



SyndVyapar

Purpose	Finance to Micro, Small and Medium Enterprises engaged in service activities.																																									
Type of loan	Term Loan and/or Working capital (Fund based & Non fund based)																																									
Maximum loan amount	<p>Depending on the requirement as per the project report/assessment as per prevailing guidelines.</p> <p>Mudra loans:All MSE loans up to Rs 10 lakh</p> <p>Stand up India:Loans sanctioned to SC/ST or Women Entrepreneurs between 10.00 lacs and 100 lacs (Cumulative limit) for setting up of Green Field projects.</p> <p>Other loans:No maximum limit</p>																																									
Margin	<p>Micro and Small Enterprises:</p> <table border="1"> <thead> <tr> <th>Credit Facilities</th> <th>Minimum Margin(%)</th> </tr> </thead> <tbody> <tr> <td>Up to 25000</td> <td>NIL</td> </tr> <tr> <td>Above 25000/- & up to 100 Lakh</td> <td>15</td> </tr> <tr> <td>Above 100 Lakh</td> <td>20</td> </tr> </tbody> </table> <p>Medium Enterprises:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Minimum Margin(%)</th> </tr> </thead> <tbody> <tr> <td>a.Raw materials –</td> <td></td> </tr> <tr> <td> i) Imported</td> <td>15</td> </tr> <tr> <td> ii) Indigenous</td> <td>25</td> </tr> <tr> <td>b.Stock in process</td> <td>25</td> </tr> <tr> <td>c.Finished goods</td> <td>25</td> </tr> <tr> <td>d.Stores and Spares</td> <td>30</td> </tr> <tr> <td>e.Book debts/receivables (cover supply bills only)</td> <td>20</td> </tr> <tr> <td>f.Plant and Machinery (new)/Vehicle (new)</td> <td>25</td> </tr> <tr> <td>g.Land and other fixed assets (excluding _f' above)</td> <td>40</td> </tr> <tr> <td>h.Building (excluding _f' above)</td> <td>25</td> </tr> <tr> <td>i. Second hand machinery</td> <td>40</td> </tr> <tr> <td>j.Book debts other than _e' above</td> <td>25</td> </tr> <tr> <td>k.Dealers in trucks, cars, tractors and scooters-stock in trade</td> <td>10</td> </tr> <tr> <td>l.Stock in trade</td> <td>30</td> </tr> <tr> <td>m.Second hand vehicle</td> <td>40</td> </tr> </tbody> </table>		Credit Facilities	Minimum Margin(%)	Up to 25000	NIL	Above 25000/- & up to 100 Lakh	15	Above 100 Lakh	20	Category	Minimum Margin(%)	a.Raw materials –		i) Imported	15	ii) Indigenous	25	b.Stock in process	25	c.Finished goods	25	d.Stores and Spares	30	e.Book debts/receivables (cover supply bills only)	20	f.Plant and Machinery (new)/Vehicle (new)	25	g.Land and other fixed assets (excluding _f' above)	40	h.Building (excluding _f' above)	25	i. Second hand machinery	40	j.Book debts other than _e' above	25	k.Dealers in trucks, cars, tractors and scooters-stock in trade	10	l.Stock in trade	30	m.Second hand vehicle	40
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Rate of Interest	Rate of Interest as per prevailing guidelines of the Bank linked to MCLR of the Bank, subject to changes from time to time. Details of Rate of Interest is given in Annexure (Rate of Interest on Micro, Small & Medium Enterprises).																																									
Repayment	Term loan: 7 to 10 years including repayment holiday/moratorium period.																																									

	<p>Working capital: Limit to be fixed for one year and reviewed thereafter.</p>
<p>Security</p>	<p>For Micro & Small Enterprises: (Existing/New Customers)</p> <p>a. Credit facilities up to 10.00 lakh: Only Primary securities shall be obtained and no collateral security shall be obtained as per RBI guidelines. All loans shall be covered under CGTMSE scheme.</p> <p>b. Above 10 lakhs and up to 2 crore: Loans covered under CGMSE:</p> <ul style="list-style-type: none"> • Proprietor, Partners, Directors and Trustee shall join as guarantors. • Hypothecation of Equipments/ Machinery / Vehicle/ Stock/Book Debts (Not older than 3 months), purchased/assets created out of Bank finance. • Primary security/Mortgage of land and building associated with the business shall be obtained. • No collateral security and/ or third party guarantee shall be obtained. <p>For Micro, Small and Medium Enterprises: Loans not covered under CGMSE:</p> <ul style="list-style-type: none"> • Proprietor, Partners, Directors and Trustee shall join as guarantors. • Hypothecation of Equipment's/ Machinery / Vehicle/ Stock/ Book Debts (Not older than 3 months) etc purchased out of Bank finance. • The stock / book debt value should be with prescribed margin as mentioned above. This will be determined based on stock statement i.e ADV 23/44. • Primary Security /Mortgage of property associated with the business. <p>New Customers: No collateral Security needed if realizable value of immovable properties mortgaged as primary security is more than 125%.</p> <p style="text-align: center;">OR</p> <p>Minimum 50% collateral security in the form of mortgage of immovable property/Financial Securities (Such as TD with the Bank /NSC/ KVP/ SV of LIC policy/RBI relief bonds/Government/Trustee Securities/IVPs).(In addition to primary security).</p> <p>Existing Customer: Sanctioning authority shall take suitable decision regarding collateral security based on satisfactory dealings/credit history of the customer.</p>
<p>Guarantee</p>	<p>No third party guarantee/Collateral Security necessary for credit facilities eligible for coverage under CGMSE. For other accounts not covered under CGMSE, suitable third party guarantee/collateral is required.</p>

	<p>i. Third party guarantee is not compulsory if the facility is fully secured by mortgage/ TD with the Bank/NSC/ KVP/ SV of LIC policy/RBI relief bonds/Government/Trustee Securities/IVPs to the extent of realizable value of 125% of the amount of advance (in addition to hypothecation of stock).</p> <p>ii. The owner of the property /security should join the transaction as guarantor. (If the property /security is not owned by the borrower).</p>	
Processing charges		
Micro and Small Enterprises:		
	Loan amount	Charges
Working capital	Up to Rs 5 lakh	No processing charges.
	Above Rs 5 lakh	Rs.400 per lakh or part thereof with a maximum of Rs.1crore.
Term loan	Up to Rs 5 lakh	No processing charges.
	Above Rs 5 lakh	Rs.400 per lakh or part thereof with a maximum of Rs.1crore.
Medium Enterprises:		
Working capital	Up to Rs.25000/-	For priority sector – NIL For non priority sector – Rs 250/-
	Above Rs 25000/- to Rs 2 lakh	Rs 5/- per thousand or part thereof with a minimum of Rs 750/-
	Above Rs 2 lakh	Rs.400 per lakh thereof with a maximum of Rs.50 lakh.
Term loan	Up to Rs 2 lakh	0.50% of loan amount with a minimum of Rs 250/- (For priority sector loans up to Rs 25000/- :NIL)
	Above Rs 2 lakh to Rs.100 lakh	1% of loan amount with a minimum of Rs 2500/-
	Above Rs 100 lakh	1.25% of loan amount with minimum of Rs 1.25 lakh and a maximum of Rs 100 lakh.
Documentation charges:		
Up to Rs 2 lakh		NIL
Above Rs.2 lakh		Rs 200/- per lakh with Max. of Rs 25000/-
Insurance:		Insurance of the security from the Bank approved Insurance Companies with Banker's clause is mandatory for loan limit exceeds Rs 50000/-.