

# Business Encyclopaedia

Post COVID Employment Situation in Kerala

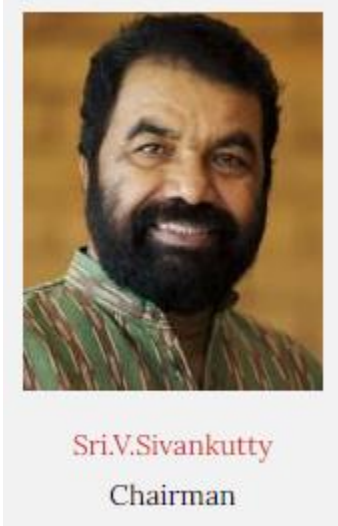
*Losses and Potentialities*

**Kerala Institute of Labour and Employment**

Thiruvananthapuram, Kerala – 695033

November - 2020

## Letter from Chairman



COVID-19 spread is emotionally challenging for many people, changing day-to-day life in unprecedented ways. In addition to the threat to public health, the economic and social disruption threatens the long-term livelihoods and wellbeing of millions. These unprecedented challenges are having economic ripple effects across the State as thousands of people especially those who had spend a good part of their life in Foreign Countries are forced to return without achieving the desired objectives of their endeavour for a decent standard of living. The Government of Kerala and its allied Departments is expected to play a crucial role not only in combating the outbreak but also in ensuring the safety of individuals and the sustainability of businesses and jobs.

As the financial resources available with Government are used to meet urgent needs, sustainability of jobs and employment needs a different solution. This initiative undertaken by the Kerala Institute of Labour and Employment ought to be regarded as the step in the 'Right Direction'. I also congratulate all the Team Members of this Project.

'Together let's make a better Tommorow'

V. Sivankutty

Chairman

## Letter from Executive Director



COVID-19 has also exposed the vulnerability of urban casual workers, many of whom are migrants working in Gulf Cooperation Countries. They were among the first to be jolted by the lockdown measures as economic activities were halted threatening survival of many units and jobs of these workers. In most of the cases, the jobs are linked with accommodation at workplace and the unemployment has forced these workers to vacate their shelters as well. With little choice, they are forced to return to Kerala in desperation. With limited data available along with limited time at our disposal, our Team had undertaken the task of rehabilitating the Gulf Returnees through apprising them the avenues for Employment and Empowerment.

Smt M. Shajeena

Executive Director

## **Acknowledgement**

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Smt M. Shajeena

Executive Director



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## Introduction

### Responding to COVID-19

#### *Learnings from Kerala*

The first COVID-19 case in India was reported in the Thrissur district of Kerala. Between January and May 2020, the rate of growth of COVID-19 cases was very small. But during the month of July and August there has been a steep increase in the number of COVID-19 cases. The total number of COVID-19 cases increased to 76,526 and deaths to 299 as on September 1, 2020 (Table 3). The factors responsible for a low rate of infection and death in Kerala during an early phase include: First, the Central Government has implemented a national lockdown for 68 days to prevent the spread of the pandemic (March 25 to May 31, 2020) and Kerala has effectively implemented the same. Second, Kerala had the experience in containing the outbreak of Nipah virus during May and June 2018. Third, Kerala has an effective public health system which consists of hospitals at panchayat, taluk and district levels.

A review of the district wise COVID-19 as on September 2020 shows that Thiruvananthapuram district has the largest number of COVID-19 patients and deaths (Table - 4). The other districts having second, third and fourth positions are Malappuram, Ernakulam and Kozhikode. The district which has the lowest number of cases is Wayanad.

The central government announced more relaxations in lockdown from May 4, 2020. More freedom was given to people for travel, use of motor vehicles, opening up of trading establishments and economic sectors. The Keralites stranded in other states in India and foreign countries are given permission to return to Kerala. Due to this, a large number of Keralites returned from other states and foreign countries especially from Gulf countries. This contributed to a substantial increase in the number of COVID-19 patients since July 2020.

Shift of activities from work place to home 11 The COVID-19 pandemic has led to imposition of severe restrictions to the mobility of people from their residence. To arrest the spread of the pandemic, strict restrictions were introduced to restrict travel of people from their residence to outside world. All public gatherings were stopped. The operation of all types of passenger transport viz. private motor transport, public transport, rail, metro rail and air transport were stopped or restricted. This has created unprecedented travel hardships to people who used to travel from one place to other using transport vehicles 24 hours of a day. In order to prevent spread of disease, social

distancing and quarantine were also introduced.<sup>12</sup> In order to overcome this crisis, producers, traders, hotels, educational institutions etc introduced new ways of doing business

- (1) A major change is shift of activities from work place to homes. Government and private establishments, IT industrial units etc began to ask their employees to work from their homes instead of coming to the work place.
- (2) Schools, colleges and other educational institutions resorted to online teaching. Students are asked not to come to educational institutions.
- (3) Shops, hotels etc began to deliver the items to the residences of the consumers.
- (4) The self-employed who conducted small scale production activities in their units began to shift the productions to their homes.

So there is an unprecedented change in the way of living people in the post COVID-19 period. The change is that the home of an individual has become a work place, and an educational institution and a production unit and at times even a quarantine centre. This required a lot of changes in the space available in the houses for non-housing purposes. Availability of electricity, water, internet and TV connection, became a pre-condition. There is also the need to convert part of the house for quarantine purposes

## **COVID-19 Pandemic and Its Impact** *Employment and Unemployment*

The lockdown implemented in the state has resulted in an unprecedented loss of employment in all sectors of the economy. Due to the prolonged lockdown, quarantine, physical distancing and other isolation measures to suppress transmission of the COVID-19, the state's economy is heading towards a recession. Non-essential services and production were directly affected by the lockdowns, which led, among other things, to a reduction in the number of hours worked and to job losses. The state with greater dependence on the service sector, higher levels of informality and weak safeguards against the termination of employment has been facing higher initial job losses. The lockdown has resulted in huge loss of employment of all categories – self-employed, regular and casual labours. According to our estimate total loss of employment in manufacturing and construction was more than 50 percent (Table 8). In tertiary sector, the sub sectors which registered more than 50% loss of employment were trade; repair of motor vehicles; transportation and storage; accommodation and food services; financial and insurance; education; arts; entertainment and recreation; and other services.

## **COVID-19 Pandemic and Its Impact**

### *Return of Emigrants*

Due to the spread of COVID-19, there was panic among the Keralite emigrants in the Gulf and other countries to return to Kerala and a large number of emigrants have registered with NORKA and other agencies of immediately returning to Kerala. The total foreign registrants who want to return, including migrants, their dependents, persons on short visits, students etc was 4.13 lakh as on 3rd May 2020. This include 61,009 emigrants who lost jobs, 41,236 visiting visa expired persons, 27,100 persons whose visa expired or was cancelled and 7276 students. Of this the share of Keralites in the six Gulf countries viz. UAE, Saudi Arabia, Kuwait, Bahrain, Oman and Qatar was about 3.2 lakh. The increase in the number of deaths of Keralites due to COVID-19 (186 death as on June 6, 2020), the lack of facilities for treatment, lack of hospital beds to admit COVID-19 patients, inability to undergo costly treatment in private hospitals, lack of space and facilities for quarantine in labour camps etc compel Keralite emigrants to return to Kerala. The fall in the price of crude oil to an all-time low level, the economic shutdown created due to lockdown in the Gulf countries has resulted in huge loss of employment in the short run. But it is expected that things may improve once the lockdown is lifted. It is likely that two to three lakh migrant workers may lose jobs and return to Kerala due to COVID-19 crisis from the Gulf, if the situation continuous. During the last four decades, the large scale emigration of contract workers from Kerala to Gulf countries and the continuous flow of large amount of remittances has been a major factor in Kerala's economic development. Studies on economic impact of Gulf migration of Kerala's economy came to the conclusion that since the mid-1970s the factor that had the greatest impact on Kerala's economy – especially on labour market, consumption, savings, investment, poverty, income distribution and economic growth – has been gulf migration and migrant remittances. One of the pillars of the Kerala model of development for the last four decades has been emigration and the remittances. The COVID19 pandemic has started the process of destroying the pillar

**Estimated emigrants from Kerala, 2018**

No	District	Number of Emigrants		Increase/ Decrease (%)	EMI* per 100 households in 2018
		2013	2018		
1	Thiruvananthapuram	2,41,727	1,37,007	-43.32	15.2
2	Kollam	1,99,933	2,40,527	20.30	32.8
3	Pathanamthitta	1,41,343	1,09,836	-22.29	31.9
4	Alappuzha	93,096	1,36,857	47.01	23.6
5	Kottayam	1,07,931	1,66,625	54.38	31.3
6	Idukki	23,967	32,893	37.24	11.3
7	Ernakulam	1,91,373	53,418	-72.09	5.8
8	Thrissur	2,30,081	2,41,150	4.81	27.9
9	Palakkad	70,506	89,065	26.32	12.2
10	Malappuram	4,55,696	4,06,054	-10.89	42.1
11	Kozhikode	2,26,499	1,60,691	-29.05	19.7
12	Wayanad	22,568	30,650	35.81	14.5
13	Kannur	2,91,321	2,49,834	-14.24	38.8
14	Kasargod	1,04,334	67,281	-35.51	21.3
<b>Kerala</b>		<b>24,00,375</b>	<b>21,21,887</b>	<b>-11.60</b>	<b>24.0</b>

\*: Emigrants

Source: S. Irudaya Rajan, K C Zachariah (2019). Kerala migration survey

According to one report the total number of persons returned from abroad and other parts of the India to Kerala was 9.1 lakh as on September 3, 2020 (Malayala Manorama Daily, September 4, 2020). Of them, 5.62 lakh persons returned from other states of India and 3.47 lakh persons returned from foreign countries. The returnees from foreign countries include persons who lost jobs returned due to pandemic, students, persons stranded in foreign countries and short duration visitors.

The fall in remittances will adversely affect investment on land, construction of houses and other buildings, consumption, education, health, repayment of loans to banks in those districts which have high intensity of emigration. It is likely that thousands of households which solely depend on remittances for their survival will face severe economic distress. There will be a recession in those districts which have a high intensity of emigration.

The districts which are likely to face recession are Malappuram, Kannur, Kasargod, Thrissur, Kottayam, Alappuzha, Pathanamthitta and Kollam. Among the return emigrants nearly half will be likely to be absorbed in the labour market in Kerala. A sizeable number will remain unemployed. And the state government has to give financial and other support for a large number of return emigrants to find gainful self-employment



## **COVID-19 Pandemic and Its Impact** *Putting Plans in Place to Rehabilitate*

Over the past five decades, the role of Kerala's diaspora in the economic, social, and cultural development of the State has been crucial. Although the migration of workers for employment is a universal phenomenon, migrants from Kerala have certain comparative advantages making them the most sought-after.

Able to adapt to technically sophisticated and changing work environment, they have shown themselves capable of mastering new skills and technologies with ease. Worldwide, especially in the Middle East, the contributions of migrant workers are distinct and identifiable.

The country tops the list of nations with \$69 billion in remittances it received last year from the large pool of skilled, semi-skilled, and unskilled as per a study by the Reserve Bank of India. Kerala tops the States with \$13.11 billion (19%, ₹95,000 crore) in remittances, showing the contribution of migrants in Kerala's economy and development.

A series of steps have been rolled out by the State through the Non-Resident Keralites Affairs (NoRKA) Department and later NoRKA Roots, the nodal agency headquartered in Thiruvananthapuram, to ensure quality of migration and welfare of Non-Resident Keralites (NoRKs) and gain from the benefits of enhanced engagement with the diaspora.

As per the Kerala Migration Survey 2018, the number of NoRKs is estimated to be 34.17 lakh in 2018, which was 36.5 lakh in 2014. The number of emigrants from the State also declined to 21.2 lakh from 24 lakh in the same period. The 'returned emigrants' (REM), according to the survey, was 12.94 lakh in 2018, up from 11.5 lakh in 2008.

Malappuram has the largest number of residents who have lived outside India with a total NoRK population of 7.16 lakh in 2018, followed by Kollam 4.06 lakh, and Kannur 3.44 lakh.

The countries in West Asia account for 89.2% of Kerala's emigrant population. As many as 39.1% of emigrants are in the United Arab Emirates and 23% in Saudi Arabia.

Automation coupled with citizen preference in employment policies in the Middle East countries, slowdown in global economic growth, and cheap labour have resulted in the increase in the number of return emigrants and a sharp drop in remittances from the NoRKs.

Demographers and planners are concerned over the reverse migration. Surprisingly, the highest number of 'returned emigrants' is from Malappuram, followed by Thiruvananthapuram and Kottayam. Many who return after years of toil abroad and

without adequate savings are not able to utilise their skills and work experience, which affects their employability. Compared to the trend in the 1970s and during the exodus from the State to the Gulf, a large number of the skilled workforce of doctors, nurses, engineers, IT professionals and teachers are now seeking employment outside the country. Of those employed abroad from the State, 67.78% are professionals such as businessmen, teachers, bankers; 3.78% are engineers, doctors (0.53%), nurses (6.37%), IT professionals (2.23%), drivers (11.85%), and 10.99% are salesmen.

## **COVID-19 Pandemic and Its Impact** *Role of Financial Institutions*

COVID-19 is creating disruption across the world, bringing unprecedented change to daily routines, local infrastructure and the global economy. While some industries have been highly vulnerable to the resulting economic shifts, financial institutions play a key role in helping our economy and communities get through the current turmoil and prepare for a strong return.

Banks and credit unions have the opportunity to help stabilize the economy, enable continued commerce, keep small businesses afloat and provide needed support for people struggling with lost income.

By serving as leaders in dynamic and uncertain time, financial institutions are not only doing the right thing, they're also creating a stronger future for themselves and their communities. How banks and credit unions act now has the potential to determine their place in local communities in the coming decade.

From immediate actions that focus on keeping their businesses running smoothly to mid- and long-term plans for helping staff, customers and members navigate the ever-shifting complexities of this new environment, five key objectives are top of mind for financial institutions.

The new coronavirus has brought incredible disruption to the way we all live and work. Many financial institutions are requiring employees work from home temporarily, which can introduce new risks that need to be effectively managed. While financial institutions have already taken the essential first steps, such as ordering laptops for their newly remote teams, next actions may include reviewing remote network access needs and security coverage to identify areas of vulnerability in this new environment.

Financial institutions may also consider upgrading collaboration tools. Technology can help streamline processes, ease frustrations and lift the spirits of staff members so they can better serve customers and members. For example, introducing a digital tool account holders can use to schedule appointments with a loan officer, in addition to a platform the loan officer can use to host virtual meetings, can make the entire process run more smoothly.

In some respects, financial institutions are solving for the coming months, assuming they can return to business as usual by that time. But they may find investments made to create smoother processes today will create superior ways of working overall. Financial institutions may also identify long-term strategic implications as they adjust business continuity plans to reflect the possibility of multiple team members being out simultaneously.

For example, banks and credit unions that run their technology stack in-house may consider outsourcing to a managed technology model. Similarly, the value of using

robotic process automation and real-time fraud solutions to lessen reliance on human intervention for critical processes will become clear.

Communication is key, and a financial institution's ability to reach customers or members with important updates about their accounts, digital banking and payment options, and safety and security measures will help build trust. When rapid developments prompt financial institutions to scale back on branch hours, shift to drive-through-only options and temporarily close branches, those updates need to be swiftly communicated.

Real-time alerts can deliver critical updates via email, text message or mobile push notifications, based on preferences set by accountholders. Additional updates, such as new cleaning processes to keep branch visitors safe, can be broadcast through in-branch signage, social media posts, updates to scripted phone menus, account statements and website banners.

Multiple methods should be considered for communicating digital options to manage financial tasks from home. Video tutorials and e-learning options can help first-time users become comfortable navigating a mobile app, for example. Instant-messaging support options can provide a quick alternative for staff to answer questions and troubleshoot problems.

In addition, banks and credit unions should consider adjustments to ATM and remote deposit limits. Communicating clearly any changes can prevent accountholders from coming up against restrictions that result in frustrated support calls. Those efforts will help deepen relationships and keep call center volumes manageable as consumers and businesses adopt more digital services.

**Do you want to start your own business???**

Then Start it now !!!!

**Do not get confused over the thought of what business or industry sector shall be chosen ??**

Every business has its pros and cons.

It is just about which business you have the passion and zeal to crack it.

**Your** skill set also matters a lot in achieving the target.

**You** should be confident enough to implement the skills you possess

**You** should be able to manage to overcome the upcoming challenges

**Successful Small Business Ideas !!!!!**

➤ ***Breakfast Joint/Take-away***

Food being one of the three basic necessities of life makes a top choice for people to indulge and open-up business in F&B (Food and Beverage) Industry. This is why as a small scale business idea, food joints will never run out of customers, as long they serve delectable food. Of course a start-up business does not need to be a full-fledged restaurant from the start. One can start with only a few key dishes such as a wholesome traditional breakfast with optional snacks as an add-on.



➤ **Juice Points/Shakes Counters**

As more and more Indians grow health conscious, fresh juices without preservatives are emerging as a popular healthy alternative to cold drinks. This is why the humble juice bar has made its way into this small business ideas list for India as a top option for a potentially successful venture. While one is at it, diversification into related drinks especially (perhaps less healthy) summer drinks like lemonade, buttermilk and lassi might also work out well for this small business. Of course one can decide to go the whole hog and get started with a fully loaded food truck instead. As long as the food/drinks provided are of high quality and all the requisite permits are in order, ensuring success of this business idea should not be too hard.



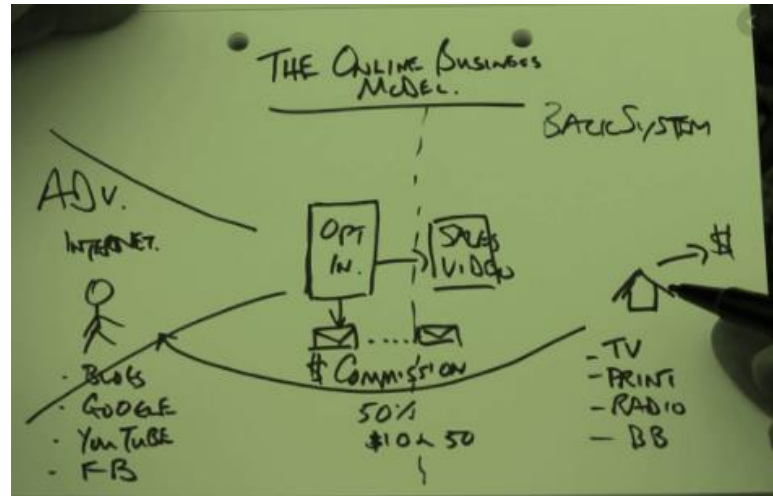
➤ **Tailoring/Embroidery**

As far as successful business ideas go, this one is based on another basic requirement of life – clothing, so the size of market includes well, everyone. As a start-up business, tailoring and embroidery have been around for decades and most are usually home-based businesses that receive and complete orders on behalf of small boutiques. But being a tried and tested idea does improve its chances of emerging as a successful future business especially in larger cities where tailoring services are in high demand. Obviously one needs to undergo the requisite training and ideally should have sufficient experience in order to improve the chances of succeeding in this small scale business venture.



### ➤ **Online Businesses**

Small business ideas have the potential to grow into huge businesses over time and the emergence of Internet along with related technologies can definitely help out. It is proven that small businesses with an online footprint tend to do better than those that do not have an online footprint. So amazingly, this start up business idea is focused on providing a range of online services to various small and medium businesses. This is the reason why social media experts, bloggers, website designers and developers are in high demand these days. Such businesses require only



basic computer systems, software and high speed internet connection to set up but they do require the entrepreneur to be skillful at what they do. Related businesses that can be successfully operated online include ghostwriting, freelancing and online translation services.

### ➤ **Blogging**

If one has to pick a single money making idea from a list of internet based small businesses from home, blogging, v-logging (video blogging) have the potential to be



money spinners. As long as it is interesting, it does not matter what one writes or makes a video about. Even many top rated performance artists, including stand-up comedians have considered this as a potential way to expand their reach. The goal is of course to maximize the number of views or readers of the vlog or blog through creation of interesting content. In case of certain vlog platforms one gets paid based on the number of views while in case of most blogs advertising revenues generated through Google AdSense help the business make money.



➤ **Cookery Classes**

In case a skillful professional cook does not fancy the idea of slogging it out at a restaurant or food truck business, there is an alternative – cookery classes. This is a trend that’s catching on among urban families in India as something that couples do together and create something that’s delicious yet healthy. What’s more, it is even possible to carry out these classes both in person and online or one could make a vlog teaching others the intricacies of culinary skills. The scope to expand and monetize from potential market segments that one might not be able to reach otherwise increases manifold by taking advantage of the online route.



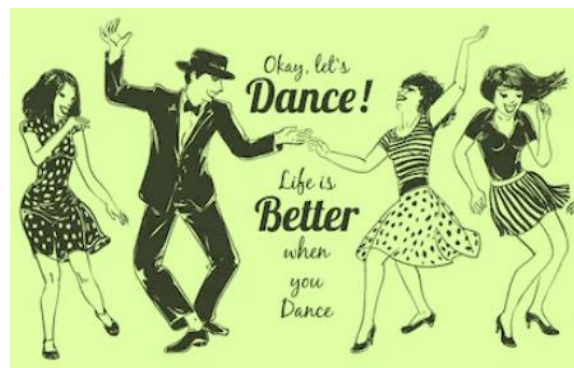
➤ **Daycare Services**



In India, the concept of crèches in the office for working mothers is yet to catch on and as more women enter into and stay on in the workforce even after marriage, it is obvious that the demand for daycare services will continue to rise in the near future. As a start-up business, daycare services and crèches have been around for years, if not decades especially in the larger cities that have a larger number of working women and nuclear families.

