

CORP SME SUVIDHA SCHEME

1	Salient features	Timely, hassle-free and adequate credit delivery to MSME clients for Working capital Requirements.
2	Eligibility	<ul style="list-style-type: none"> • All units in the manufacturing and services sector including traders, eligible to be classified as MSME under the MSMED Act 2006 and guidelines issued by Regulatory Authorities from time to time. • The unit must be registered with GST Authority. • The unit must have completed at least a year of operation since inception and drawn financial statements for the said completed FY which have been audited. • The applicant shall not have any working capital limit with any other Banks/ FIs.
3	Purpose	To meet Working capital requirements of the borrower entity.
4	Nature of Facility	Facility shall be by way of Working Capital limit (Fund Based – Cash Credit & Non-Fund Based).
5	Quantum of Loan	Aggregate FB & NFB working capital limit upto Rs. 5 Crore
6	Security	<ul style="list-style-type: none"> • <u>Primary security</u>: Chargeable current assets viz., inventory, receivables etc. • <u>Collateral security</u>: Mortgage of residential properties in the personal name of the proprietor/ partners/ directors, and their close relatives viz. Spouse, parents and children. Property shall be self-occupied and shall not be leased/tenancy occupied. • Self-occupied immovable commercial properties including factory land and building owned by the firm or in the personal name of the proprietor/partners/directors can be accepted • Property under lease/tenancy shall not be considered. However, the properties on long term lease from the Industrial Development Corporations which are fully paid and have clear mortgageable rights may be accepted as security. • No Third Party Property shall be accepted. • Vacant Land, Agricultural Property, property on which educational institutions and religious institutions are operated shall not be taken as security. • The residual age of the property shall not be less than 25 years. • The Property shall be free from all encumbrances and shall be exclusive security to the facilities proposed.
7	Margin	<p>The security coverage based on the market value of the immovable properties shall not be less than 75% of the exposure sanctioned.</p> <p>In case of the collateral; security coverage by way of immovable property is less than 100%, the exposure shall be covered under CGTSME guarantee “Hybrid Product” scheme for improvement in security coverage. The applicable fee for the CGTSME coverage shall be borne</p>

		by the borrower.								
8	Repayment	Running Account repayable on demand, subject to renewal every year.								
9	Rate of Interest	<p>Rate of Interest shall be linked to collateral Security Coverage by way of immovable properties as under:</p> <table border="1"> <thead> <tr> <th>Collateral Security Coverage</th> <th>Rate of Interest</th> </tr> </thead> <tbody> <tr> <td>125% and above</td> <td>One Year MCLR + 0.10%</td> </tr> <tr> <td>From 100% to less than 125%</td> <td>One Year MCLR + 0.60%</td> </tr> <tr> <td>From 75% to less than 100%</td> <td>One Year MCLR + 1.10%</td> </tr> </tbody> </table>	Collateral Security Coverage	Rate of Interest	125% and above	One Year MCLR + 0.10%	From 100% to less than 125%	One Year MCLR + 0.60%	From 75% to less than 100%	One Year MCLR + 1.10%
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10	Guarantor	In case of the partnership firm, LLP and companies, the personal guarantees of the partners/ designated partners/ promoter directors and owner of the property in all cases is compulsory.								