

Union MSME Suvidha

1.	Eligibility	All units engaged in the Manufacturing/ Services/ Trading activity, eligible to be classified under MSME.	
2.	Purpose	<ul style="list-style-type: none"> • To meet need based working capital (Fund Based & Non-Fund Based) requirement for Business Activity. • Term Loan for own business use, which is detailed as under: <ul style="list-style-type: none"> • Purchase/ Construction / Renovation of Business Premises, Factory / Offices / Shop / Godown / Plant & Machinery / Equipment etc for business activities are eligible. • Purchase of equipment like Computers, air-conditioner, furniture & fixtures and other fixed assets like commercial vehicles for business. • Any other purpose whereby asset is created out of Bank's finance for the purpose of running the business. 	
3.	Quantum of Finance	Min: Above Rs.10 Lakh Max: Up to Rs.50 Crore with TL restricted upto Rs. 10.00 crores in case of Trade accounts. Also, exposure below Rs. 10.00 lakhs sanctioned previously may be continued till the closure of limit / loan.	
4.	Margin	FBWC	20% [Stock (excluding dead stock) & book debts aged up to 90 days]
		NFBWC	25% (Cash/ FDR Margin)
		Term Loan	Plant & Machinery / Equipment: 25%
5.	Facility	Term Loan and / or Working Capital (Fund Based and Non-Fund Based) Non fund based limits towards procurement of raw material must be included under MPBF.	
6.	Repayment	Working Capital: On Demand. Term Loan: As per Loan Policy, the maximum period for repayment of term loan shall normally be 84 months (including moratorium), except for projects with longer gestation periods, infrastructure projects etc. Hence, the maximum door to door repayment period shall be limited to 7 years including maximum moratorium period of 12 months. Interest to be recovered during the moratorium period.	
7.	Assessment	For WC facility: <ul style="list-style-type: none"> • In case of MSE borrower, limit upto Rs. 5.00 crores to be assessed as per turnover method, • In case of Non MSE borrower, limit upto Rs. 1.00 crores to be assessed as per turnover method. • Apart from this, limit to be assessed based on FBF method. For TL facility: As per norms prescribed in Loan Policy of the Bank.	

- For more details, Please contact our nearest branch