➤ **Dance Centre**

If you are a good dancer or choreographer, you can easily start a dance centre by taking space on rent. Marketing of your dance academy is the only investment required. If you do not dance well, still you can run a dance centre by hiring dance





teachers.

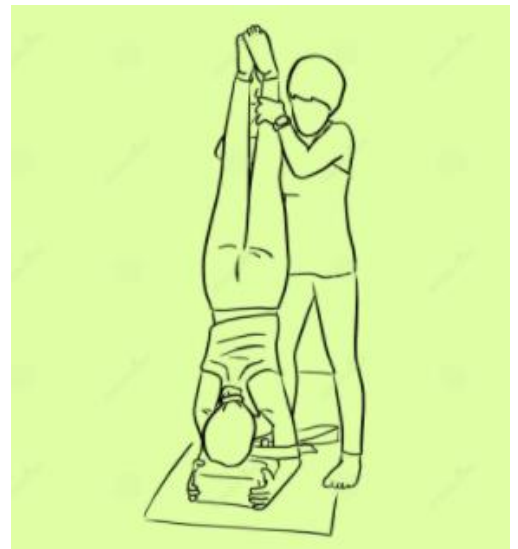
➤ **Photography**



Sometimes your hobby can make you earn money, you just need to spend some extra time on your hobby to make it a profession and further into a business. Photography is one of those hobbies turned profession. Better the camera will be, enriched the pictures it will capture. Rest all is your precision and skill of taking pictures that will make you a good photographer.

➤ **Yoga instructor**

Knowledge of Yoga and habit of self-practicing all the 'Yoga Asanas' makes a good yoga instructor. Yoga is considered to be above all stress buster practices and have proven results worldwide. Yoga instructors are in high demand in India, as well as abroad. Zero investment is required in doing this business.



➤ **Wedding Bureau**

Weddings are made in heaven but arranged down here. Besides marriage online portals, wedding bureaus are more prevalent in small cities and towns. Families consider meeting other families in person before coming up to any decision. Therefore, with small office space, 1-2 staff members, registration certificate and contacts can make you a successful businessman.





➤ **Ice cream Parlour**

Despite being a seasonal business, still ice cream parlour is a big hit in terms of small businesses. Investment required in doing this business is buying the franchise of any specific ice cream brand and secondly having a shop to place the counter in desired location.

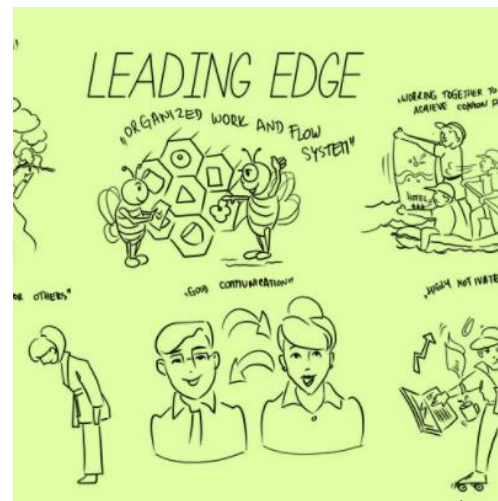


➤ **Handicrafts Seller**

Government of India has started promoting the sale of handicraft products in numerous states. Steps are been taken to make handicraft products reach every home in India. Some of these products include metal ware, paintings, shawls, carpets, wood ware, earthenware, embroidered goods, and bronze and marble sculptures, etc.

➤ **Consultancy**

Almost every sector requires consultants to assist in its development and growth. People with decent knowledge of IT, finance, marketing, HR, accounts, law, healthcare, social media, etc. can open their own consultancy company and tie-up with big corporates to make good money.



➤ **Boutique Store**

One of the traditional small scale businesses of the nation. Women who like stitching clothes and are updated with the latest fashion trends can run a boutique store anywhere. Boutique store can be managed from home itself and the only investment required is the sewing machine with apparel to sell.



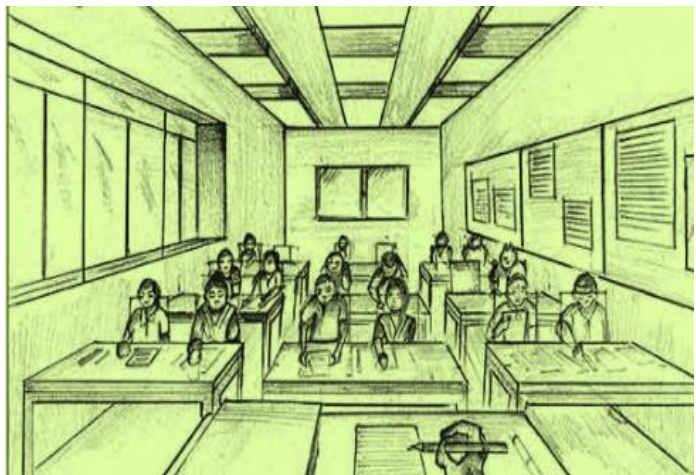


➤ **Catering**

Catering business requires investment in just hiring labour, buying raw material, and owning tents, tables, chairs and utensils. The rest depends on your contacts, marketing techniques and quality of the food being prepared and served.

➤ **Coaching Classes:**

Education is a field of diversity and a good low cost business idea. Financial break-even is easily achieved and it's not a full time business.



➤ **Wedding Planner:**

It's a never ending business and people with creativity and passion makes them successful.

➤ **Placement Services:**

HR is the integral and important vertical in an organization and good recruitment makes a company grow and grow further. So to have tie-ups with reputed organization and placing good employees with them makes it a low cost placement business.



## IDEAs

### Business Ideas for Women

India has witnessed a remarkable growth in the number of women entrepreneurs in the last few decades. Women today are striding into almost every industry and sector by their entrepreneurial abilities. So, we have presented some of the key business ideas for women for them to choose and grow as an entrepreneur, depending on their skills and passion.

#### ➤ **Healthcare**

A healthy lifestyle and exercise are being readily adopted by people all over the world. People are practicing a variety of activities like dance, aerobics and yoga as daily exercise. Women can become professional trainers and can own and manage fitness centres. Some of the popular and effective business ideas in the health care industry are:

Yoga and meditation centres:  
Women can get trained in yoga exercises and have their professional practices as yoga trainers and meditation gurus

Zumba instructors: Zumba is a famous dance form people are opting for as regular exercise forms.

Women can start Zumba classes for people living in their locality



#### ➤ **F&B Industry:**

Eating out is the most famous leisure time activity among the youth and even families. Cafes and restaurants are booming these days. Some great business opportunities in the food industry are:

Cafes: Cafes are a huge hit among college students these days. They are the hot gathering place for youngsters these days

Restaurants: If you have the right funding and a great management team, restaurants are great businesses these days

Home-based catering business: Women who love cooking can start their own small catering business and take party orders for birthdays, anniversaries, kitty parties, etc.

➤ **3. Beauty care:**

Beauty care is an industry woman can nail. Women like indulging in beauty care and can make great entrepreneurs at it themselves. It is a great business opportunity since women know what the consumer wants and can deliver the best. Following are some of the best beauty care business women can own:

Spa and Salon: Women can have their salons and spa centers. Hair and makeup is something women are experts at. One of the great business opportunities for young women entrepreneurs

Nail art studios: Nail art has become a hype among ladies but not everyone is an expert at it. If you are, why not make it a business?

Bridal make up studios: Bridal make up has evolved in recent years. Women can keep in touch with recent trends and be the best in the field



➤ **4. Freelance Writing:**

If you're good with your language and have a love for writing, freelance content writing is best suited for you.



Technical Writing: Most IT companies these days are looking for writers to write various types of content. If you're good with your language and can write good content, you can freelance as a writer

Creative Writing: Advertising agencies and several other



institutions look for writers who can come up with creative ideas for advertisers, jingles and much more. You can get in touch with these agencies with your ideas and work with them as a freelancer

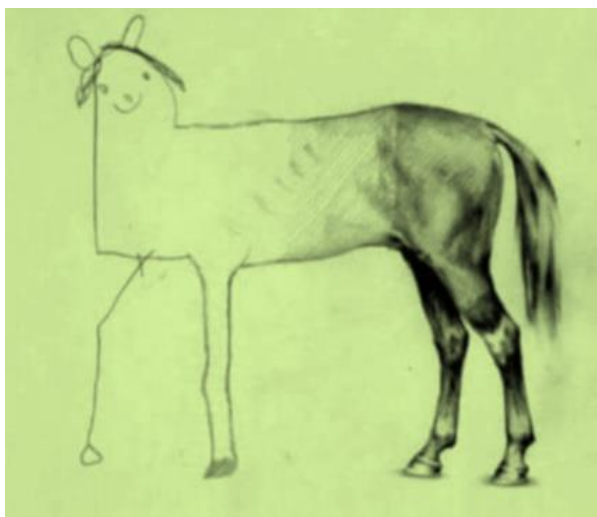
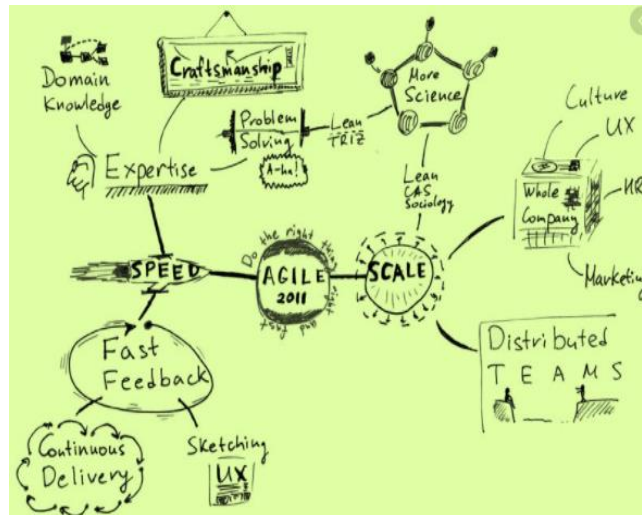
Blogger: You can create your blog and talk about the issue that matters to you. You can put your opinion out there and work on making your blog a success

➤ **5. IT & Software Development:**

In this world of technical turn over, there is software for everything. Starting your software development venture is a great small business idea where you can get clients and work for their projects independently.

Web Development: Companies developing websites for various other businesses or events can be a huge hit

App Development: Mobile applications are very useful for all our daily needs. All companies are developing mobile applications to make themselves accessible to the public. Establishing an app development firm is a great business idea in today's times



➤ **6. Graphics Designing:**

Designing is another creative field women can ace. Since we have so many websites floating on Internet every minute how they look is very important. Graphic designing changes the look of any website and makes it more attractive.



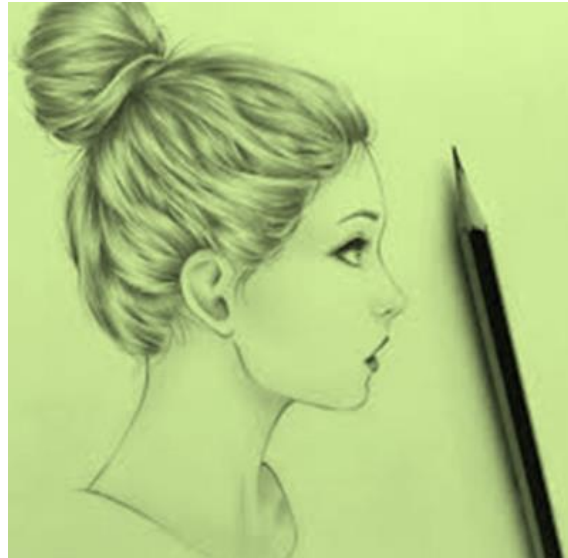


➤ **9. Arts & Handcrafts:**

Handicrafts can be a nice business idea for women who are fine with papers and wood. Women make handmade jewellery and make good money out of it. Gifts and cards are also sold extensively in the market today. Bead work is also very popular among women with skills for the same.

➤ **10. Fashion Industry:**

Boutiques: The clothing industry is booming is several trends coming up.



Women can ace the fashion game and fashion stores are the best business options for ladies with that sense of trends.

Opening your fashion label: It is another business idea for women who want to design their merchandise and have it out there in the market. Fashion labels need more funding and vast knowledge in the fashion industry but are great businesses once settled up. Bags and accessories outlet: Bags and other accessories like

jewellery, belts, shoes, etc. also make good sales along with clothing lines. These accessory shops are a huge hit among women and can be good business. Stitching and embroidery work: Women with a little or no education can get into stitching and embroidery business.

An entrepreneurship wave is spreading across the country. There are multiple problems that people are trying to solve through innovative solutions. The right business ideas are essential in shaping up the growth of the startup ecosystem and hence it is important for us to identify the areas where substantial growth can be conceived.

**Small Business Ideas for Men**

For individuals who are starting afresh, here are some ideas that have shown visible signs of traction and are sprouting well in the market –

➤ **Blogging:**

This is the age of internet access and social media, and with such access comes the inner desire to spread your feelings and ideas around. This has given rise to perhaps the most overlooked form of business: Blogging. With digital marketing emerging as a rising industry, a blog has come out as a primary product of the market, and one which is being explored thoroughly.



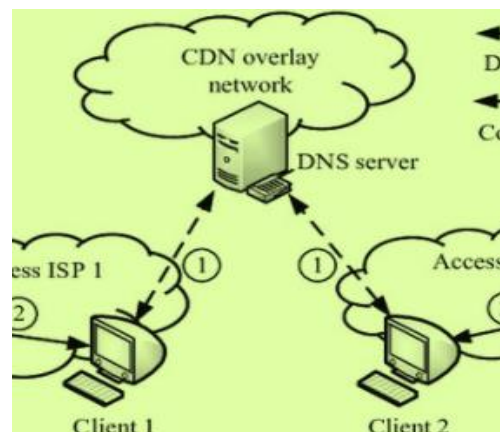
➤ **Freelancing:**



Freelancing has emerged as the most desired path to self-employment for several youths in India. This is a small business idea whose potential is almost universal. To start freelancing, you need to discern, what you are truly good at. Once you know your talent, you need to market it then proceed to customer acquisition, then work completion and then to the payment. These four steps carry on and can turn a small business into large conglomerates.

➤ **Content Delivery Services:**

A proper paid delivery content service is something that you can be a proud of. There are many individuals online who are looking for certain niche contents. If you have the inclination for it, you can move forward with it and create a whole business around content marketing. This form of small business also entails a fair understanding of digital marketing.



However, once it starts, it can morph into a good career foundation.

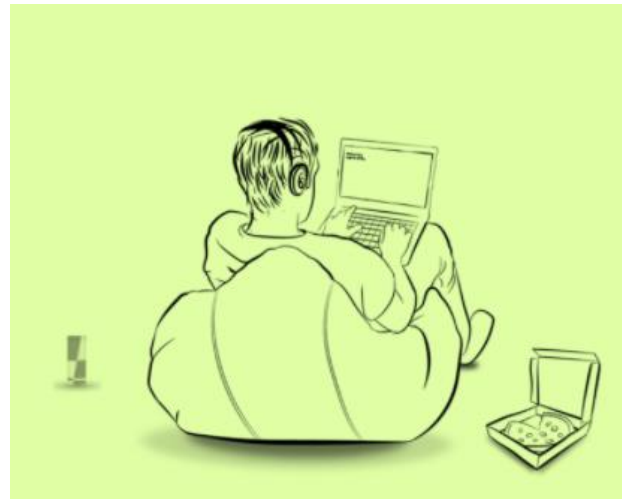
➤ **Business Consultant:**



If you believe that you are truly good at something and can provide ideas to others that are out of the box, then being a business consultant might suit you. This seemingly small business can earn you about INR 56000 on a daily basis. However, it should be kept in mind that one needs to be the absolute expert to pull in this kind of money.

➤ **Web Development:**

For every startup, having a website is pretty much a necessity. Now, this necessity has transcended into mandatory as Startup Registration requires one to have a website. Therefore, Website Design and Development is an area that an expert might get a proper advantage from.





The growing rate of urbanisation and liberalisation has created immense opportunity and potential for women, especially housewives to establish their own start-ups, and home-based and low-budget businesses. As per the recent market survey and research, there are two industries which are highly popular among housewives and single women are food and fashion industry.

The food industry has gained further push after the emergence of online delivery platforms, such as Swiggy, Zomato and Uber eats. The launch of e-commerce platforms, such as Amazon, Alibaba, E-bay, Flipkart, Walmart, etc has attracted home-based women to initiate their low budget fashion accessories and clothes businesses, running directly from their home or location.

Further discussed are popular and feasible home-based and low-budget business ideas suitable for housewives and single women:

### **1. Home-Cooked Meals**

The first and one of the most popular home-based ideas which has initially low budget offering is the home and office delivery of home cooked food varieties by the housewives and single women.

The housewives can collaborate with the help of some maids and workers to establish the food delivery business with the help of online food delivery platforms such as Zomato, Swiggy and Ubeats.

The idea is not new and has been successfully implemented in various cities with the help of the local public and the food delivery giants.

The idea has immense potential for creating a substantial amount of income for housewives to make them independent.



## 2. Planning and Strategies for setting up the food business

Many of the women, upon surveying mentioned that with the help of food delivery start-ups and business loan taken from the banks and NBFCs they are able to sell enough food to fund their kid's education and manage the household expenses.



The particular business idea has acted as a boon for the single women who are responsible to run their homes along with fulfilling all the responsibilities of the children.

The basic idea is to setup kitchen space and create menu, as per the customer's likings and

preferences.

The next step is to collaborate with the digital online delivery platforms and the marketing partners for making all the selling arrangements. After an initial start, the business will gradually expand and is expected that soon will reach the breakeven point due to lesser expenses and overheads. Office employees prefer to eat healthy home-cooked meal, thus the idea is a big hit among the urban housewives and women.

## 3. Fashion and Clothing Business for Housewives

The second and one of the most popular and revenue generating idea is the home-based and low budget cloth manufacturing and retailing businesses by the housewives and single women who have good knowledge of latest clothing and trending fashion.

E-commerce companies like Amazon and Flipkart have created wonders by empowering all the women who want to sell their clothing products along with the fashion accessories online. The potential for revenue generation is huge and the initial offering and investment is very nominal compared to other businesses.



The initial step is to collaborate with some interested women and designers to create some fabulous and unique designer fashion clothing and accessories. The next step would be to take the help of digital experts for extensive social media and digital marketing for gaining popularity of products among the local and international buyers. Once the products start getting a fair amount of responses the team of home-based housewives need to immediately contact the e-commerce online retailers to pitch the products and initiate the process of mass manufacturing on contract basis.

The best thing about the low budget and home-based clothing and fashion business is that the Government and the financial institutions have created a lot of beneficiary schemes especially for the home-based women to run their small businesses and start-ups along with easy payback facilities and flexible EMI's along with the minimum amount of interest rates.

Many of the market researches prove that the home-based clothing business is a big hit with a substantial amount of increase in demand for the homely designed items which carries with them a great amount of experience and genuineness. The business has all the potential to quickly take off to reach the breakeven point in very less time. The money earned by the home-based and low budget business can help housewives achieve their dream of becoming a fashion master and clothing entrepreneur.



## ***Business Project Proposals***



**Need for Business Project Proposal**

A business proposal is a written document that is sent to the banks and NBFCs, providing them the details of the functioning of the business. Business Proposal depicts the ways by which the entrepreneur likes to enhance the services of their products for the customers. Business loan proposal is a proposal made by a particular business to avail a loan from the financial institutions for business expansion purposes.



Business owners are supposed to mention the function of the business with the time period of the business and the annual turnover, if required. The proof of business related documents and documents of identification of CEO and identification documents of the person under who’s name the loan will be sanctioned is required.

**Elements to include in a Business Proposal**

To include all the information to represent the business properly takes a lot of effort. Thus you have to make sure to include the facts and figures accurately while finalising the proposal to present to the bank or NBFC. Also, you should form a business proposal sample and analyse the requirements and format that is provided by the banks before submitting the final document.

Some of the basic requirements for forming a business proposal are mentioned below:

Basic information of the business: The opening sentence of the proposal shall be your name, identity in the business and the amount required. The other basic

information are- Business name, Business entity structure, time in business, current annual revenue, and current number of employees. This will also include information about the business owner and their financial backgrounds and at times information of the employees

Description of business model: Narrate what your business does, how it serves the customer base, market, growth of business and competition

Purpose of business loan: The bank would want to understand the detailed reason for availing the loan and the purpose for which the loan amount shall be used



Proof of your loan repayment capability: The numbers are to be clear for how you will be using it and how will you accumulate the fund to repay. The product or the service's ability too is to be described in the document. Methods to earn profit can also be listed there

Existing debt information: Any debts yet to be paid will also be analysed. The information of the debt will be covered too with the reason of the previous loan, the amount and the repayment time. The lender's first understanding is to believe that the borrower is capable to repay the amount

Other documents for the Business Proposal Loan:

- ☛ Business Plan
- ☛ Balance Sheet
- ☛ Profit and Loss Statement



Cash Flow Statement



Financial Forecasting / Projections



The debt of the business and the risk assessment of the business are also performed to understand the success rate of the business. The business proposal format is supposed to be as per the bank's requirements and should follow the defined guidelines. Generally, business proposal formats are provided by the banks and NBFCs to ensure that they do not miss important points to analyse the business.

