai-Muajjal, Bai-Murabaha, Bai-Salam, Bai-Istisna)**	12.50%
Term Investment (Ijarah, HPSM)	
▪ Industrial/Manufacturing Project	13.50%
▪ Other Term Investment	13.50%
Working Capital Financing (Bai-Muajjal, Bai-Murabaha, Bai-Salam, Bai-Istisna)	
▪ Industrial/Manufacturing Project (Including Cash Incentive & Time Investment)	13.50%
▪ Industrial/Manufacturing Project (MDBP)	13.50%
▪ Trade Financing/Business Investments (MDBP)	13.50%
▪ Work Order/Supply Order	13.50%
▪ Export Investment (Bai-Salam)	12.00%
▪ Trade Financing/Business Investments (Including Time Investment)	13.50%
▪ Import Financing of rice, wheat, edible oil (refined and crude), pulse, peas, onion, dates, sugar etc.	13.50%
Short Term Investment-Bai-Muajjal (For maximum 06 months deal tenor)	13.50%
Financing to Small & Medium Enterprise (Bai-Muajjal, Bai-Murabaha, HPSM)	
▪ With BB refinancing	As per Bangladesh Bank's directives **
▪ **Without BB refinancing**	
Industrial/Manufacturing Project	12.55%
Others	13.50%
Women Entrepreneurs Development Scheme (Bai-Muajjal, Bai-Murabaha, HPSM)	
▪ With BB refinancing	As per Bangladesh Bank's directives **
▪ Without BB refinancing	
Industrial/Manufacturing Project	12.55%
Others	13.50%
Investments to NBFIs (Shari'ah based)	13.50%
Lease Finance/Hire Purchase (HPSM)	
Industrial/Manufacturing Project	13.50%
Others	13.50%
House Building Investment (HPSM) – Commercial	
▪ Residential/Commercial	13.50%
▪ Industrial/Manufacturing Project	13.50%
▪ Others	13.50%
Quard against MTDR – Retail	Nil*
Bai-Muajjal (FO) - Retail (against lien of Scheme Deposits/MTDR of our Bank)	*Provisional Profit Rate + 3.00%
Special Investment Schemes (HPSM) – Retail	
i. HPSM-Car Investment	13.50%
ii. Home Investment (HPSM-Taqwa Abason)	12.00%
iii. Cottage Investment (HPSM-Taqwa Abason)	12.00%

Financing Solar Energy & Bio-Gas Project under BB refinance	
• Direct Investment to ultimate beneficiary	As per Bangladesh Bank's directives**
• Investment through NGO linkage	
• Financing Effluent Treatment Plant (ETP)	
Financing to Jute Sector under Refinance Scheme of Bangladesh Bank	
Financing to RMG Sector Safe Working Environment program of JICA assistance "FSPDSME" Project (Pre Finance)	
Financing for Renewable Energy & Environment Friendly sector under Refinance Scheme of Bangladesh Bank	
Financing against Scheme of Refinance for setting up Agro based Product Processing Industries in Rural Areas under Refinance Scheme of Bangladesh Bank	
Finance under other Refinance Scheme of Bangladesh Bank	
Investment under Employees House Building Scheme	As per approval of the Board of Directors of the Bank from time to time*
Investment under Car Investment Policy for the Executives of the Bank	As per approval of the Board of Directors of the Bank from time to time*
Other Investments	13.50%

* Service charge on Quard at 2.00% with applicable VAT will be charged. Bai-Muajjal (FO)/Quard Investment amount on Scheme/MTDR value will be allowed as per Bank's Credit/Investment Policy.

**Subject to receiving of refinance from Bangladesh Bank. Otherwise, regular rate will be applied. Investment under refinance scheme of Bangladesh Bank shall be guided by Bangladesh Bank Circulars/Instructions.

Notes:

1. Rate may be varied by +/- 1.00% with the sector wise declared rate for customer to customer based on risk consideration.
2. The sector wise declared rate + 1% will be treated as revised Profit/Markup Profit Rate / Rent Rate and applied for all investment accounts.
3. Rate will be "Variable Rate" other than that of "Fixed rate" which must be written in the Investment Sanction Advice.
4. In case of overdue investment, maximum 0.50% compensation to be charged on total outstanding amount of continuous /demand investment and on overdue installment (s) of term investment for the overdue period.