### **Why banks ask for Business Proposals?**

For any type of loan, borrower needs to provide the bank a reason for the loan requirement and the amount that you wish to avail should be valid for the purpose of availing the loan. The banks this way analyse the business and also suggest from their end the amount and the types of loan that a business should instead opt for. Business is supposed to be either debt-free or a start-up to avail the business loan. As if the business is in debt then the bank will doubt for approving the loan application and a start-up would rather be hoped to be successful gradually and will be expected to pay the loan in the given time period.

Documents are required to verify the business's identity in the government registration in order to not be fooled by any fake company. They also ask for the product details, the type of market being targeted or the type of market is analysed

by a start-up, as per the products or services. The background of team members is also required at times and the previous financial documents of the business.

The financial documents are supposed to be of at least 3 years to understand the profits and losses incurred by the business and to examine the time periods of overcoming the loss. This helps them understand the potential in the business and the future of the business for repaying the loan amount within the given time period.

## **Conclusion**

For any lender it is important to get a clear image of the purpose of the purpose to be fulfilled by the borrower. If the lender is convinced with your ideas of the use of the amount will be done accordingly in with the purpose of reaching to the goal then it will be easy for them to lend the loan amount. The borrower is to but make sure to provide the correct documents to the lender and the communication of any kind should be clear and easy to understand to not let any issue occur in in the future while the repayment. Thus, business proposal is to be clear and easy to be understood by the lender.

In recent times, the Food and Beverage (F&B) industry has shown tremendous growth and has helped in the creation of business opportunities for start-up enterprises and young entrepreneurs. Owning and managing a restaurant has become a passion and liking for most of the first-time business owners and entrepreneurs. Therefore, let's discuss some of the important essentials for them to build-up their own restaurant.

Following are the 10 steps to be considered while making a business plan for your restaurant:



### **10 Steps to make a Restaurant Business Plan**

#### **1. Restaurant Branding:**

Displaying your brand is one of the most important steps while writing your restaurant business plan. Your brand will make your idea stand out from the thousand other ideas. Your brand includes the following essentials:

Logo: The first thing to do while writing a restaurant business plan is designing a logo. It is okay, if it isn't finalized but you should have a tentative cover for your brand

Name: Treat your business plan as a project and name your restaurant. Make sure you give it some catchy name which makes it unique and different not only for the

investors but also for the customers. Let an attractive name play as one of the marketing strategies for your business

Tentative release date: Branding your ideas comes with a deadline. When you have a release date in mind along with a timeline for your project it shows you as a very promising candidate.

2. Concept & Idea:

Explain your concept in your business plan in detail. Your concept should have a brief description of the big picture of your restaurant. It can include:

The theme of the restaurant

The variety of cuisines you shall be serving

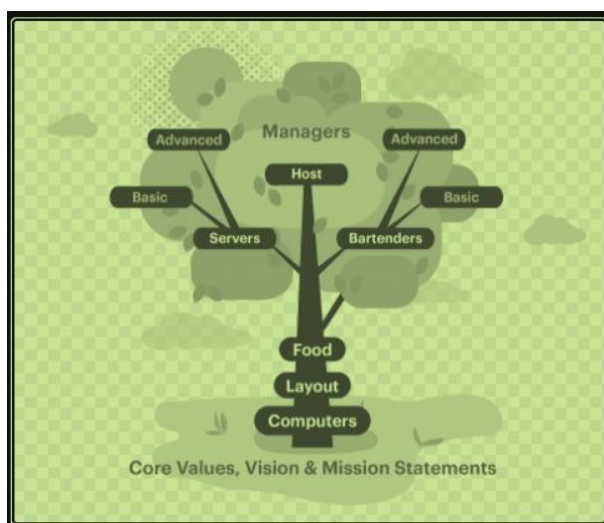
Restaurant’s setting as per your choice

Home delivery options



3. Menu Presentation:

A sample menu is important for your business plan. You can add some basic dishes from all the cuisines you want to serve. Mentioned the list of drinks you want to have on the menu and it is good to go. Since this is still a plan under process the menu does not have to be finalized. It can just be an outline of what your menu would look like.



4. Management Plan:

You are going to introduce yourself and your entire team. Here you establish the concrete plan for your business. Each team member’s role has to be elaborated here. You need to establish how you are going to manage every small detail in your restaurant and the job responsibilities of each of your staff members.



## 5. Ambience and Interior:

The ambience and the vibe of the place have become one of the most contributing factors in the success of any business these days. Designing involves a lot of factors in a restaurant business plan. Some of the most important factors are:

*The interiors and ambience:* The interior designing of the restaurant is very important since that is the most significant part of the ambience of the restaurant. The theme of the restaurant is shown by the interiors of the same.

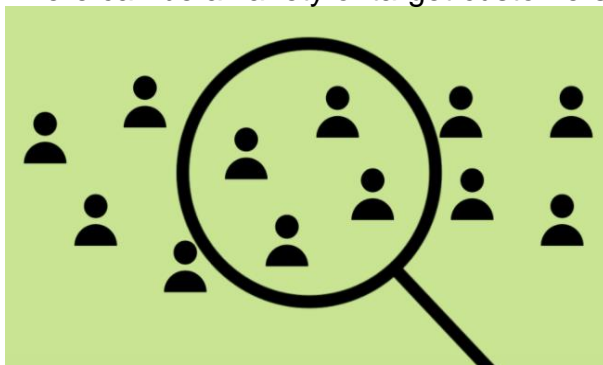
*Region specific:* The plates and the glasses in which the food is served have to be designed uniquely, as well. In today's times of social platform like Instagram, you can take perfect examples of restaurants and cafes.



*Cutlery, table mats and napkins:* In the cases of fine dining restaurants cutlery, table mats and napkins make a decent impact on the experience that the customer takes away. Sometimes, there is special attention given to the art of folding the napkins on the tables, as well.

## 6. Target Customer:

For any business plan, it is very important for you to specify your target customer. There can be a variety of target customers, such as:



**Families:** Lot of fine dining restaurants have the ambience which attracts big family gatherings and parties

**Couples:** Various cafes and restaurants are a hotspot for couples to have dates. Some of these restaurants might as well attract couples with special candlelight dinner arrangements

**College students:** Several cafes attract college students with a budget-friendly menu and other combo offers which make it a hotspot for groups of friends

## 7. Tentative Location:

The location of your restaurant will largely affect your business. It is important for you to choose the location based on the target customers. For example:

Restaurants with families as their target customers can be on the outskirts of the city since families prefer a long drive to get to the place

College students would prefer cafes and restaurants near their college itself

Couples would prefer a silent place to find some quality time for themselves

## 8. Market Study:

A thorough market study is the base of any business plan. A restaurant business plan should have concrete market research done before establishing it. More of extensive research shall result in the better implementation of the project. Market research is important in the following areas:



**Location analysis:** It is very important to study the location of your restaurant. The kind of people live there and the kind of gentry you can attract to your restaurant are some of the essential points to go through

**Finance:** You need to have an idea about the investment you need to build a restaurant in that locality. Additional research of how much people are willing to spend on a meal outside can broaden your perspective as to what to provide to the customers there

**Cuisine preferences:** A research on what kind of cuisines do people prefer in a locality is also very important. Preferred cuisines on the menu increase business



## 9. Marketing Strategies:

Any new business requires a proper marketing plan in action, especially in the initial time. The following marketing strategies can help you spread the word for your business:

**Print media:** Giving out advertisements in local newspapers can attract a crowd. Sending out pamphlets can also help the business



**Social media coverage:** Social media is making it very easy to reach a large crowd in a short amount of time. It will be really helpful if you put out content on social media websites like Facebook, Instagram, etc.

**Bloggers meet:** Restaurants and cafes can reach a large number of audiences with the help of local food bloggers. It is trendy these days to arrange for blogger's meet up and invite various food bloggers to rate

your dishes and write a review for you on their personal blogs

## 10. Finances:

Finances play a big role in a business plan. You need to have a structured finance plan in hand before approaching banks or investors. The following points should be kept in mind while structuring your finances:

**Initial investment:** You need to specify the initial investment that you will need to set up your restaurant. This will include the cost of the place you'll get, the interiors, the initial setup of kitchen appliances, etc.

**Working capital:** This is the investment or amount you will need every month to keep your restaurant running. This will include the cost of the ingredients, the salaries of the staff, etc.

**Insurance:** Always get business insurance while setting up the same. In case of any problems, you will need an insurance policy to go back to for reimbursements. You will need money to pay for the monthly premiums of the same

Many other factors are also important to ensure a successful setup of a restaurant. Most of these are subjective to your own ideas and innovations. Many banks provide business loans specifically structured for restaurant business. You should look into more such loans to get an insured investment from a reliable source.

# IDEAs

## Bakery Business Plan

Bakery Business is eyed as attractive and lucrative business among various other businesses related to F&B sector worldwide. The bakery business is one of the oldest businesses that initiated to fulfil the need of food in form of bread. With the advent of various technologies and machinery, businesses have performed several experiments in F&B sector and have created wide variety of cakes, pastries, cookies and other delicacies.



### Steps to Plan a Bakery Business

Intelligent Strategies for Bakery Business

Market Research and Analysis

Important Facts regarding the Bakery Business

The preparation of the business plan for the bakery business begins with the requirements of the customers and market research.

## **Steps to Plan a Bakery Business**

- The planning for establishing a bakery business will initiate from market research with the help of experts and technology
- The primary step is to study with the advanced tools of artificial intelligence and data analytics experts along with the social media patterns the behaviour of the consumers in the particular area
- The structure of the plan will be decided according to the research and study conducted
- The second step is to decide the infrastructure and location
- There are multiple options, such as a large retail-based bakery or a small outlet in the busy streets for accessibility
- The planning can also include in-house cafe for a bakery or restaurant, whichever is more popular in a particular area
- The next step would be to create a financial plan for the business to calculate all the important factors, such as profitability, expenditure, revenue generation, break-even points, etc.
- It is highly recommended to take help of a experienced financial expert in making precise and accurate calculations regarding the financial goals, requirements and expectations from the business
- The bakery business is completely dependent on customer satisfaction. Any single issue regarding bad/stale food, lack of hygiene and misbehaviour with the customer can ruin the entire business
- One of the most important steps is to hire skilled staff with F&B experience
- The importance of good management has grown substantially due to the rise of food delivery platforms, such as Swiggy, Zomato and Uber Eats

## **Intelligent Strategies for Bakery Business**

The basic necessity of the bakery field is innovation and experimentation

- ☛ The business owner needs to hire specialized chefs that have all the capability to create outstanding and unique delicacies, such as jumbo cakes and fruit pastries, etc.
- ☛ The business owner must meet the existing and experienced bakery owners about the exact requirements of the particular regions along with the common problems and day-to-day issues they face
- ☛ The owner must avail the options of financial assistance provided by the banks and other financial agencies with lower interest rates and flexible repayment options
- ☛ The plan must include a digital marketing strategy and social media marketing strategy by taking help of a digital marketing expert

## Market Research and Analysis

The unique bakery products must reach the public and it is very important to collect the reviews of the customers about the same.



Many real-world examples prove that bakery business has a high potential of aggressive expansion and generally is converted into a brand name

The most important step would be to make feasible and economically viable partnerships with existing and popular food delivery platforms such as Zomato, Swiggy and Uber Eats, so as to deliver the bakery items to the preferred location and the doorsteps of the customers in lesser

time.

The use of digital tools is preferred to increase the efficiency of the services, especially in busy hours when the time of processing is very less and most of the customers demand quick service.

## Apply for Business Loan

Important Facts regarding the Bakery Business

Owner or the investor must be very transparent about the type of bakery business it wants to start

Nowadays, there is also a trend of performing retail business especially in the field of bread and similar delicacies due to their very high daily demand in public and small food businesses, restaurants, take-away, etc.

Many of the bakeries have transformed into manufacturing industries generating revenue running into millions and provide thousands of livelihoods

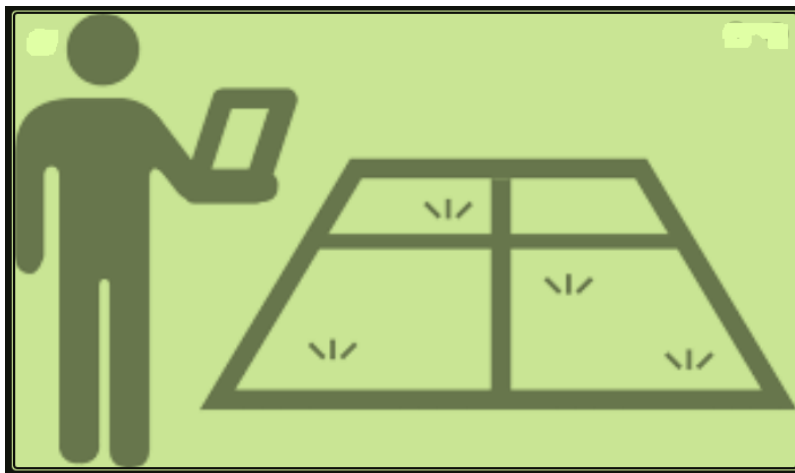
The plan must be very precise and advice of the existing successful bakery owners must be practically implemented in the plan

The financial details can be discussed with various finance experts

The most important step is the execution phase where things that are on the piece of paper becomes reality and comes into action

E-commerce giants like Amazon, Alibaba, e-bay, Walmart with the help of advanced technologies, such as artificial intelligence and machine learning have revolutionized the world of commerce. The latest and innovative trend of organic farm business plan has spread in all the major cities and urban centres.

The rise of home delivery grocery start-ups, such as Big Basket and Grofers have created an opportunity for all the agriculture enthusiasts to start their own profitable agriculture farm business plan with the help of agriculture experts



The growing population have raised the demand for fruits and vegetables especially for the large and small restaurants emerging in large numbers nationwide

Much different agriculture farm business plan and start-ups have come forward using the innovation-based approaches, such as organic farms on the balconies and terraces of flats and apartments

The greenhouse farm business plan and small organic farms on the backyard for growing exclusive vegetables are becoming a profitable business for many because of its quality and high value in the market

The agriculture and organic farm land business loan are popular among housewives and single men and women who can devote their time which is one of the prime requirements for the business

**How to establish an Agriculture Business?**

The best way to start a farm business plan or activity is to conduct market research on the available resources and technology.

Farming is a technically intense process and requires the help of qualified and experienced professionals.

Market research shows that organic farm business plan is on a high along with partnerships with the retail chains, food delivery start-ups and large restaurants.

The most important thing in the business is the quality and trust of the business partners and individual customers.

The hybrid seeds available in the market and the knowledge of fertilizers and other inputs are essential.

The most important step is to decide what to grow and where to grow along with the amount of the produce.

The agriculture farm business plan itself has a lot of divisions and varieties.

### **Innovations in agriculture business and start-up enterprises**

The medicinal plants, such as Aloe Vera and Neem are targeted by the medical and pharmaceutical industries for mass production

The plants require high inputs at the initial stage but have a promising sustainable revenue generation capability and growth rate

The other important requirement or decision is the place. There are many options available, such as backyard, renting an open space, large balconies or even the terraces

Once the place and the varieties of produce are decided, whether it is the seasonal vegetables or the medicinal plants the next step is to take help of an expert to create a financial plan for the whole farm business plan

### **Making business plan for your agriculture business**

The financial plan will include all the initial and running costs along with the revenue generation calculations.

The correct calculation of the growth curve and breakeven point is essential for futuristic sustainable growth and positive aggressive expansion.

The next step is to develop a pitching and marketing strategy.

There are a lot of options that need to be explored, such as grocery delivery giants, large retail stores and the various restaurants around the region.

Nowadays, trend is also considering hiring of a self-business team and trucks for selling the produce in the urban societies in order to avail the correct value for the produce.



The owner of the farm business plan can create its own startup and sell its own products in the open market to create sustainable income and reduce dependability.

### **Market Research and Analysis**

According to the market research the government and financial institutions, such as banks have initiated and launched many schemes to promote agriculture farm business plan and start-ups.

The owner must take business loan that is nowadays provided with competitive interest rates and flexible repayment options along with reasonably longer tenure schemes.

Hiring an experienced farmer along with a qualified professional in the field of agriculture will provide the exact balance required to achieve success in the business.

The particular business is a labour intensive business and thus it is very much necessary to hire experienced and qualified management and marketing team to manage the operations efficiently.

### **Important facts for running the agriculture business**

- ☛ The agriculture farm business plan and implementation involves a huge amount of risks and vulnerabilities, such as failure of crops drop in quality and non-seasonal rains along with the various pests and crop-destroying insects.
- ☛ The owner must calculate all the available risks and take all the appropriate and necessary measures to protect the business and crop in all circumstances.
- ☛ The rise of IT and digitalisation has led to the growth of home delivery start-up enterprises and e-commerce sector.
- ☛ The owner must research upon and consider of investing heavily on technology to ensure sustainable growth by implication of house delivery system, online selling platform, etc.

**Financial Proposal of Curry and Rice Powder Business**

Spices play an important role in enhancing the flavor and taste of the processed foods. India produces almost all the known spices and is the largest exporter of this commodity. Although spices are traded chiefly in an unprocessed form, a small yet significant quantity enters international trade as spice powders. Curry powder is the foremost of those blends or mixes and sometimes consists of 20 or more spices designed to impart the characteristic flavor of an Indian curry which is appreciated all over the world. Apart from the overseas market, processed curry powder is becoming popular in the internal market also. Hence the demand for unadulterated spices and curry powder in attractive handy packages is fast emerging.

Kerala – —The God's own country and the —Spices Garden of the world has seen tremendous growth in spices related consumer industry recently. Although the struggle of poor consumers for getting genuine food items is still at large. To enhance the flavor and aroma of foods spices are used whole or in pieces, as in pulaos and biryanis, or in powdered or ground form. While freshly ground masalas (mixed curry spices are preferred to powdered masalas), owing to the shortage of domestic labour, there is a definite trend today towards using spices mainly in powdered form in many combinations of curry powders. Curry powder, chilli powder, turmeric powder, spices powder etc are greatly consumed for preparing a variety of vegetable and non-vegetable food items. The quality of these products increases the taste and quality of food products. The consumers around the world have always opted for unadulterated food items irrespective of their cost. Considering the recent trend of change followed by the reasons of fast life of people, paved the way for the emergence of a lot of entrepreneurs in the food processing field. Ready to use rice powder will simplify the job of households. Today's fast life style of people will increase the demand of ready to use food products.

Coconut oil is an important cooking medium in Southern parts of the country especially in Kerala State. Besides, the oil has varied industrial applications. It is used in the manufacture of toilet soaps, laundry soaps, surface active agents and detergents, hair tonics, cosmetics, etc. It is used throughout the country as hair oil as it helps growth of the hair. As massage oil it has a cooling effect on the body. Owing to these qualities coconut oil has a potential market in the country.

**Promoter**

The promoter should have enough knowledge and experience in the proposed field and can manage the whole unit successfully. He/She will get all encouragement for the unit from the native people as such the unit will be a blessing to them.

**Location of the unit**

The proposed unit may be set up in a building owned by the promoter in Thrissur Corporation area, where in all infrastructure facilities are available.

### **Consumable Materials**

The main consumables required for the unit Rice, Chilli and coriander, herbs, copra, etc. is available in the market. The annual requirement of raw materials is assessed and given in the annexure.

### **Employment**

The Unit can provide employment to 4 persons directly. The annual expenditure on labour is assessed and given in the annexure.

### **Cost of Service and Profitability**

The estimate of this project is on the basis of the following:

- The unit will function for 300 days in a year.
- The capacity utilization has been assumed at 60% in the first year and 65 % afterwards.
- The price of the raw material and services are taken at the prevailing market rates.
- Wages and salaries have been increased by 5% every year.
- Repairs, insurance, telephone charge, etc., are taken at lump.
- No contingency provision is made since the costs are taken at prevailing market price.
- Depreciation has been calculated on Written down Value Method.
- Income tax has been calculated at the rate applicable to proprietary concern

### **Project Cost**

<b>Sl.No.</b>	<b>Particulars</b>	<b>Amount</b>
1	Land	Free Hold
2	Building	Free Hold
3	Plant & machinery	396400
4	Preliminary expense	47000
5	Working capital	2,22,100.00
	<b>Total</b>	<b>Rs. 665,500.00</b>

## Means of Finance

Percentage of Own capital under the Scheme = 25

Sl. No	No Particulars	Amount Rs.
1	Own capital	1,66,375.00
2	Term loan from bank	3,32,550.00
3	Working capital loan	1,66,575.00
	Total	Rs. 6,65,500.00

## Machinery/ Equipments

Sl.No.	Description	Rate	Qty	Amount
1	Multi mill Pulveriser one side double head 12"	59500	1	59,500.00
2	10 HP Crompton motor with starter, switch and capacitor	27000	2	54,000.00
3	12" disintegrator with stand	36000	1	36,000.00
4	Uruli Roaster capacity 15 Kg / batch with electric motor	28500	1	28,500.00
5	Parts of flour mill -motor pulley, belt, rail, foundation bolt and belt guard	30000	1	30,000.00
6	Single head pulverisor	26000	1	26,000.00
7	4 Bolt oil expeller	92000	1	92,000.00
8	Electronic weighing balance	14500	1	14,500.00
9	Cubical control panel with all components	29500	1	29,500.00
	VAT 5 % for item no1,3,4,5,6,7,8	14325	1	14,325.00
	VAT 14.5 % for item 2,9	12107.5	1	12,107.50
	TOTAL			3,96,433.00

## Direct Materials

Requirement @ capacity utilisation of 60 %

Sl. No.	Description	Unit	Rate Rs.	Quantity in Kg	Amount/month
1	Rice (kg)	Kg	25	1930	48,250.00
2	Chilly (kg)	Kg	80	605	48,400.00
3	Coriander (kg)	Kg	80	605	48,400.00
4	Turmeric	Kg	85	605	51,425.00
5	Spices	Kg	170	605	1,02,850.00
6	Herbs	Kg	400	605	2,42,000.00
7	Packing Materials (kg)	Kg	80	60	4,800.00
8	Copra	Kg	102	377.5	38,505.00
TOTAL PER MONTH					5,84,630.00
TOTAL PER ANNUM					70,15,560.00

## Indirect Materials

Sl No	Description	Unit	Rate	Quantity	Amount
1	Coolant, Lubricant etc.	L.S	2000	1	2,000.00
TOTAL PER MONTH					2,000.00
TOTAL PER ANNUM					24,000.00

## Direct Labour

Sl. No.	Description	Nos	Monthly Rate	Amount
1	Wages: Skilled Worker	1	8500	8,500.00
2	Semiskilled Worker	1	7500	7,500.00
3	Unskilled Worker	1	7000	7,000.00
TOTAL				23,000.00
TOTAL PER ANNUM				2,76,000.00

## Direct Expenses

Sl. No.	Description	Expense per Month
1	Power & Fuel	8,600.00
2	Cost of Defective/Rejects	3,000.00
<b>TOTAL PER MONTH</b>		<b>11,600.00</b>
<b>TOTAL PER ANNUM</b>		<b>1,39,200.00</b>

## Indirect Expenses

Sl. No.	Description	Expense per Month
1	Advertising Expenses	5,000.00
2	Insurance	1,200.00
3	Lighting	250.00
4	Rent	500.00
5	Repairs & Maintenance	1,000.00
6	Telephone charges	1,500.00
7	Travelling expense	1,500.00
8	Stationery & Printing	800.00
9	Transporting charges	2,500.00
<b>TOTAL PER MONTH</b>		<b>14,250.00</b>
<b>TOTAL PER ANNUM</b>		<b>171,000.00</b>

## Working Capital Estimate

Sl. No	Description	Requirement in Days	Amount (Rs.)
1	Raw Material Inventory	6	1,40,791.00
2	Work in Progress Inventory	1	23,465.00
3	Finished Goods Inventory	1	23,465.00
4	Receivable in Days	1	23,465.00
5	Labour Charges	3	3,780.00
6	Other Expenses/ Overheads	3	3,102.00
<b>TOTAL</b>			<b>2,18,068.00</b>

## Repayment shedule of Bank Loan

Amount 499125		Rate of interest 14.00 (%)			
Year	Principal	Repayment	Balance	Interest	Total
Year 1	499125	71304	427821	71125	142429
Year 2	427821	71304	356518	60965	132268
Year 3	356518	71304	285214	50804	122107
Year 4	285214	71304	213911	40643	111947
Year 5	213911	71304	142607	30482	101786
Year 6	142607	71304	71304	20322	91625
Year 7	71304	71304	0	10161	81464



## Depreciation

Year	Machinery	
	Cost	Depreciation
1	443400	44340
2	399060	39906
3	359154	35915
4	323238	32324
5	290914	29091
6	261823	26182
7	235641	23564

## Sales Revenue at Different Levels of Operation

Sl No	Description of Revenue	Sales at 100% Volume (in kg)	Sales at 60% Volume(in kg)	Average Rate in Rupees	Value in Rs. At 60%	Value in Rs.in 3 <sup>rd</sup> Year
1	Rice Powder	34740	20844	36	750384	875448
2	Chilly Powder	10890	6534	102	666468	777546
3	Coriander Powder	10890	6534	102	666468	777546
4	Turmeric Powder	10890	6534	106	692604	808038
5	Curry powder	10890	6534	205	1339470	1562715
6	Herbal Powder	10890	6534	502	3280068	3826746
7	Coconut oil	5285	3171	153	485163	566024
	<b>Total</b>	<b>89190</b>	<b>53514</b>		<b>7880625</b>	<b>9194063</b>

## Break Even Analysis

- 3rd year 70 % Cap.

A		Variable cost
Direct Raw materials		8184820
Direct Labour		304290
Direct Expenses		162400
Total		<b>8651510</b>
B		Fixed & semi-variable cost
Consumable Stores & Indirect Material		24000
Indirect Labour		112455
Indirect Expenses		171000
Financial expense		50804
Total		<b>358259</b>

Selling price (S.P) - 9194063

Variable cost (V.C) - 8651510

Difference (Contr.) – 542553

$$\text{Break Even Point} = \frac{\text{Fixed \& semi variable cost X capacity X 100}}{\text{Difference in S.P and V.C X 100}}$$

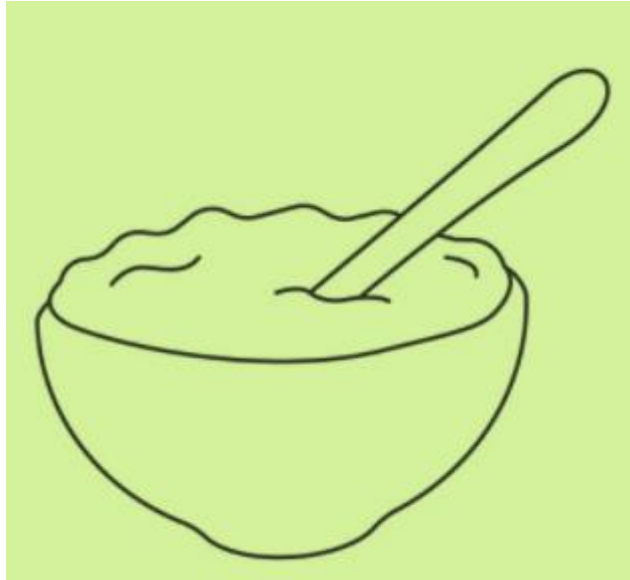
**BEP= 46.22 %**

### Cost of Production & Profitability Estimate

Sl No	Particulars	
	No of working days	300
	No of shifts	1
	Production capacity in No	89190
	Capacity utilisation(%)	60
	Actual production	53514
I	<b>Sales in Lakhs</b>	78.806
II	<b>Cost of production (all values in Lakh Rupees)</b>	
	Raw materials& consumables	70.3956
	Power& fuel	1.032
	Repair& maintenance	0.144
	Salaries& wages	3.78
	Insurance	0.06
	Depreciation	0.443
	Sub total	75.855
III	<b>Selling &amp; Administration Expense</b>	
	Telephone charges	0.18
	Travelling expense	0.3
	Transporting	0.18
	Advertising	0.12
	Sub total	0.78
IV	<b>Financial Expense</b>	
	Interest on bank loan	0.711
	Sub total	0.711
V	Total (II+III+IV)	77.346
VI	Operating profit	1.46
VII	Pre-expense written off	0.008
VIII	Taxation	0
IX	Net profit	1.452
X	Withdrawals	0.145
XI	Net cash accruals	1.307
XII	Cumulative Surplus	1.307

**Financial Proposal of Roasted Rice Flakes**

Generally the beaten rice is a popular food for all kinds of human living in India. Most people used this as a raw food in ancient times which is very easy to produce and prepare at home. Now the people are making different kinds of recipes with this by adding sweetness or spices. This is rich in fiber and carbohydrate and can be consumed even by encouraging the same. Another point to be remembered is that paddy is available in plenty in India (and kerala) and hence the raw material has no shortage.



**Market Potential**

This product in the market is relatively new one. Hence it has tremendous scope. A good quality product in attractive pack will give a boost in marketing the product. The main scenario in rice flakes is that it is pure in nature and adding spices or sweets will not contaminate it in any way.

**Technical Aspects**

The Process The paddy is cleaned and stones are removed. It is soaked in water and boiled in a boiler. When it is lowered its temperature is reduced a little and is pounded or pressed mechanically to form flakes. It is sieved and roasted by adding the required flavors. This product is packed and labeled in different weights.



**Financial Aspects**

Fixed Capital

- a) Land and building  
It is estimated that a land of 250 sqm is required with 125sqm with buildup area. Cost of land in rural area is calculated as Rs1,25,000/- and the cost of construction is taken as Rs3,25,000/-
- b) Plant and machinery  
It is suggested to install a unit with annual production capacity of 250MT based on 300 working days and 1 shift per day.

No	ITEM	QUANTITY	PRICE(IN LAKHS)
1	Avil mill	2	1.50
2	Roaster	2	1.00
3	Husk fired Furnace	1	0.25
4	Paddy soaking tanks	4	0.60
5	Sieves	4	0.25
6	Sealing machines	1	0.25
		<b>TOTAL</b>	3.85

c) Furniture and Fixing

A provision of Rs 40,000/- is provided for the working tables furniture and fixtures storage facilities.

d) Utilities

Power requirement shall be 15 hp and daily water consuming is Rs750 for 800 liters

e) Manpower Requirements

Particulars	Monthly salary(Rs)	Total Monthly salary(Rs)
Skilled workers	3500	7000
Semi-skilled Workers	3000	6000
Helpers	2000	8000
Sales man	3000	3000
	<b>TOTAL</b>	24000

### Details of Project Cost

a) Land and Building

Particulars	Area	Cost(Rs)
Land	250SqM	125000
Building	125SqM	325000
	<b>TOTAL</b>	450000

b) Plant and machinery

A total cost of Rs3.85 Lakhs is calculated in this head.

c) Miscellaneous assets

A provision of Rs 40,000/- is provided to this project

d) Preliminary and preoperative expenses

e) This include some charges like registration, trial run expenses, interest during implementation etc. and are covered with a provision of Rs 50,000/-

f) Working capital requirement (with a capacity utilization of 60%)

Particulars	Period	Margin	Promoters	Bank	Total(Lakhs)
Stock of Materials	1 Month	30%	0.30	0.80	1.10
Stock of Finished Goods	½ months	25%	0.14	0.41	0.55
Receivables	1 Month	25%	0.26	1.39	1.65
Working Expenses	1 month	100%	0.20		0.20
		<b>Total</b>	<b>0.90</b>	<b>2.60</b>	<b>3.50</b>

g) Cost of project

Item	Amount(Lakhs)
Land and Building	4.50
Machinery	3.85
Miscellaneous assets	0.40
Preliminary & Preoperative Expenses	0.50
Contingencies @10% on fixed assets	0.84
Working Capital	3.50
	<b>13.59</b>

f) Means of Finance

Promoters contribution		4.07
Loan from bank	Term loan 6.92 Working capital 2.6	9.52
Total		13.59

**Assumptions**

- Utilities: the annual expenditure towards power and water is estimated to be Rs 60000/-
- Selling expenses: Rice flakes will be sold through retailers. For this commission and transportation charges will be there. Hence a provision @ 12.5% is provided.
- Interest on term loan is calculated as 12% per annum assuming a repayment period of 4 years. Interest on working capital is taken as 14% per annum.
- Depreciation. It is calculated assuming @10% on building and @20% on plant and machinery

### Raw material required per annum

Product	Quantity(MT)	Rate/ price	Value(In Lakhs)
Paddy	250	8900	22.25
Spices	25	4000	1.0
			<b>23.25</b>

### Sales Revenue at 100%

Product	Quantity	Selling price	Sales(In Lakhs)
Roasted flakes	200	12000	24.00
Rice Bran	25	2000	1.0
			<b>25.0</b>

### Calculation of profit

No	Particulars	Year1	Year2	Year3	Year4
<b>A</b>	Installed capacity	250MT			
	Capacity utilization	60%	70%	80%	100%
	Sales realization	<b>24.5</b>	31.85	34	38.25

<b>B</b>	Cost of production	Year1	Year2	Year3	Year4
	Raw materials	13.95	16.28	18.60	20.93
	Utilities	0.36	0.42	0.42	0.54
	Salaries	2.88	2.88	2.88	3.17
	Stores & Spares	0.20	0.20	0.20	0.20
	Repairs and Maintenance	0.30	0.30	0.30	0.30
	Selling expenses	1.91	1.99	1.99	1.99
	Administrative Expenses	0.30	0.30	0.30	0.30
	<b>Total</b>	<b>19.9</b>	<b>22.37</b>	<b>25.48</b>	<b>28.76</b>



<b>C</b>	<b>Profit before Interest and Taxation</b>	4.6	9.48	8.52	9.49
	Interest on Term loan	0.83	0.83	0.63	0.43
	Interest on working capital	0.36	0.36	0.36	0.36
	Depreciation (0.32+.77)	1.09	1.09	1.09	1.09
	Profit before tax	2.32	7.20	7.43	8.40
	Income tax @10%	0.23	2.28	2.08	2.52
	Profit after Tax	2.09	5.04	5.2	5.88
	Cash accruals	3.18	6.13	6.29	6.97

### Break Even Analysis

No	Particulars	Amount(Lakhs)
<b>A</b>	Sales	25
<b>B</b>	Variable cost	
	Raw materials	13.95
	Utilities (60%)	0.22
	Salaries (60%)	1.73
	Stores & Spares	0.2
	Selling expenses(60%)	1.15
	Admn.expenses(50%)	0.15
	Interest on working Capital	0.36
		17.76
<b>C</b>	Contribution	7.24
<b>D</b>	Fixed Cost	
	Depreciation	1.09
	Utilities	0.14
	Salaries	1.15
	Selling expenses	0.76
	Administrative expenses	0.15
		3.29
<b>E</b>	Break-even point ( D/C)	45.44%

### Return on investment

$$\text{Profit after tax/investment} = 2.09/13.59*100$$

$$=15.37$$

### SOME SUPPLIERS OF MACHINERIES

- Indopol food processing industry pvt. Ltd Faridabad 121003  
Ph 2276161
- SP Engg.worksFazalGunj,Kanpur

**Financial Proposal of Banana Fiber Extraction and Weaving Unit****Introduction**

Banana fibre is eco friendly like jute fibre. The technology of banana fibre extraction has been developed in South India where in a good number of banana fibre extraction units have been running very successfully. Some firms are exporting the banana fibre products. Banana growing states of N.E.Region has adopted the technology from South and started production of banana fibre and fabric. This can create a lot of employment opportunities for almost all age groups.

**Market Potential**

The banana fibre is being used for weaving attractive pieces of clothes, rugs, sarees etc. Besides, it is also being used to produce a variety of items such as hats, photo frames, trinket boxes, gift bags, picture frames, hand bags, belts, baskets and sandals etc. Dresses woven out of natural fibres are in great demand inside and outside India.

**Plant Capacity**

- ☛ Capacity utilization : 70%
- ☛ Average daily production envisaged : 10 Kg cloth.
- ☛ Working days/year : 25 days in a month and 300 days in a year.

**Annual Production**

- ☛ Door Mat : 1000 nos
- ☛ Floor covering : 1000 nos
- ☛ Screen : 1600 Mt.
- ☛ Durry : 1500 Nos.

**Raw Materials**

The main raw material for the unit is banana tree which is abundantly available in the State of Meghalaya, Mizoram, Arunachal Pradesh and Assam.

1. Cost of Banana Stem :1.40 lakhs
  2. Misc. items :0.20 lakhs
- Total : 1.60 lakhs.

### **Suggested Location :**

Banana growing areas in Kerala – Palakkad (Attappadi, Mannarkkad), Kottayam, Kozhikkode

### **Process**

#### Banana Fibre Processing and Weaving :

The extraction of the natural fibre from the plant required certain care to avoid damage. In the present experiments, initially the banana plant sections were cut from the main stem of the plant and then rolled lightly to remove the excess moisture.

Impurities in the rolled fibres such as pigments, broken fibres, coating of cellulose etc. were removed manually by means of comb, and then the fibres were cleaned and dried. This mechanical and manual extraction of banana fibres was tedious, time consuming, and caused damage to the fibre. Consequently, this type of technique cannot be recommended for industrial application. A special machine was designed and developed for the extraction of banana fibres in a mechanically automated manner. It consisted mainly of two horizontal beams whereby a carriage with an attached and specially designed comb, could move back and forth. The fibre extraction using this technique could be performed simply by placing a cleaned part of the banana stem on the fixed platform of the machine, and clamped at the ends by jaws. This eliminated relative movement of the stem and avoided premature breakage of the fibres. This was followed by cleaning and drying of the fibres in a chamber at 20°C for three hours. These fibres were then labeled and ready for lamination process. After extraction of fibre, weaving is done in the looms as per normal process like any other material.

### **Machinery**

The major equipment required are as follows

Sl.No.	Particulars	Nos.
1.	Banana fibre extractor	2
2.	Loom complete with all accessories	4
3.	Bobbin circle	1
4.	Charkha	1
5.	Bobbin	100
6.	Pirn	100
7.	Shuttle	8
8.	Misc. items	L.S.

## Infrastructure

The major infrastructural requirement are :

- ☛ Covered area : 1200 Sq.ft.
- ☛ Power : 5 KW.

## Total Capital Requirement

The total capital requirement including fixed capital and working capital is estimated at Rs.1.70 lakhs as follows. Of this, the project cost comprising fixed capital and margin money on working capital is Rs.1.55 lakhs.

(Rs. In lakh)

A	Fixed Capital :	
	Land and Building Own	
	Plant and Machinery	0.90
	Misc. fixed assets.	0.30
	Preliminary & Pre-op. Expenses:	0.10
	<b>Total (A) :</b>	<b>1.30</b>

## Working Capital

Raw materials & Packing materials	15 days	0.09
Finished goods	15 days	0.20
Working Expenses	1 month	0.16
Receivables	15 days.	0.25
	<b>Total (B) :</b>	<b>0.70</b>
	<b>Total(A) + (B) :</b>	<b>1.70</b>

Note : Working capital May be financed as:

Bank Finance (65%)	Rs. 0.45 lakh
Margin Money (35%)	Rs. 0.25 lakh.
Total :	Rs. 0.70 lakh.

Capital Cost of Project

Fixed Cost	: Rs. 1.30 lakh
Margin Money for Working Capital.	: Rs. 1.25 lakh
Total :	Rs. 1.55 lakh.

## Means of Finance

Promoter's contribution (35%)	: 0.55 lakh
Term Loan (65%)	: 1.00 lakh.
Total :	1.55 lakh

## Operating Expenses

The annual operating expenses are estimated at Rs 4.99 lakhs as

given below :

	(Rs. in lakhs)
Raw materials	: 1.60
Packing materials.	: 0.20
Utilities	: 0.40
Wages & Salaries	: 1.50
Rent, Insurance etc.	: 0.30
Other overheads.	: 0.35
Selling expenses @ 5% on annual Sales.	: 0.33
Interest on term loan @ 12.50%	: 0.13
Interest on bank finance for working capital @11%.	: 0.05
Depreciation 10% on M/c.	: 0.13
<b>Total</b>	<b>: 4.99</b>

### Sales Realisation

Items	Qty.	Rates(Rs)	Value (Rs) ( Lakhs)
Door Mat (13' x 22')	1000 Nos.	60/-	0.60
Floor Covering (4' x 6')	1000 Nos.	300/-	3.00
Screen	1600 Nos.	50/-	0.80
Durry (2.5' x 5.0')	1500 Nos.	150/-	2.25
<b>Total</b>			<b>6.65</b>

### Profitability

Based on the sales realization of Rs 6.65 lakhs and the operating expenses of Rs 4.99 lakhs, the profit at rated capacity utilization would be Rs 1.66 lakhs per year. This works out to be return on investment of 98%. The unit will break even at about 31% of the targeted annual production.

### Highlights

The major highlights of the project are as follows:

Total capital requirement	: Rs. 1.70 lakhs.
Promoter's contribution	: Rs 0.55 lakhs.
Annual Sales realization	: Rs. 6.65 lakhs.
Annual operating expenses	: Rs. 4.99 lakhs.
Annual Profit (Pretax)	: Rs. 1.66 lakhs.

Pre-tax return on sales : 25% :  
Break-Even Point. : 31%.  
No. of persons employed. : 8 Nos.

### **Suppliers of Machinery**

Addresses of Machinery and Raw Material Suppliers :

Supplier of Banana Fibre Extractor :

- (1) Eco Green Unit "Sugandavanam" Sethumadai, Pollachi TK, Coimbatore Dist, Tamilnadu. Pin - 642133.  
PH : 04253 244269  
Mobile : 9443366374
- (2) Krishi Vigyan Kendra Kalavacharla, East Godavari District Andhra Pradesh 0883 – 2449871
- (3) Mother India No.12-B.I Floor, First Street, Rajendra Nagar, Palayamkottai 627002, Tamilnadu, India.  
Call : + 91- 0462- 2561 325 /2561 354  
Fax : + 91- 0462- 4000037,  
Mail : [business@motherindiaworld.com](mailto:business@motherindiaworld.com)



**Introduction**

Food is the most required product since human kind came into existence. Modern era looks for quality food products. Therefore demand for food in the market is perennial.

**Market Potential**

Raw material is available in and around the country side. People looking for quality food material are residing everywhere. There is enough market potential for standardized food products.

**Location**

The unit is located at the premises of the residences of the target group in a rented building.

## Presumptions

Production will be spanning eight hours a day and 25 days in a month. In two years full capacity will be utilized. Minimum wages will be paid to the labourers. Rate of the loan will be 15% per annum. Margin money by the promoter will at the rate of 50%.

## Schedule of Implementation

Commencement of commercial production will start within six month clearing all mandatory measures.

## Technical aspect

Manufacturing process: The various steps involved in the flour manufacturing are as follows.

- Washing
- Grading
- Drying
- Flouring
- Packing

## Financial Aspects

### A. Fixed Capital

Land and Building :- 100 sq/m area rented.

Plant and Machinery

Sl. No	Item	Cost (Rs.)
1	Pulvariser with accessories	16,600
2	Double stage pulvariser	17,800
3	Roaster	20,500
4	Gas connection	10,000
5	Weighing Balance	8,000
6	Sealing Machine	3,000
7	Vessels	6,000
	<b>Total</b>	<b>125,000</b>

### B. Working Capital

Sl.No	Item	Cost (Rs.)
1	Raw Materials	50,000
2	Wages	39,000
3	Electricity Charges	9,000
4	Gas	2,000
	<b>Total</b>	<b>1,00,000</b>

C. Total Project Cost

Sl. No	Item	Cost (Rs.)
1	Building	25,000
2	Machinery	125,000
3	Working Capital	100,000
	<b>Total</b>	<b>250,000</b>

D. Means of Finance

Promoter's contribution	125,000
Bank Loan	125,000
<b>Total</b>	<b>250,000</b>

**Sales Turnover**

Expected Sales Turnover per month – 115,000

**Monthly Expenditure**

Sl. No	Item	Amount (Rs.)
1	Working Capital	100,000
2	Loan Repayment	5,000
	<b>Total</b>	<b>105,000</b>

**Profit per Month**

Sales - 115,000

Expenditure - 105,000

Profit - 10,000

**Introduction**

In present age, all people want to appear smart and elegant in his personality. The history of soap industry in India is very old say since 1889. The use of soap or soap like cleaning agent has always been associated with man's inherent instinct to keep his body and other belonging clean. Soap help remove slag from skin to make skin a brilliant glow. The principal raw material of soap is oil and fats. According to these raw materials the quality of soap and category of soap is changed. The necessary raw materials are needed to be of high purity and the finished product should have the balanced pH as its froth may enter the eye. Toilet soaps are made by combining liquid fats (like vegetable oils or animal fat) with an alkali like sodium hydroxide (also called lye). The process is called "saponification"; the definition of "saponify" is literally "to turn fat or oil into soap by reaction with an alkali. During the curing process, the sodium hydroxide and water evaporate out of the product, leaving behind just awesome soap". "Superfating," which refers to the process of adding liquid fats to soap after saponification, is popular for its rich, moisturizing effect. Clear soaps will add glycerin and sorbitol (a sugar alcohol with emollient properties), and products labeled "antibacterial" usually rely on triclosan, a substance that kills bacteria and helps prevent fungus growth. A simple production method with high return soaps are invariably used in every household. The antibacterial soap with a moisturizer added has huge market potential. The market is spread from remote village to the metro cities alike. The industry gives a good profit and high employment oriented.



### Market Potential

There is a vast market available for Beauty Toilet Soap in Kerala and its around. It being soft in nature will act on skin giving soothing effect. This Beauty soap is nothing but a toilet soap of good and refined quality and balanced pH, so this soap have as good market as other toilet soap have. Because of its charming name this soap can be used by all male, female irrespective of caste, creed and sex. As the fashion grows up its market potential will also grow accordingly. Considering the population trend in the state, there is still an ample scope for growth of this industry. There are so many kind of toilet soap flooded in the market but because of its peculiar name and nature, quality and properties it will also grab good market in present scenario.

### Quality Control and Standard

In order to maintain the best quality of the product it is very much necessary to manufacture this soap under some specific standards. This mean to say that some standard specification has got to be followed to maintain certain qualities such as pH, acid, No. total fatty matter(TFM) available and moisture etc. Taking into account its use the product should be skin-friendly in all respects and point of view. To manufacture this Beauty Soap a general standard for toilet soap i.e. IS: 2888-194 or revised can be followed. Some changes in the product specification can be taken into account to improve the quality soap to satisfy the customer's demand and requirement.

### Basis and Presumption

- The unit will work 6 days a week. On single shift basis (8 hours)
- The calculations have been carried out on present data available.
- If necessary other type of soap like shower gel can also be manufactured by using the same machinery.
- The production capacity i.e. 80% has been taken into account.
- The wastage has been considered at a rate of 2%.

	<b>Toilet Soap</b>
Quantity (Kg)	364560 Nos
Value (Rs)	Rs. 47,39,280.

### Implementation Schedule:

- i. Registration of Unit (EM-1) - One day.
- ii. Loan Sanction (including TFR) - 2 Months
- iii. NOC-Pollution Control Board - 1 Month
- iv. Installation of machinery - 1 Month
- v. Power connection - 1 Month
- vi. Testing operation - 1 Month
- vii. Production - 7 Month onwards.

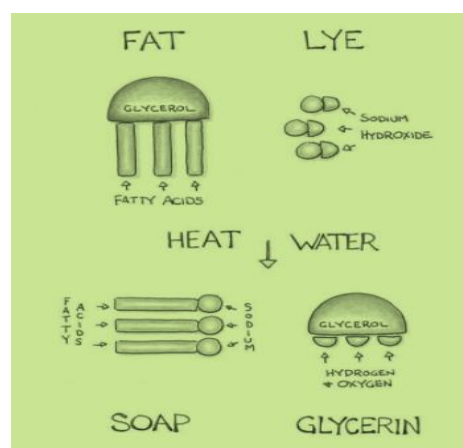
### Technical Aspect

This Beauty soap will be manufactured as per the set formulation, Stated as below, so as to have the skin friendly soap for daily use.

	Name of raw material	Quantity (Kg)
1	Coconut oil	50
2	Tallow	50
3	Caustic soda	50
4	Colour (green, blue, rose,orange,yellow, etc)	0.05
	Perfume mixtures for the soap	
1	Bergamot oil	5.5
2	Jasmine oil	3.0
3	Lavender oil	3.5
4	Palm rose oil	3.5
5	Lemon oil	2.5
6	Cedar wood oil	2.0
7	Tincture for musk	0.5

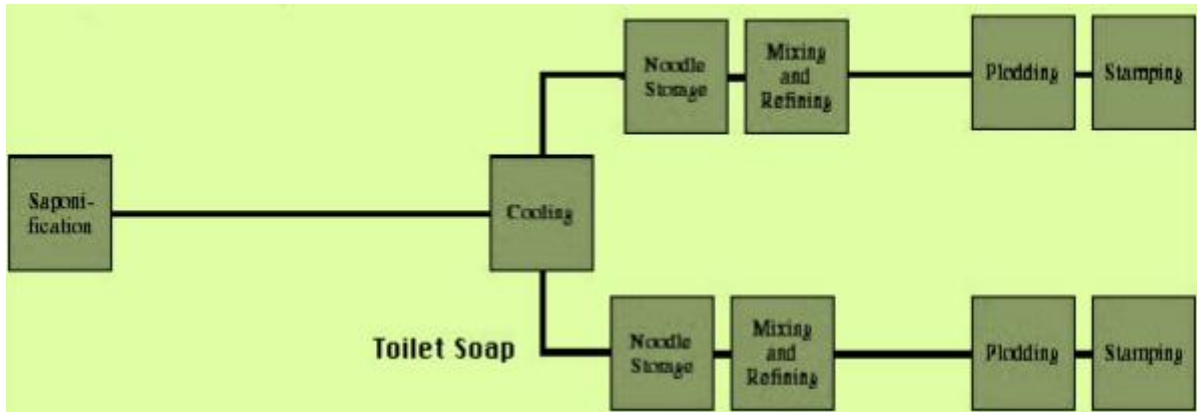
### Manufacturing Process

The beauty toilet soap can be made or manufactured into 2 steps namely preparation of soap base and to obtain finished products soap base. For making the soap base the specifications is carried which is done by either remitting and perfuming and secondly by milling process. Fat should be used of high standard quality. Weigh fat oil & lye (sodium- hydroxide) accurately, if the lye is weighed more, the soap will be hard and harmful to skin and if the lye is low, the fat will not be saponified properly. Melt oil fat into a kettle and filter it to





remove any impurity. Now add caustic soda lye into it slowly and stir continuously when the oil is saponified fully add perfume and colours and pour into moulds.



### Financial Aspects

#### Land and Building:

1	Covered area	Sq. Ft.	500
2	Uncovered area Sq.	Sq. Ft.	250
3	Total area	Sq. Ft.	<b>750</b>
4	Whether constructed or Rented		Constructed
5	If constructed, constructed Value	Rs	5,00,000/-
	Total	Rs	5,00,000

Machinery and Equipment:

SN.	Description	Qty- Nos	Value (Rs.)
1	Saponifying fans -100kg	4	7000
2	Melting pans/kettle with agitator/ stirrer 100kg	1	8000
3	Lye Storage tank with SS lining 50 lit. each	4	6000
4	Frames( for cooling soap) 50kg. Capacity	4	6000
5	Automatic soap stamping m/c ( 50 pcs per minute )	1	4000
6	Cutting machine	1	4000
7	Boiler	1	35000
8	Hydrometer, beaker, cylinder pHmeter, spatula and furniture	-	20000
9	Installation/Electrification	-	10000
	Total		100000

Total fixed cost Rs.1,00,000 + Rs. 5,00,000/- = Rs. 6,00,000/

Raw Material and Packing Material (Per Month):

S.N.	Particulars	Quantity (Kg)	Rate (Rs)	Value (Rs)
1	Coconut oil	1000	170	1,70,000
2	Tallow	1000	50	50,000
3	Lye	1000	14	14,000
4	Colour	1	100	1,000
5	Perfumes			5000
6	Packing material			10,000
	Total			2,50,000

Staff and Labour (per month):

S.N.	Particulars	Nos	Salary	Value (Rs)
1	Manager / Director	1	10000	10000
2	Chemist	1	6000	6000
3	Skilled workers	2	4000	8000
B	Technical-Unskilled worker	2	3000	6000
(i)	Clerk	1	3000	3000
(ii)	Peon/ Watch man	1	2000	2000
	Sub-Total			35000
	Plus perquisites @ 15% of salaries			5000
	TOTAL			40,000

Other Expenses (per month):

1	Power / Electricity Charges		3000
2	Water Charges		500
3	Maintenance & repair.		4500
4	Printing postage & stationery		2000
5	Cartage/ transportation charges		4000
6	Selling/ publicity		4000
7	Telephone		1200
8	Insurance		800
	Total		20,000

Working Capital (for one month):

SL.NO.	DESCRIPTION	AMOUNT(RS)
1	Raw material (Only 30 Days)	250000
2	Salaries & Wages	40000
3	Other Expenses	20000
	Total	3,10,000

Working capital for 3 months  $310000 \times 3 = 9,30,000/-$

Total Capital Investment:

Building	500000
Machinery & Equipment	100000
Working capital for 3 month	930000
Total	15,30,000

Promoter's contribution ( 25% of total capital investment) : 3, 82,500/-

Govt. finance (Bank Loan Amount) : 11,47,500/-

**Financial Analysis**

Cost of Production (Per Annum)

Total recurring cost per year( i.e Working Capital for 12 months)	$310000 \times 12$ months=37,20,200/-
Depreciation on machinery & Equipment ( @ 10% )	$100000 \times 10\% = 10,000/-$
Depreciation on Building ( @ 5 % )	$500000 \times 5\% = 25,000/-$
Interest on total investment ( @ 10% ) [ Bank Loan Amount	$1147500 \times 10\% = 1,14,750/-$
Grand Total:	38,69,950/-

Sales Proceeds (per annum):

	Qty (Kg)	Value (Rs.)
Total capacity of project	37200Kg	
Wastage ( @ 2% )	744Kg	
Net production		$(37200 - 744) = 36456\text{Kg}$
No. of soap cake bearing 100 gram of weight each		$36456 / 0.100 = 364560$ Nos
Cost of each cake[ 100gm pack]		Rs: 13/-
Total sale		Rs 13.00 * 364560 Nos = 47,39,280/-

### Profit Analysis (P.A.)

Net Profit = [ Sales- Cost of Production ]  
= 47,39,280-38,69,950  
= **8,69,330.**  
Income Tax at 30%= 2,60,799.  
Profit after tax = [8,69,330-2,60,799]  
= **6,08,531/-**

### Rate of Return

On total sale =[ Profit \* 100/Cost of Production]  
= 6,08,531x100/38,69,950  
= **15.72 %.**

On total capital investment:= [ Profit \* 100/Total Capital Investment]  
=6,08,531x100/15,30,000  
= 39.77 %

### Break- Even Analysis

Fixed cost x 100  
Fixed cost + Net Profit

### Fixed Cost

Rent [ own building]	Rs: 0/-
Total Depreciation[ Machinery & Building]	Rs: 35,000/-
Interest on Total Investment	Rs: 1,14,750/-
40 % of Salary & Wages[ 40000*12/ 40%]	Rs: 1,92,000/-
40% of utilities & other contingent expenses[ 20000*12/ 40%]	Rs: 96,000/-
Total:	Rs: 4,37,750

Net Profit = 6,08,531/-  
Fixed Cost =: 4,37,750/-  
B.E.P = 4,37,750 x 100  
= 41.84 %  
4,37,750+6,08,531

### Manufactures/ Suppliers of Machinery:

- (1) Mezhukkattil Mills No. 4/43, Chunangamvely, Erumathala Post , Ernakulam - 683112, Kerala  
[www.indiamart.com/mezhukkattil-mills](http://www.indiamart.com/mezhukkattil-mills)  
Ph: 08042964764
- (2) National Precisionss No. 138/1, Semmam Palayam Pirivu, Nasiyanur PO , Erode - 638107, Tamil Nadu

[www.indiamart.com/national-precisionss](http://www.indiamart.com/national-precisionss)

Ph: 08376808718

- (3) Rising Industries Teghoria Loknath Mandir, Jhowtala, Ghosh Dutta Para, Tanushree Apartment , Kolkata - 700157, West Bengal

[www.risingmachinery.com](http://www.risingmachinery.com)

Ph: 08586924234

- (4) Frigmaires International P. O. Box No. 16353, Janata Industrial Estate, Lower Unit No. 8, Senapati Bapat Marg, Opposite Pheonix Mill, Mumbai - 400013, Maharashtra

[www.feprojects.com](http://www.feprojects.com)

Ph: 08447571763

- (5) Adhi Sakthi Projects, No. 40/9, Earikkarai Road, Near Wipro Computers, Kothapurinatham, Thiruvandarkoil , Pondicherry -605102, Pondicherry

[www.adhisakthiprojects.com](http://www.adhisakthiprojects.com)

Ph: 08588811550

- (6) United Detergent Engineers, No. 14, Bajanai Koil Street, Uppilipalayam Coimbatore - 641015, Tamil Nadu

[www.indiamart.com/uniteddetergentengineers](http://www.indiamart.com/uniteddetergentengineers)

Ph: 09953361667

- (7) Surya Machines, 225, Kattoor Street, Valiyam palayam Road, Kalappatti, Coimbatore - 641048, Tamil Nadu

[www.indiamart.com/suryamachines](http://www.indiamart.com/suryamachines)

Ph: 09442334760

### **Suppliers of Raw Materials**

- (1) Mathewsons Exports & Imports Private Limited Mathewsons Building, Kaloor , Kochi - 682017, Kerala

[www.indiamart.com/mathewsons-exim](http://www.indiamart.com/mathewsons-exim)

Ph: 08045327801

- (2) Interma 12 / 25, College Road, Panayapally , Kochi - 682002, Kerala

[www.indiamart.com/intermas-cochin](http://www.indiamart.com/intermas-cochin)

Ph: 08042954720

- (3) Nagarjuna Herbal Concentrates Ltd., Thodupuzha, , Kochi - 685 588, Kerala  
[www.indiamart.com/nagarjunaherbal](http://www.indiamart.com/nagarjunaherbal)

Ph: 09961883222

- (4) Punarnava Herbals, Edappally North P. O. , Kochi - 682024, Kerala

[www.indiamart.com/punarnava-herbals](http://www.indiamart.com/punarnava-herbals)

Ph: 09895603033

- (5) Rich Exports & Imports, Blue Bells, Vikas Nagar, Maradu , Ernakulam - 682304, Kerala

[www.indiamart.com/rich-exports-imports](http://www.indiamart.com/rich-exports-imports)

Ph: 08043049648

- (6) Grocer Online, Door No. 60/479 B1, Koithar Complex Panampalli Nagar, Ernakulam - 682036, Kerala

[www.indiamart.com/grocer-online](http://www.indiamart.com/grocer-online)

Ph: 09567727138

(7) Neo Products Sopas And Perfumes, Market road, Thripunithura , Ernakulam -  
682301, Kerala

[www.indiamart.com/neo-products](http://www.indiamart.com/neo-products)

Ph: 09847427383

1



**Indroduction**

Tomato is one of most popular vegetables used for human consumption. Apart from their use in food preparations, tomato products like sauces, ketchups etc are used as table enricher especially along with fast food items like pizzas, burger, puffs etc. This is made from tomato juice and many other ingredients and preservatives are added to it to enhance its shelf life and taste. These products are consumed by people of all age groups and demand is going up.

**Market Potential**

Tomatoes are available during the season at cheaper rates and prices start shooting up during off-season. But main reason for these products becoming popular is their extensive use as enrichers along with bread and other such preparations, in making some fast food items like pizza, burger etc. and as additives with many food preparations. Hence, these products are witnessing increase in demand year after year. They have already become popular in urban and semi-urban areas and are now making in-roads in rural markets as well. Thus, there is a good scope for these products especially in semiurban and rural areas.

**Basis and Presumptions**

- The production is based on a single shift basis of 8 hours per day and 25 working days in a month.
- Land and building has been acquired monthly Rent of Rs 10000.
- Rate of interest for fixed and working capital @ 15 % per annum.

## Implementation Schedule

It will take one year to complete all the formalities before starting the commercial production.

## Technical Aspects

### Process of Manufacture

Ripe and matured tomatoes are washed and graded. The graded tomatoes are then boiled in steam kettles. The boiled tomatoes are then pulped and the juice is filtered out from seeds, fiber and solid waste. Spices and condiments like ginger, garlic, clove, pepper, salt, sugar, vinegar etc are added. Allowed preservatives are added to the sauce pulp. The sauce is quickly cooled and allowed to solidify into a thick pulpy sauce. The sauce is then packed in sterilized bottles and pouches, sealed and stored for sale. The recovery of juice varies depending on the quality and variety of tomato.

### Pollution Control

This industry does not create any kind of pollution and as such there is no need to take any preventive measures for pollution control

Srl No.	Product	Per Annum(Kg)	Value(Rs)
1	TOMATO SAUCE	30000	28,50000

## Financial Aspects

### Machinery and Equipments

Sl.No	Items	Amount in Rs.
1	Pulper	60000
2	Stirrers	20000
3	Steam Jacketed Kettles	40000
4	Precision Weighing Scale	10000
5	Containers & vessels	20,000
6	Furnitures	20000
7	Desktop computer	30000
Total Fixed Capital		₹ 200,000

Requirement of Power = 10 HP

Sl.No	Profession	Nos.	Salary In Rs.
1	Manager	1	15000
2	Sales Person	2	24000
3	Skilled workers	1	10000
4	Semi Skilled Workers	1	8000
Total			<b>₹ 57,000</b>

#### Utilities and other Expenses

Power Charges	6500
Water charges	1000
Rent	10000
Telephone charges	500
Miscellaneous expenses	500
<b>Total</b>	<b>₹ 18,500</b>

#### Working Capital

Particulars	No. of month	Amount
Tomato	3	135000
Other ingredient	3	112500
Packing Raw Material	3	75000
Salaries	3	171000
Utilities	3	55500
Rent , Telephone and other miscellaneous expenses	3	33000
<b>Total Working Capital</b>		<b>₹ 5,82000</b>

### Total Project Cost

1	Fixed Capital	200,000
2	Working Capital	582,000
Total Project Cost		<b>₹ 7,82,000</b>

### Means of Finance

1	Own Capital	1,95,500
2	Term Loan	1,50,000
3	Working Capital Loan	4,36,500

### Cost of Production per Month

Total recurring cost	2328000
Depreciation on machinery @10%	18000
Depreciation on furniture @20%	4000
Interest on term loan + Working capital loan @15%	87975
Total Cost of Production	<b>₹ 24,37,975</b>

### Turn over per Year

Item Name	Quantity(kg)	Rate/kg(Rs)	Value(Rs)
Tomato sauce	30,000	95	28,50,000

### Net Profit (Before Taxation) Per Year

<b>Net Profit (before taxation) Per year</b>	<b>4,12,025</b>
--	-----------------

**Net Profit Ratio** = (Net profit per year \* 100) / Turnover per year  
= (412025\*100) / 28,50,000  
= 14.45%

### RATE OF RETURN ON TOTAL INVESTMENT

= (Net profit per year \* 100) / Total investment  
= (412025\*100) / 782,000  
= 52.68%

## Break Even Point

### Fixed Cost

Rent for one year	120000
Total depreciation	22000
Interest on total investment	87975
40% of salaries	273600
40% of utilities	91800
<b>Total</b>	<b>595375</b>

$$\begin{aligned} \text{BEP} &= (\text{Fixed Cost} \times 100) / (\text{Fixed Cost} + \text{Net Profit}) \\ &= (595375 \times 100) / (595375 + 412025) \\ &= 59.10\% \end{aligned}$$

### Addresses of Machinery and Equipment Supplies

- (1) M/s Ganesh Engineering works Coimbatore, Tamilnadu.
- (2) M/s Precision Weighing Technology Pvt Ltd , Coimbatore, Tamilnadu.
- (3) M/s Patel Industries Bangalore , Karnataka.

### Raw Material Suppliers

- (1) Palayam Vegetable Market Kozhikode, Kerala
- (2) M/s Polytech plastic industries , Coimbatore, Tamilnadu.

### Introduction

Computers are now a day used for various applications in day to day life. A Micro Enterprise unit proposed activity Computer assembling & Sales. For this computer parts will be Purchased from dealer and assembling in the unit. Assembled Computers will be marketed through the distributors appointed by the entrepreneur. The distributor will also inform the needs of the computer through the market Survey.

Raw Materials: Mother Board, ATX Cabinet, Mouse, Key Board, Monitor,  
Packing Material

Manufacturing process: Cabinet setting, Fix the SMPS (Switched Mode Power Supply), Fix the Mother Board, Fix the Processor, Fix the Hard Disk, Fix the CD Writer Installation of operating system & Soft Ware.

### Fixed Assets

1. Land & Building : Rented
2. Plant and Machinery:

Sl.No	Items	Rate	Quantity	Value
1.	Screw Driver	250	04	1000
2.	Multi meter	1000	04	4000
3.	Soldering Iron	250	04	1000
4.	Soldering Station	6000	04	24000
5.	Other fitting Items			5000
6.	Building furnishing& Furniture Fittings			<u>65,000</u>
	Total			<u>1,00,000</u>

### 3. Raw Materials and Month:

Sl.No	Item	Rate	Quantity	Value
1.	Mother Board	5000	53	2,65,000
2.	ATX Cabinet	1500	53	79,500
3.	Mouse	500	53	26,500
4.	Key Board	1000	53	53,000
5.	Monitor	5000	53	2,65,000
6.	Other Packing Material			25,000
	Total			7,14,000

#### 4. Labour Cost

Sl.No	Designation	Rate/month	Nos.	Amount
1	System Engineer	25,000	02	50,000
2	Distributor	10,000	01	10,000
	Total		03	60,000

#### 5. Miscellaneous Expenses

Sl.No	Items	Amount
1.	Electricity charges	2, 000.00
2.	Rent	5, 000.00
3.	Transporting	10,000.00
4.	General Expense	8, 000.00
	Total	25,000.00

#### 6. Working Capital

Sl.No	Items	Amount
1	Raw Materials	7,14,000
2	Labour Cost	60,000
3	Misc. Expenses	25,000
	Total	7,99,000

#### 7. Total Cost of Project

Sl.No	Items	Amount
1	Land & Building	Rented
2	Machinery & Equipments	1,00,000
3	Working Capital	7,99,000
	Total	8,99,000

#### 8. Means of Finance

Sl.no	Items	Amount
1	Own fund 30%	2,69,700
2	Bank Loan 70%	6,29,300
	Total	8,99,000



### Assumptions

- (1) Installed Capacity - 900 Nos.
- (2) Shift - 01
- (3) Capacity Utilisation - 70
- (4) Rate of Loan Interest - 13%
- (5) Selling Expenses - 5%
- (6) Depreciation
- (7) Machinery - 10 % ie. 10,000/-
- (8) Repair& Maintenance – 2% ie. 2,000/-
- (9) Insurance - 2% ie 2,000/-

### Profitability Statement

Sl.No.	Particulars	
1.	No. of working days	300
2.	No. of shifts	01
3.	Installed Capacity	900
4.	Capacity Utilisation	70%
5.	Production	630unit
6.	Selling Price /unit	16500/-

A. Sales 10,39,5000/-

B. Cost of Production

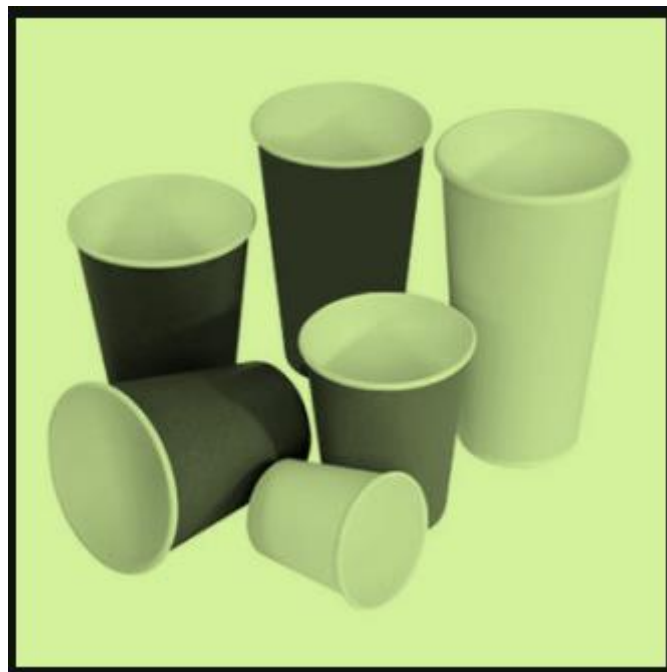
Sl.No.	Particulars	Amount
1.	Raw Materials	85,68,000
2.	Salaries	7,20,000
3.	Power Charges	24,000
4.	Rent	60,000
5.	Depreciation	12,000
6.	Insurance	2,000
7.	General Expense	96,000
	Total	94,82,000

C. Gross Profit (A-B)	: 9,13,000
D. Selling Expense 5%	: 5,19,750
E. Interest on Loan	: 81,809
F. Total of( D & E)	: 6,01,559
G. Net Profit before tax (C-F)	: 3,12,441
H. Income Tax	: 11,000
I . Net Profit	: 3,00,441
J. Depreciation	: 2,000
K. Cash Surplus (I+J)	: 3,12,441

**Financial Proposal of Manufacture of Paper Cups and Products****Introduction**

A paper cup is a disposable made out of paper and after lined with plastic or wax prevent liquid from leakage out or soaking by paper. Paper cups are made from renewable resources. The cups should be made from food grade paper which is hygienic in nature. It is capable for holding both hot & cold liquid for longer time. The uses of paper cups have wide range. Give the rapid changes in life style; it is the right time to enter the consumer segment to popularize the home consumption of paper cups.

There are several inherent advantages in using Paper Cups as compared to cups of other materials. These Paper Cups are gaining popularity all across the globe as a beautiful and stylish way of minimizing exposure to food borne infections.



Paper Cups have numerous advantages like; they are manufactured in a very simple process using Food Grade Raw Materials with least waste and are easiest to recycle. They are ideal for individual servings at all kinds of parties, functions, picnic occasions, marriages, chat, tea & food joints, etc. Non-toxic in nature, the shapes and surface designs on these paper cups are attractive and present an inviting look. These paper cups can also be custom printed with an outlet's logo, brand punch line or advertising message.

## **Market Potential**

A wide range of paper cups are now produced and marketed in India. The paper cups are reckoned to be a high potential business for India. Manufacturing Paper Cups is the purpose of satisfying needs and wants of Consumers is the market place. Developing a strategy for delivering an effective combination of food grade quality and cost effective features for consumers within the target market is done.

The prospects of paper cups depend on the value of customers who utilize it. But in our country paper cups are used by all the people as it is easy to use, hygienic and eco-friendly. Hence, per capital consumption has increased and the demand for it is recognized. While the demand for paper cups has shown a good growth, the company will be successful in strategizing its market operations.

As paper cups are a product of daily consumption and necessity, their marketing will not be a problem as the consumers are aware of the advantages of using paper cups. The raw materials are indigenously available and the manufacturing process is also simple.

Paper Cup find potential market in IT companies, Educational Institutions Canteens, Industrial Canteens, Restaurants, Fast Foods, Catering People, Tea Shops, Paper Product Dealers and Super Markets.

## **Manufacturing Process of Paper Cups**

We have proposed to use the Automatic Paper Cup Forming Machine for our manufacturing process of Paper Cups. The general structure of paper cup forming machine is composed of three stages. They are:

1. The first stage: mainly finishes transmission of the paper cup's sidewall paper, shaping side-wall and transferring them to the second stage after shaped.
2. The second stage: transmission of the cup-bottom paper, shaping cup bottom, joining the shaped side-wall and cup bottom, automatic transmission and discharging of the shaped cup, and curling the shaped cup's edge.
3. The third stage: mainly includes 45 degree angle separating, preheating, curling bottom, curling rim and so on mechanisms, which are the important parts in finishing paper cup.

## **Basis and Presumption of the Project**

- i. The process of manufacture is on the basis of eight hours per day with three
- ii. hundred working days in a year.
- iii. Labor and wages mentioned in profile are as per prevailing local rates.
- iv. Interest rate at 15% considered in the project
- v. The Promoter contribution will be 25 % of the total project cost.
- vi. The capacity of the plant nos. of paper cups per day.

## Inspection and Quality Control

Plant will strictly adhere to the International FDA standards and Indian BIS standards in the process of manufacturing Paper Cups from procuring high quality food grade raw materials to hygienic methods of packaging.

## Production Capacity per Annum:

Quantity: 73000 nos. of paper cups per day 22,000,000 nos. of paper cups per annum (300 days)

## Pollution Control

The technology adopted for making paper cups is eco-friendly. Cup forming process is totally automatically done by the machine, only feeding and packaging involves manual work. The scrap papers created out of this manufacturing process also can be sold for recycled paper converters. Hence there is no chance of any pollution out of this industry.

## Financial Aspects

### A. Fixed Capital

#### i. Land and building

Covered area (500 Sq. meters) rented: 5,000

#### ii. Machinery and Equipments

Sl No	Description	Quantity	Rate	Value
1	Machine	1	8,50,000	8,50,000
2	Dyes	3	50,000	1,50,000
3	Office Equipments and Furniture		50,000	50,000
4	Electrification and Installation		10,000	10,000

Total : 10,60,000

#### iii. Pre Operative expenses 10,000

**Total Fixed Capital (ii+iii) : 10,70,000**

B. Working Capital

i. Staff and Labour (per month)

Sl No.	Description	No.	Salary	Total
1	Sale Cum Production Manager	1	15000	15000
2	Skilled Worker	1	10,000	10000
3	Unskilled Worker	1	7000	7000

Total : 32000

Add Pre Requisite@ 15% : 4800

Total : 36800

Approximately : 37000

ii. Raw Materials Requirements (Per Month)

Sl No.	Description	Quantity	Rate	Value
1	Printed PE Paper	2836 Kg	92	260912
2	Bottom Reel	1134 Kg	78	88452
3	Packing Material			25000

Total : 374364

Approximately : 375000

iii. Utilities (Per Month)

Sl No	Description	Amount
1	Power	5000
2	Machine Oil & Grease	1000

Total : 6000

iv. Contingent Expenses(Per Month)

Sl No.	Description	Amount
1	Rent	5000
2	Postage and Stationary	500
3	Transportation charge	10000
4	Maintenance Charge	2000
5	Advertisement	1000
6	Phone	2000

Total : 20500

v. Total Working Capital (Per Month)

Sl. No	Description	Amount
1	Raw Material	375000
2	Utilities	6000
3	Salary	37000
4	Contigent	20500

Total : 438500

vi. Working Capital For 3 Months

$$\begin{aligned} \text{Working capital for 3 months} &= 3 * 438500 \\ &= 13,15,500 \end{aligned}$$

**Total Capital Investment**

Fixed Capital : 10,70,000  
 Working Capital for 3 months : 13,15,500  
 Total : 23,85,500



## Financial Analysis

### a) Cost of Production (Per Year)

Sl. No	Description	Amount
1	Total Recurring Cost	5262000
2	Depreciation on Machine @ 10%	85000
3	Depreciation on Dyes @ 25%	37500
4	Depreciation on Furniture @ 20%	10000
5	Interest on Total Capital Investment @ 15%	268369

Total : 5662869  
 Approximately : 5662900

### b) Turnover (per year)

Sl No	Description	Qty	Rate(Rs)	Value(Rs)
1	Paper Cups	22,000,000	0.3	6600000

Total 6600000

### c) Net Profit(Before Taxation) (Per Year)

Turn Over : 6600000  
 Cost of Production (-) : 5662900  
 Total : 937100

### d) Net Profit Ratio

$$\text{Net Profit Ratio} = \frac{\text{Net Profit per year}}{\text{Turnover per year}} \times 100$$

= 14.20%

### e) Rate of Return on Total Investment

$$= \frac{\text{Net Profit Per Year}}{\text{Total Investment}} \times 100$$

= 39.28%

- f) Break Even Point  
Fixed Cost

Sl. No	Description	Amount (Rs)
1	Rent for one Year	60000
2	Total Depreciation	132500
3	Interest on Total investment	268369
4	40% of Salary and Wages	177600
5	40% of Utilities and Contingents	127200

Total : 765669

Approximately : 765700

$$\text{B.E.P} = \frac{\text{Fixed Cost}}{\text{Fixed Cost} + \text{Net Profit}} \times 100$$

= 44.96%

#### Address of Machinery and Equipment Suppliers

- AKR Industries, No. 36 A&B New Colony, North Street, Mannarpuram ,Trich Pin-620020
- Sri Jata Machine Tech No. 24/1, SIDCO Industrial Estate, Kurichi Post Pollachi Main Road, Coimbatore - 641021, Tamil Nadu  
[www.papercupmachineries.in](http://www.papercupmachineries.in)
- Future Enterprises, No. 9 AA, Anna Nagar Podanur, Coimbatore - 641023, Tamil Nadu  
[www.futureenterprises.co.in](http://www.futureenterprises.co.in)

#### List of Suppliers of Raw Material

- Sri Jata Machine Tech, No. 24/1, SIDCO Industrial Estate, Kurichi Post Pollachi Main Road, Coimbatore - 641021, Tamil Nadu  
[www.papercupmachineries.in](http://www.papercupmachineries.in)
- Sagun Papers, No. 100, Velayutham Road Near LIC Building, Sivakasi - 626123, Tamil Nadu
- Indo China Paper And Boards, No. 54, Industrial Estate , Sivakasi - 626123, Tamil Nadu  
[www.indiamart.com/icpaper](http://www.indiamart.com/icpaper)



**Business or Start-up ???**

1. Limitless Growth :  
Small businesses where the youth are actively engaged have an unending well of potential.
2. Felxible Timings :  
Timings can be flexible: In most small businesses, you can adjust time as per your convenience.
3. One-to-One Model :  
No unnecessary middleman: Small ventures tend to be a hands-on task. As a result, there is no need to involve a middleman, and no profits are needed to be shared.
4. Strong Government Support :  
Government is promoting them: If one is looking for the business idea to have a rock-solid foundation, then the government is here to provide aid through several financial schemes.



5. Be the Boss:  
These small business ventures sometimes involve only a single individual. The small scale of this venture allows the owner to be their own boss.
6. Business Incorporation :  
If an enterprising individual seeks to put the venture onto a legal pedestal, they can do so using incorporation of their startups into business entities like the following:
  - a. Private Limited Companies
  - b. Sole Proprietorship
  - c. One Person Company
  - d. Limited Liability Partnership
  - e. Producer Company
  - f. Partnership Firm
7. In Control:  
Businesses that are self-initiated and are compact tend to be managed quite easily in a monopolized fashion.
8. Incorporation:  
With incorporation, the businesses have a definite chance to grow: Through business incorporation or registration, small scale ventures can evolve into large conglomerate.

### **Documents Required to Register the Small Business as A Startup**

If you have a small business in mind or you are already running it, then it is better to register them as a startup for legal and financial assistance. The documents required for the same are as follows:

- ❖ PAN card details of the proposed directors of the company
- ❖ Copy of ID Proof of the proposed directors of the company
- ❖ Copy of Residential proofs of the proposed directors of the company
- ❖ Passport sized photographs of the proposed directors of the company
- ❖ Copy of Address proof of the registered office space
- ❖ Copy of Bank statements
- ❖ A note explaining the business model
- ❖ Filled application form for startup registration

### **Startup Registration**

The process of startup registration can be construed in the following points.

- ☛ Incorporate your business with the MCA

- Register with Startup India
- Upload all the documents required for startup registration in PDF only
- Choose if you want to avail tax benefits
- Self-certify that you fulfill the mentioned conditions



On successful submission of application and verification, you will get recognition number



### **Things to Keep in Mind**

- ✓ Choose a business model that is the most profitable for you
- ✓ You can ask for government assistance through business incorporation
- ✓ Startup registration is the best choice for small businesses to flourish.
- ✓ Always lay a foundation of your business before you start with it.



## FAQs on Small Business

? Can small businesses be profitable?

Yes, small businesses have an untapped potential to be profitable.

? Is startup registration necessary?

No, startup registration isn't necessary. However, if you seek access to many government schemes that are aiding small businesses, then you need to obtain a startup registration.

? I am running a website alone. Which type of business entity I should choose?

Well, if you are someone who is singlehandedly running a website, then you have two options for business entities: The Sole Proprietorship or One-Person Company

? Are all home businesses, home-based?

No, not all of them are home-based. However, a vast percentage of businesses are home-based.

? Do I need anyone's help for startup registration?

While the process itself is easy, it is always a good idea to let this matter be handled by experts. Fortunately, there are many business ventures in India that aid in company registration services.





## **Business Loans for Women**

### **Banks initiated loan schemes for women**

Funding is a very important feature of any business. Money usually holds people back from living their dreams. Business loans have made a lot of people's dreams come true. Following are some of the business loans specially designed for women which can make any women a business-woman:

#### **Annapurna Scheme:**

This business loan is for women who wish to start their own food catering business. It is provided by Bhartiya Mahila Bank and State Bank of Mysore

#### **Stree Shakti Package:**

These loans are given to women who have a 50% partnership in any business. Stree Shakti Package is exclusively offered by State Bank of India

#### **Dena Shakti Scheme:**

This business loan is for women who wish to stride in manufacturing, retail trade or small enterprises. This scheme is provided by Dena bank

#### **Cent – Kalyani Scheme:**

These loans are for women of 18 years of age and above. It does not have any ceiling amount and is provided by Central Bank of India



BUSINESS  
PLANNING  
PROCESS:



## Business Planning Process

Ever since the Startup India campaign was announced in the year 2015, the number of new Micro, Small & Medium Enterprises (MSMEs) has been on the rise. The campaign is based on the action plan aimed at promoting bank financing for Startups. It has also encouraged the startups, which will eventually lead to more job creation and shall help in the nation's economic growth.

Several leading financial institutions offer Startup loans for new business at attractive interest rates. Further let's discuss eligibility required to start a new enterprise, along with popular business loan schemes.

### **Eligibility Criteria for New Business (Startup) Loan in India**

- Minimum age of applicant should be 18 years and maximum 65 years
- Startup should have a business plan
- Startup to be formed must be a sole proprietorship, partnership, private or public limited company or a limited liability partnership (LLP)
- Startup must have recommendation letter by an incubation
- Startup must possess all the required registrations and licenses to operate as a business firm
- Startup should have approval from the Department of Industrial Policy and Promotion (DIPP)
- Startup must get patron guarantee from the Indian patent and Trademark Office
- Total turnover of the firm should not exceed Rs. 25 crore
- Good CIBIL Score
- Applicant should be an Indian Citizen with no criminal record
- Applicant with no previous loan defaults with any bank.

### **Documents Required for Applying Startup Loan**

- Duly filled application form with all the required documents
- Passport-sized photographs: Of applicant and all co-applicants
- KYC documents of applicant, co-applicant, partners and directors, if applicable
- Self-drafted Business Plan
- Proof of Identity: Voter's ID card, Passport, Driving License, PAN Card
- Proof of Age: PAN card, Passport, Voter's ID card
- Proof of Address: Passport, Voter's ID card, Utility Bills (Telephone, Electricity)
- CIBIL report

- ☛ Proof of Business Address and Tenure
- ☛ Last 12 months' ITR and bank statement
- ☛ Copy of Certificates, Registrations and Licenses

## 10 Business Loan Schemes for Startups By The Indian Government

- ☛ Startup India
- ☛ Standup India
- ☛ [psbloansin59minutes.com](http://psbloansin59minutes.com)
- ☛ MUDRA Scheme
- ☛ CGTMSE Scheme
- ☛ Business Installment Loan
- ☛ SIDBI's Growth Capital and Equity Assistance Scheme
- ☛ Crowdfunding
- ☛ Grants
- ☛ Micro Loans from NPOs and NGOs

### 1. Startup India

Startup India Scheme is an initiative by the Government of India that offers funding and handholding support to Startup entities for growth and expansion. Other key functions of Startup India include promotion of Startups, wealth creation and employment generation. Register with Startup India to avail business loans at attractive interest rates.

### 2. Standup India

Stand-Up India Scheme offers funding to people who come under the SC/ST category and women entrepreneurs of the society. Stand-up India scheme was initiated by the Government of India to provide credit services, majorly to SC/ST category people. The primary purpose of this scheme is to help banks in offering loans between Rs. 10 lakh and Rs. 1 crore to at least one SC/ST applicant and one women entrepreneur, per bank branch in enabling them to start their own business.

### 3. [psbloansin59minutes.com](http://psbloansin59minutes.com)

The Government of India has launched a web portal that approves business loan applications in just 59 minutes from the time of submission. The minimum loan amount offered under this scheme is Rs. 10 lakh and maximum is up to Rs. 5 crore. The interest rate offered starts from 8.50% per annum.

### 4. MUDRA Scheme

Mudra Yojana under Pradhan Mantri Mudra Yojana offers loans up to Rs. 10 lakh without asking borrowers for any collateral at affordable interest rates. The repayment tenure is up to 5 years and processing fee is nil. There is no minimum loan amount criteria to borrow. The interest rates shall vary from bank to bank, depending upon applicant's profile and business requirements.

## 5. CGTMSE Scheme

Credit Guarantee Funds Trust for Micro and Small Enterprises (CGTMSE) is another Government initiative that offers funding to MSMEs via financial institutions like banks and NBFCs. Under this scheme first time entrepreneurs and startup enterprises are majorly benefitted. The loan offered under the CGTMSE scheme is collateral free.

## 6. Business Installment Loan

Business installment loan is offered by many of the leading banks such as Standard Chartered and ICICI Bank. This lets the borrower address immediate cash and expansion needs. This broadly falls under the category of personal loans and similar to personal loans, it is an unsecured loan. However, banks offer secured versions of this loan at lower interest rates.

## 7. SIDBI's Growth Capital and Equity Assistance Scheme

Entrepreneurs can now avail this distinct type of loan for their start up from the banks. Many banks and financial institutions offer loan schemes that are specifically designed to fund startups and their special needs. Different banks may assign different names for these Startup Business Loans.

## 8. Crowdfunding

Crowdfunding has become a popular way for small businesses to raise money, thanks to various websites such as Kickstarter and Indiegogo, which helps borrowers to procure funds through online campaigns. Instead of paying back donors, one can choose to give them gifts, which is why this system is also called rewards crowdfunding. Crowdfunding is also extremely helpful for entrepreneurs who have a product or product idea and want to test the market for it. It gives the option to later validate the opportunity, if it presents itself.

## 9. Grants

Grants from private foundations and government agencies are another way to raise startup funds for small businesses. They are not always easy to get, but free capital might be worth the hard work for some new businesses. Entrepreneurs have to prepare a business proposal and then present it before the agencies they desire to raise funds from. If the private foundations and government agencies like the plan, they may approve the fund.

## 10. Micro Loans from NPOs and NGOs

Micro-lenders and non-profit lenders can be a less difficult route, especially if one has unreliable financing sources. These lenders primarily focus on minority or traditionally disadvantaged Small and Medium Enterprises (SMEs), as well as small businesses in communities that are struggling economically.

## Benefits of Startup Business Loans from Banks

- The new entrepreneurs are granted tax relief for 3 years
- Funds from venture capitals are quite expensive for a startup with investors of venture capital asking for as much as 5 to 10 times of the return on their investment. However, a bank loan does not require any equity dilution and the rate of return to the bank is fixed at a nominal interest rate
- Banks are easier to approach. With plenty of banks available in India, it is simpler to approach local banker and request for funds
- Banks in India have an established and well-structured framework for processing the funding request of entrepreneurs. Therefore, loan request will be processed more quickly compared to capitalist investors
- Another significant benefit is that the profit (as well as the loss) of the business belongs only to the borrower. Borrowers are not answerable to the bank about the profit and loss of their businesses

## Key Takeaways for Startups:

Prior to approaching a banker or investors with a request for funding, the applicant must prepare a proposal that explains the business model, promoters' background, revenue model, estimated sales, estimated growth rate, estimated profits and so on. In short, the proposal must comprise everything related to the business. Startup business borrowers can meet their borrowing requirements and avail the best possible terms, if they approach financial institutions in an appropriate manner. Applicants must clearly understand the various criteria that banks employ to screen, rate and process their loan applications and the importance of furnishing precise and correct information.



## FAQs on Startup Business Loans

**?.What is the purpose of a Start-up Business Loan?**

Ans. Startup business loan basically caters to the main funding of a business which you wish to start. The Startup can be of anything and getting a loan to start a new business will only boost your business initially giving the necessary machinery and equipment to your startup.

**?.What are the Government based start-up business loans offered in India?**

Ans. Some Government based start-up business loans in India are

1. Startup India Scheme
2. Mudra Loan under PMMY
3. Bank Credit Facilitation Scheme
4. Standup India
5. [psbloansin59minutes.com](http://psbloansin59minutes.com) and many more

? How to qualify for a government based start-up business loan?

Ans. There are certain requirements that one must fulfill in order to apply for a start-up business loan:

- Minimum age of the applicant should be above 18 years and not more than 65 years
- Good Credit/CIBIL score and repayment capacity
- Valid and authentic documents to be submitted
- Indian citizen with no criminal record
- Should not have defaulted on any availed loan or credit card

? What is the loan amount that can be availed through a Business Startup Loan?

Ans. The minimum and maximum loan amount depends on the financial lender you choose and the requirement that you have. The minimum loan amount has no limit whereas the maximum loan amount can go upto Rs. 5 crore.

? What are the things to compare before applying for Startup business loan?

Ans. Few things to keep in mind before applying for a start-up business include the interest rate, processing fees, service charges, penal charges, prepayment or foreclosure charges, etc.

? Can Startups get a loan without submitting any collateral?

Ans. There are some business loan schemes that provide loans without a security, such as Mudra, Startup India, Standup India and CGTMSE are loan schemes where one does not need to provide any asset as a security before applying for a business loan.

Every startup enterprise needs financing, particularly at its initial stage. Financing is required to help startups set up and expand their operations, to develop new products, market their services, etc. India has a well-developed financial system comprising banks, NBFCs and venture capital companies. All these institutions cater to the diverse financial needs of the startups, as well as existing businesses. Several schemes are being implemented by various financial institutions to cater to the financing needs of the MSMEs.

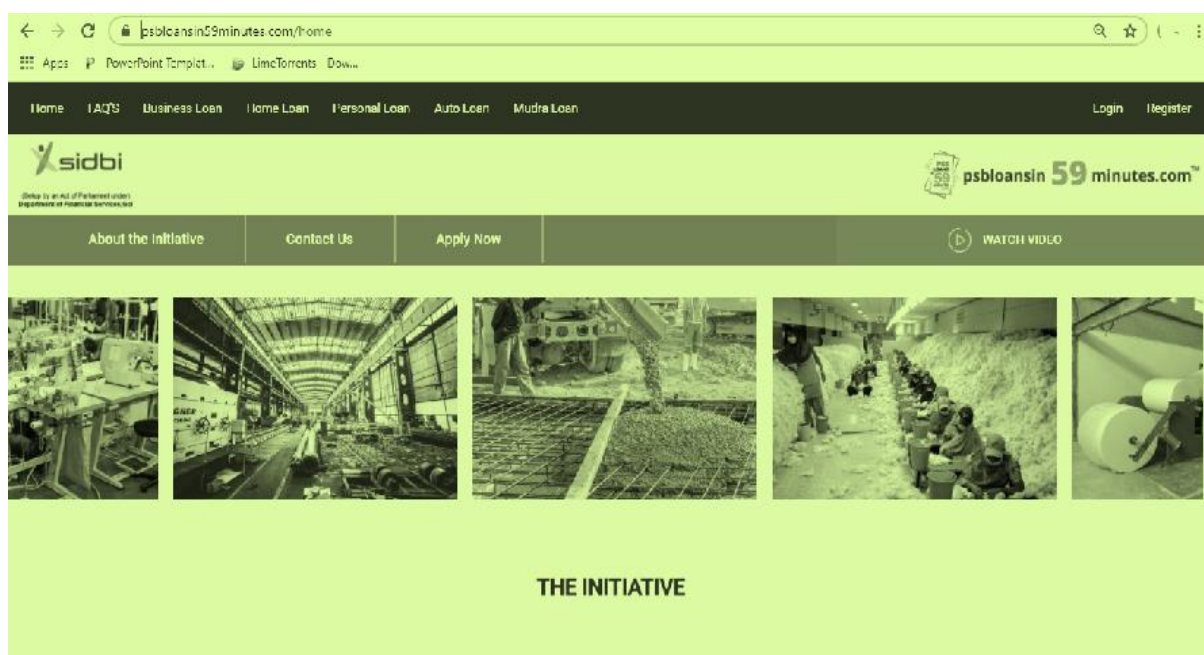


**BPPs**

**psbloansin59minutes.com**

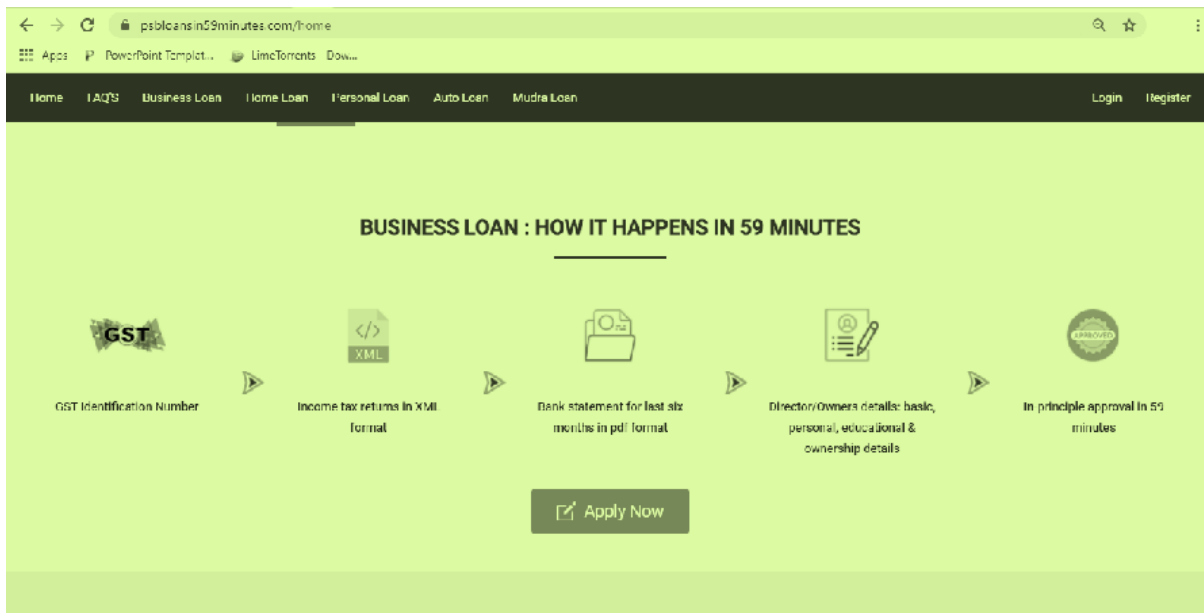
The initiative reimagines and simplifies the overall process of fund raising and has been designed to ease access of credit to Individuals and MSMEs. This is a unique platform that ensures seamless In-principle loan approval.

The initiative aims at automation and digitization of various processes of Business Loan (Term Loan, Working Capital Loan and Mudra Loan) and Retail Loans (Personal Loan, Home Loan and Auto Loan) in such a way that a borrower gets an In-principle approval letter in less than 59 minutes. The borrower has been given the flexibility to choose lender.



Business Loan In-principle approvals, with /without collateral, are currently provided for value from INR 1 Lac to INR 5 Crores. The Rate of Interest starts from 8.5% onwards. The Platform is integrated with CGTMSE to check eligibility of borrowers. Mudra Loan In-principle approvals are currently provided for value from INR 10,000 to INR 10 Lacs.

Personal Loan In-principle approvals are currently provided for value up to INR 20 Lacs, Home Loan In-principle approvals are currently provided for value up to INR 10 Crores and Auto Loan In-principle approvals are currently provided for value up to INR 1 Crore.



## Business Loan

A New Benchmark in Loan Processing – Get Business Loan In-principle approval in 59 Minutes!!! (From anywhere, anytime without visiting Bank Branch)

Right from the moment entrepreneurs think of any business idea, the need for fund arises. Moreover, as the business grows, there is an inevitable need of financial assistance to give the business required boost. A business loan is the right financial instrument, where funds are utilized exclusively for business purposes.

We endeavour to ease acquiring Business Loan (Term Loan, Working Capital Loan & Mudra Loan) process, so you can focus on expanding your business or on other important business operations.

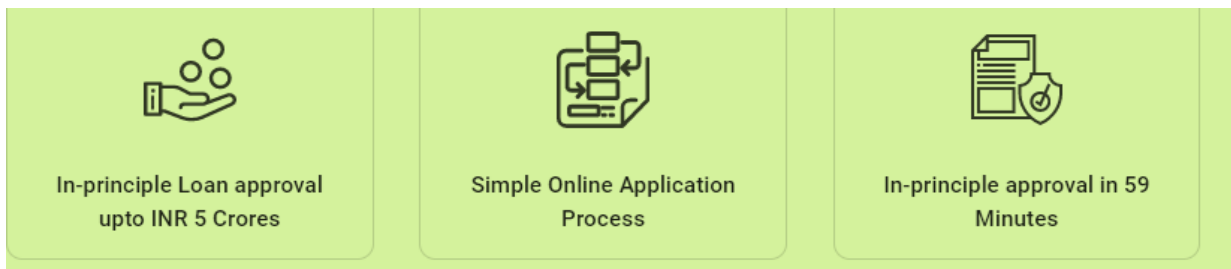
psbloansin59minutes.com is a user-friendly platform offering ease of finance to borrowers through fast & hassle-free business loan in-principle approval to help your business achieve great heights.

Getting Business Loan In-principle Approval Had Never Been So Easy!!!

## MSME LOANS

Micro, Small and Medium Enterprises (MSMEs) play an important role in the social and economic development of India. Access to timely and adequate finance is one of the crucial challenges faced by the sector. It is of paramount importance to cater to funding needs of this important segment of Indian economy along with simplifying decision-making process for a credit manager.

psbloansin59minutes.com has been pioneer in transforming MSME financing in India



Committed to provide MSMEs with an option to have easy access to finance. psbloansin59minutes.com is an automated and intelligent fund-raising platform for MSMEs to fulfill their financial requirements in the quickest, simplest and easiest way. Through this initiative, we aim to transform business lending process by making it convenient for MSMEs to access credit easily. The Business (MSME) Loan In-principle approvals are currently provided for INR 1 Lac to INR 5 Crores and Mudra Loan In-principle approvals are currently provided for loans upto INR 10 Lacs.

### **Term Loan or Working Capital Loan or Mudra Loan**

mart fund-raising platform has been created as a one stop solution for different financial requirements pertaining to businesses and also caters to challenges faced by lenders.

**Term Loan**

Funding for Business Expansion, Machinery Purchase or any other.

Term Loan is one of the traditional methods of financing for businesses that can be used for a variety of business requirements.

**Working Capital Loan**

Short term funding for your Day to Day Operations

Enough working capital ensures smooth operations of any business and boosts cash flow.

### Mudra Loan

Finance to non-farming and non-corporate micro and small enterprises.

The Mudra scheme is divided into 3 loan categories:

**Shishu:** Offers loans upto INR 50,000.

**Kishore:** Offers loans above INR 50,000 and upto INR 5 Lacs.

**Tarun:** Offers loans above INR 5 Lacs and upto INR 10 Lacs.

### Business Loan In-Principle Approval for Various Needs

The Platform has been designed to help business growth through fulfilling your urgent financial requirements in an easy way through quick MSME Business Loan In-principle approval. In a journey to growth, a business would require financial assistance for various business activities including but not limited to

Business Expansion

Purchase of Plant & Machinery

Working Capital Needs

Infrastructure Development

Technology Upgrade

Purchase Raw Materials

Scaling Operations

Product Expansion

Services Expansion

Business Diversification

[psbloansin59minutes.com](http://psbloansin59minutes.com) is a digital platform to cater to various financial aspirations of businesses in a simple, quick and hassle-free way.

## In-Principle Approval within 59 Minutes

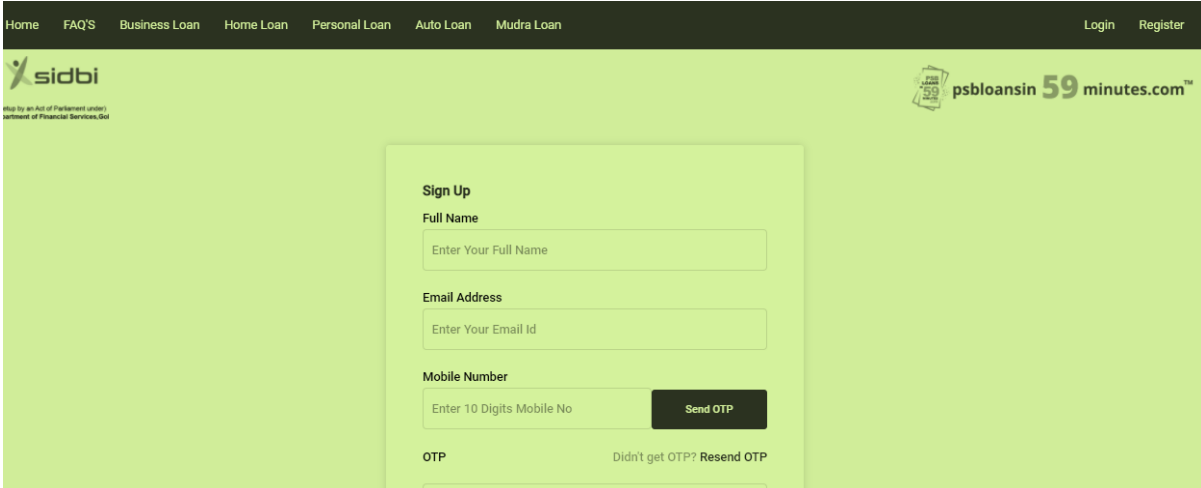
In a competitive world, running a successful business is not an easy task. We understand how important it is for a business to avail timely finance without undergoing tedious and long formalities. Applying for a business loan (term loan, working capital loan & mudra loan) should be a smooth, easy and fast process.

In the Digital Arena, we are offering MSMEs through this platform a great provision to fulfill their funding requirements by reducing turnaround time for receiving in-principle approval from days to just 59 minutes!

The ultimate benefit of the platform is that it reimagines and improves the overall process of fund raising. It digitizes and automates a very significant part of the process. Businesses demand not only convenience, but peace of mind and the platform offers both.

The user-friendly platform offers a simple loan application journey where an MSME borrower is not required to visit the bank branch for In-principle approval. The initiative automates various processes to Loan Appraisal in such a way that the borrower gets an In-principle approval in less than 59 minutes.

psbloansin59minutes.com by removing time-consuming & tedious processes of loan application, saves substantial time, energy & costs.



The screenshot displays the website's navigation menu at the top, including links for Home, FAQs, Business Loan, Home Loan, Personal Loan, Auto Loan, and Mudra Loan. On the right side of the menu, there are links for Login and Register. The main content area features the SIDBI logo on the left and the website's branding 'psbloansin 59 minutes.com™' on the right. The central focus is a 'Sign Up' form with the following fields: 'Full Name' (with a placeholder 'Enter Your Full Name'), 'Email Address' (with a placeholder 'Enter Your Email Id'), and 'Mobile Number' (with a placeholder 'Enter 10 Digits Mobile No'). A 'Send OTP' button is positioned to the right of the mobile number field. Below the mobile number field, there is an 'OTP' field and a link that says 'Didn't get OTP? Resend OTP'.

in a few steps of Online Application Process and a business can have Business (MSME /Mudra) loan In-principle approval from Preferred Bank.

## A SMART, EASY & FAST PROCESS



## SIMPLIFIED SMART DIGITAL SOLUTION



Real Time Decision Making



Advanced Digital Platform having Services Driven Architecture



Seamless integration with Statutory bodies



Sophisticated algorithms for proactive matching of borrowers and lenders.

## KEY FEATURES & BENEFITS



Apply Anywhere Anytime



Ease of Understanding



Real-time Processing



Online In-principle approval



Minimum Documentation



Best User Experience



Technology-backed Eligibility Check



Credit Worthiness Evaluation



No Human Bias



Transparent Terms

## More Advanced Benefits

<b>Advanced Platform</b>	Advanced Digital Platform for MSME Fund Raising with Services Driven Architecture
<b>Loan In-principle approval</b>	Mudra Loan upto INR 10 Lacs MSME Term Loan and Working Capital Loan from INR 1 Lac to INR 5 Crores
<b>Convenience</b>	Without visiting any bank, an MSME can apply for In-principle approval of a business loan with multiple banks at one go
<b>Fast Processing</b>	Get In-principle approval in 59 minutes through an easy application process
<b>Technological Integrations</b>	Technological integrations to ease decision-making process for Lenders which translates into faster loan processing for borrowers
<b>CGTMSE Coverage</b>	With CGTMSE integration, the borrower can also avail benefits under the CGTMSE Scheme for collateral free loan
<b>Money Directly in Bank Account</b>	Borrowers to get loan disbursement directly into their bank accounts
<b>Flexible Tenure</b>	Flexible tenures with an affordable interest rate (starting from 8.5%)
<b>PSB Integration</b>	All PSBs and leading Private Sector Banks & NBFCs have on-boarded on the Platform for providing MSME finance

## Eligibility & Documentation

Refer the list mentioned below and keep all documents ready in required formats to apply online for your 59 Minutes Business Loan In-principle approval.

### 1. GST Registered Business

- Single Registration: GST Identification Number (GSTIN)

- Multiple Registrations: GSTIN of all registrations
2. ITR for minimum one year in XML format
    - a. ITR related to Businesses and presumptive income scheme are eligible
  3. Bank Statements for the last 6 months in PDF Format
  4. Other Business Details

The platform also caters to financial requirement of businesses not-registered with GST. All the processes remain the same except GST details where the Non-GST business needs to manually provide some business details.



## FAQs on Business Loans

**?** What are the details that I require for registration (sign-up) on [www.psbloansin59minutes.com](http://www.psbloansin59minutes.com)?

Any person interested to register (sign-up) on [www.psbloansin59minutes.com](http://www.psbloansin59minutes.com) and receive an In-principle approval, only needs a valid E-Mail Address and a Mobile Number.

**?** What is CGTMSE?

Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) is trust offering financial guarantee up to a limit defined to financial institutions that provides loans to MSMEs. The Platform is having CGTMSE integration. So, even if the borrower does not have collateral security, he/she can avail business loan through [www.psbloansin59minutes.com](http://www.psbloansin59minutes.com) under CGTMSE scheme. Please Note, it is as per lenders discretion and lender can ask for collateral as per latest guidelines.

**?** In how much time I will get the final decision and receive funds?

Through the web portal [www.psbloansin59minutes.com](http://www.psbloansin59minutes.com), a borrower can get in-principle approval in just 59 minutes from anywhere at any time. Post in-principle approval, the time taken for loan disbursement depends on the information and documentation provided by the borrower on the portal to the banks. The more accurate the data, the sooner you will get disbursal. Generally, post in-principle approval, the loan is expected to be sanction/disbursed in 7-8 working days.



A New Benchmark in Loan Processing – Get Personal Loan In-principle approval in 59 Minutes!!! (From anywhere, anytime without visiting Bank Branch)

A Personal loan can be helpful to Individuals with their immediate financial needs. Whether you need funds for a medical emergency or to travel to an exotic destination or to have your dream wedding, your requirement can be any, but you can fulfill it with an easy personal loan.

[psbloansin59minutes.com](http://psbloansin59minutes.com) offers fast and hassle-free contactless personal loan In-principle approval to help meet your planned or unplanned financial requirements.

Our smart fund-raising platform has been created as a one-stop solution for different financial requirements of individuals and also caters to challenges faced by lenders.

[psbloansin59minutes.com](http://psbloansin59minutes.com) is an automated and intelligent fund-raising platform for Individuals to fulfill their financial requirements in the quickest, simplest and easiest way.

### **Various Needs, Simple Solution**

Personal loans are advantageous over other immediate finance options available such as loans taken from informal sources. Cater to your financial needs be it planned or unplanned:

### **Personal Loan in-Principle Approval**

Gone are the days of tedious documentation and time-consuming processes. We have made your personal loan taking experience as smooth and simple as possible. You don't need to visit branches of different lenders. You just need to apply online for personal loan In-principle approval through [psbloansin59minutes.com](http://psbloansin59minutes.com) portal. Compare and select your preferred lender and receive In-principle approval within 59 minutes.

## More Advanced Benefits

<b>Advanced Platform</b>	Advanced Digital Platform for MSME Fund Raising with Services Driven Architecture
<b>Loan In-principle approval</b>	Mudra Loan upto INR 10 Lacs MSME Term Loan and Working Capital Loan from INR 1 Lac to INR 5 Crores
<b>Convenience</b>	Without visiting any bank, an MSME can apply for In-principle approval of a business loan with multiple banks at one go
<b>Fast Processing</b>	Get In-principle approval in 59 minutes through an easy application process
<b>Technological Integrations</b>	Technological integrations to ease decision-making process for Lenders which translates into faster loan processing for borrowers
<b>CGTMSE Coverage</b>	With CGTMSE integration, the borrower can also avail benefits under the CGTMSE Scheme for collateral free loan
<b>Money Directly in Bank Account</b>	Borrowers to get loan disbursement directly into their bank accounts
<b>Flexible Tenure</b>	Flexible tenures with an affordable interest rate (starting from 8.5%)
<b>PSB Integration</b>	All PSBs and leading Private Sector Banks & NBFCs have on-boarded on the Platform for providing MSME finance

## Eligibility and Documentation

Any salaried individual can apply for Personal Loan In-principle approval. A borrower can apply online and get funding up to INR 20 Lacs from the lending partners through hassle-free documentation and speedy approval process.

Kindly go through the list mentioned below and keep all documents ready in required formats to apply online for your 59 Minutes Personal Loan In-principle approval

1. For salaried individuals:

- The borrower should have filed ITR 1, 2, 3 or 4 as applicable
- The borrower must have E-Bank Statements

Note:

- If the borrower has not filed ITR as borrower's income is less than the threshold limit for filling the ITR, he/she can provide the details of income by self-declaring the same on the Platform.

- Bank Statements for last 6 months in PDF format



## FAQs on Business Loans

? Are there any eligibility criteria for the borrowers?

A Borrower interested in availing a personal loan (In-principle approval) through [www.psbloansin59minutes.com](http://www.psbloansin59minutes.com) should fulfill the following criteria. For Salaried Individuals:

- a. A salaried employee, earning income in form of salary.
- b. The borrower should have filed ITR 1 or 2 as applicable. In case borrower is not statutorily required to file ITR, borrower should be willing to self-declare his/her income.
- c. The borrower must have E-bank statements.

Please note that, your loan eligibility is determined by

- a. Income/ Revenue
- b. Repayment Capacity
- c. Existing Credit Facilities
- d. Any other Factors as set by Lenders

? What if I do not file/have Income Tax Return/ Banking Details?

In case, the borrower has not filed ITR as borrower's income is less than the threshold limit for filling the ITR, the borrower can provide the details of income by self-declaring the same. However, the borrowers will not be able to continue journey on [www.psbloansin59minutes.com](http://www.psbloansin59minutes.com), if the borrower does not have valid bank statements for past six months.

? Why my application is not eligible for In-principle approval?

Any borrower who has provided negative answer in one of the primary questions except ITR question shall not be able to continue loan application process on the

Platform. The application of borrower might get ineligible for In-principle approval if the application does not clear various parameters set by banking partners. In case the borrower's proposal is considered ineligible on the platform, the borrower has an option to select a branch to forward the proposal for manual processing. Note: Only those lenders who have opted for manual processing method will be shown to borrower for selection.

? The platform is asking me to enter an OTP after I submitted my details. What is the OTP for?

The OTP is to be provided for making bureau enquiry. The bureau will send an OTP to mobile number that is registered with the bureau. This is in order to authenticate that the borrower himself is making the enquiry.

If I have been deemed ineligible, why am I asked to select a branch?

In case the borrower's proposal is considered ineligible on the platform, the borrower has an option to select a branch to forward his proposal for manual processing. Note: Only those lenders who have opted for manual processing method will be shown to borrower for selection.

In today's arena, owning a vehicle whether a two-wheeler or a four-wheeler has become more of a necessity due to the freedom of movement that it offers. You can buy a vehicle for leisure or for commutation purposes or simply to gift the same to your near and dear ones.

With [psbloansin59minutes.com](http://psbloansin59minutes.com), you can fulfill your dream of owning a vehicle of your choice be it car, bike, scooter from the numerous options available in the market in a hassle-free way.

[psbloansin59minutes.com](http://psbloansin59minutes.com) is an automated and intelligent fund-raising platform to fulfill your financial requirements in the quickest, simplest and easiest way.



**New 4-wheeler Loan**



**To purchase new 2-wheeler**



**Loan for Pre-owned/ used 2-wheeler or 4-wheeler**

## **Numerous Options, Easy Solution**

Owning a vehicle makes one's life comfortable. Auto Loan aims to ensure that you drive around the city in your own vehicle.

The smart fund-raising platform has been designed as a one stop solution for different financial requirements of borrowers be it to own a new or a used vehicle.

psbloansin59minutes.com is a revolutionary portal, where you can apply online for an Auto Loan In-principle approval from all Public Sector Banks and leading Private Sector Banks and NBFCs.

## **Auto Loan In-Principle Approval In 59 Minutes**

psbloansin59minutes.com is a great provision to fulfil your funding requirements and reduces turnaround time for receiving Auto Loan In-principle approval from days to just 59 minutes!

The user-friendly platform offers a simple loan application journey where an auto loan borrower is not required to visit the bank branch for In-principle approval. psbloansin59minutes.com by removing time-consuming & tedious processes of loan application, saves substantial time, energy & costs.

They have made availing an auto loan process as smooth, simple and fast as possible. Now you can apply for auto loan at your convenience from anywhere, anytime.

You just need to apply online for Auto Loan In-principle approval on [www.psbloansin59minutes.com](http://www.psbloansin59minutes.com). Compare offerings as matched by the platform and receive an In-principle approval letter from your preferred lender.

## **Auto Loan In-Principle Approval Process – How It Works?**

The borrower needs to provide details like ITR, Bank Statement and other basic details. The borrower will get an In-principle approval letter in 59 minutes. The borrower has been given the flexibility to choose lender and an option to add a co-applicant.

## **Eligibility and Documentation**

Any salaried or self-employed individual can apply for Auto Loan In-principle approval. A borrower can apply online and get funding up to INR 1 Crore from the lending partners through hassle-free documentation and speedy approval process.

Kindly go through the list mentioned below and keep all documents ready in required formats to apply online for your 59 Minutes Auto Loan In-principle approval.

1. For salaried individuals:

- The borrower should have filed ITR 1 or 2 as applicable
- The borrower must have E-Bank Statements

2. For businessman, self-employed, professionals:

- The borrower should have filed ITR 3 or 4 as applicable
- The borrower must have E-Bank Statements

Note:

- If the borrower has not filed ITR as borrower's income is less than the threshold limit for filing the ITR, he/she can provide the details of income by self-declaring the same on the Platform.

- Bank Statements for last 6 months in PDF format

### **Co-Applicant Requirements**

A co-applicant is a person who applies for a loan along with primary borrower and who is equally liable to repay the loan. The borrower can add up to a maximum of 1 co-applicant in a single online application. However, it is not mandatory to add a co-applicant in order to get auto loan In-principle approval. Moreover, adding a co-applicant usually increases the probability of getting higher loan eligibility.

In case, the borrower wishes to add a co-applicant and opts to consider the income of co-applicant for computation of auto loan In-principle eligibility, the borrower needs to provide details related to ITR and Bank Statements along with other basic details of the co-applicant.



### **FAQs on Business Loans**

**?** Can I upload the PDF of Income Tax Returns?

Yes. The returns can be uploaded in either PDF or XML format based on ITR. ITR 1, 2 and 4 can be uploaded in PDF format and ITR 3 can be uploaded in XML format.

Note: The platform requires the ITR Form of borrowers to be uploaded. If the borrower uploads ITR-V (Acknowledgement of filed ITR), the same will not be accepted

? What does the hypothecation of the purchased asset mean?

Hypothecation of the asset means, that the borrower is willing to provide the asset purchased, vehicle in this case, out of the loan as a collateral security to the lender. The lender will have the ownership of the asset, in this case the vehicle, purchased out of the loan amount obtained, while the borrower will have the possession of the asset.

? What if I do not file/have Income Tax Return/ Banking Details?

In case, the borrower has not filed ITR as borrower's income is less than the threshold limit for filing the ITR, the borrower can provide the details of income by self-declaring the same. However, the borrowers will not be able to continue journey on [www.psbloansin59minutes.com](http://www.psbloansin59minutes.com), if the borrower does not have valid bank statements for past six months.

? Is there any limit on the length of Tenure?

Yes. The tenure for Auto Loan is around 10 Years.

? What is the process for Manual Processing of proposal?

Once the borrower selects the branch where he wants to submit his proposal for manual processing, an E-Mail is sent to the borrower as well as the branch. The branch will contact the borrower within stipulated time to consider the proposal for manual processing.



A MUDRA Loan is being provided under the Pradhan Mantri MUDRA Yojana (PMMY) to the non-corporate and non-farming small and micro enterprises/ businesses. Loans upto INR 10 Lacs can be availed under the MUDRA scheme. Micro Units Development and Refinance Agency Limited (MUDRA) is an NBFC supporting the development of small business owners in India.

The MUDRA loans are to be provided for income generating small business activities across manufacturing, processing, services or trading sectors and would cover all Individuals/ Proprietary Concerns/ Partnership Firms/ Private Limited Companies/ Entities of any other legal forms running as shopkeepers, artisans, self-help groups, manufacturing units, hawkers, professionals, service providers, etc.



The Pradhan Mantri MUDRA Yojana (PMMY) can be extended under 3 categories as mentioned below:

- Shishu: Offers loans upto INR 50,000.
- Kishore: Offers loans above INR 50,000 and upto INR 5 Lacs.
- Tarun: Offers loans above INR 5 Lacs and upto INR 10 Lacs.

#### **BENEFITS/ ADVANTAGES OF MUDRA LOAN (YOJANA)**

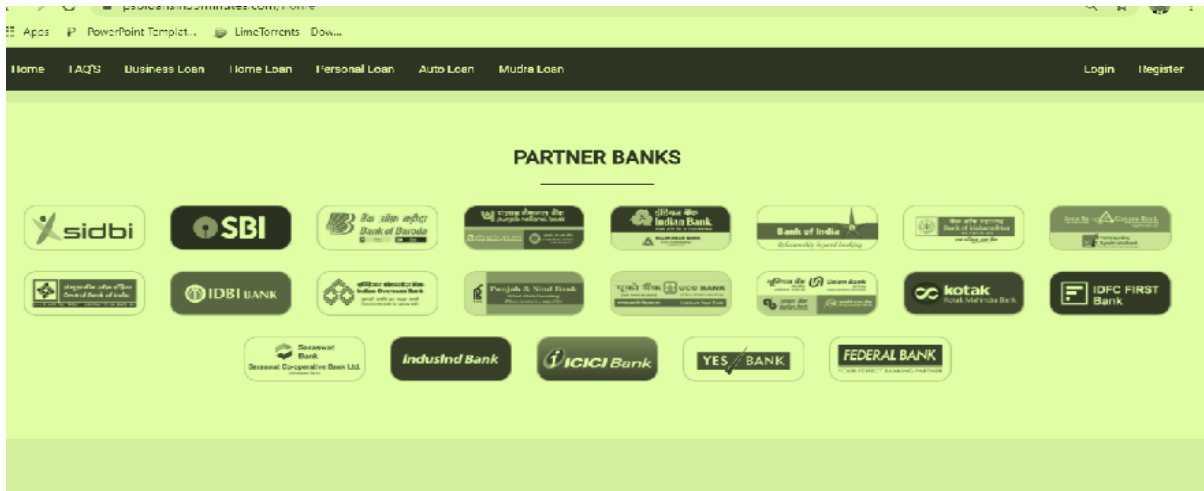
- ☛ Provides financial assistance to rural as well as urban areas.
- ☛ Offers income-generating opportunities to micro and small enterprises.
- ☛ No need to provide any collateral or security to avail Mudra Loan.
- ☛ Very low processing charges for availing of the loan.
- ☛ No minimum amount prescribed
- ☛ Both new & existing businesses are eligible to get Mudra loan.
- ☛ Women entrepreneurs might avail loans at lower interest rates.

<b>Advanced Platform</b>	Advanced Digital Platform for MSME Fund Raising with Services Driven Architecture
<b>Loan In-principle approval</b>	Mudra Loan upto INR 10 Lacs MSME Term Loan and Working Capital Loan from INR 1 Lac to INR 5 Crores
<b>Convenience</b>	Without visiting any bank, an MSME can apply for In-principle approval of a business loan with multiple banks at one go
<b>Fast Processing</b>	Get In-principle approval in 59 minutes through an easy application process
<b>Technological Integrations</b>	Technological integrations to ease decision-making process for Lenders which translates into faster loan processing for borrowers
<b>CGTMSE Coverage</b>	With CGTMSE integration, the borrower can also avail benefits under the CGTMSE Scheme for collateral free loan
<b>Money Directly in Bank Account</b>	Borrowers to get loan disbursement directly into their bank accounts
<b>Flexible Tenure</b>	Flexible tenures with an affordable interest rate (starting from 8.5%)
<b>PSB Integration</b>	All PSBs and leading Private Sector Banks & NBFCs have on-boarded on the Platform for providing MSME finance

## Eligibility and Documentation

1. GST Registered Business
  - a. Single Registration: GST Identification Number (GSTIN)
  - b. Multiple Registrations: GSTIN of all registrations
2. ITR for minimum one year in XML format  
ITR related to Businesses and presumptive income scheme are eligible
3. Bank Statements for the last 6 months in PDF Format
4. Other Business Details

The platform also caters to financial requirement of businesses not-registered with GST. All the processes remain the same except GST details where the non-GST business needs to manually provide some business details.



## FAQs on Business Loans

**?** What are the minimum and maximum loan amount one can borrow through the portal?

A Micro Enterprise can avail MUDRA loan up to INR 10 Lacs through [www.psbloansin59minutes.com](http://www.psbloansin59minutes.com). Post In-principle approval, the preferred lender (as selected by borrower) will conduct a thorough due diligence and decide on whether to Sanction/Disburse the Proposal. The final decision will be at the lender's discretion.

**?** How do I make a loan application/ submit Proposal?

Applying for a mudra loan (In-principle approval) is a simple process:

- a. Click on [www.psbloansin59minutes.com](http://www.psbloansin59minutes.com).
- b. Register using Name, Mobile Number and Email Id
- c. Post registration, the borrower can select funding requirement i.e. for business purpose or for retail.
- d. Select "Business Loan" and then Mudra Loan.
- e. After selection of fund requirement, provide required details to avail business loan in-principle approval within 59 minutes.

**?** Do I need to provide fees for registration?

No, you don't need to pay the registration fee.

Depending on the applicant's business's annual turnover, he/she can apply for MSME loan by checking and comparing loan deals from various financial institutions and filling and submitting online. Applicants can apply for MSME registration by visiting the official website and applying it online, at free of cost. Further, MSMEs are classified in two categories, such as manufacturing enterprises and service enterprises. Let's further discuss regarding MSME registration with steps and processes involve; along with some important information.

### **New Process for MSME Registration Online**

Below mentioned are the steps to follow for the Registration Process for MSME:

- Step 1: Fill in MSME registration form online with all required details by visiting the official website by clicking here
- Step 2: After submitting application form along with documents, applicant shall receive a registration number
- Step 3: Next step is paying the registration fee online
- Step 4: After payment is successful, the authority will register the applicant's business as MSME within 1-2 working days
- Step 5: MSME registration certificate shall be delivered by an email to applicant's registered email address.

The process for MSME registration is a quick and hassle-free for businesses to get registered as MSMEs under Ministry of MSME.



### Eligibility for MSME Registration

The distinction between the manufacturing and services enterprises has been removed by making the investment amount and annual turnover similar for enterprises engaged in both the sectors.

MSME – Merged Criteria: Investment and Annual Turnover			
Sector/Enterprise Type	Micro Enterprise	Small Enterprise	Medium Enterprise
Manufacturing & Services Sector, Both	Investment less than Rs. 1 crore Turnover less than Rs. 5 crore	Investment less than Rs. 10 crore Turnover up to Rs. 50 crore	Investment less than Rs. 50 crore Turnover up to Rs. 250 crore

### Documents required for MSME Registration Online

- ☛ Aadhaar card
- ☛ Rent agreement
- ☛ Property paper
- ☛ Cancelled Cheque
- ☛ Company Registration i.e., Sale or Purchase Bill and PAN card
- ☛ Business Address Proof

For self-owned premise: Lease deed, property tax receipt, possession letter, allotment letter, etc.

For rented premise: NOC from the landlord, rent receipts, utility bills or document evidencing the landlord's ownership, etc.

The charges to get MSME certificate are Rs. 1999 (all inclusive) per certificate and can be paid by their secured gateways.

### **Additional Documents**

- Copies of Sale and Purchase Bills
- Partnership Deed
- Memorandum of Association (MoA)
- Articles of Association (AoA)
- Copies of Licenses and Bills of Machinery Purchased

### **Benefits of MSME Certificate**

- MSME registration helps in getting government tenders
- Under bank loan, 15% import subsidy on fully automatic machinery
- Becomes easy to get licenses, approvals and registrations, irrespective of field of business
- Compensation of ISO certificate expenditure
- Helps in getting low interest rates
- Registered MSMEs gets tariff subsidies and tax and capital subsidies
- Gets exemption under Direct Tax Laws

### **Components of MSME application form**

- Aadhar number
- Name of Entrepreneur as per Aadhar card
- Social category (General, OBC, SC/ST)
- Gender
- Physically Handicapped
- Name of Enterprise
- Type of Organization (Proprietorship, Partnership Firm, Private or Public Limited Company, Limited Liability Partnership, Cooperative Society, Hindu Undivided Family, Self-Help Group, Society or Trust)
- PAN Card
- Location/Address of Plant
- Country, State, District, City, Tehsil, PIN Code
- Office Address
- Mobile Number, Email ID
- Date of Commencement of Business
- Bank account number and IFSC code
- Business activity of enterprise
- NIC 2 Digit Code – choose primary activity
- Additional detail of enterprise
- Number of employees
- Investment amount in Plant & Machinery

## How to Check MSME Registration status by reference number and name

- Step 1: To check MSME application status, applicants can visit MSME registration official portal or click here



The screenshot shows the 'Udyog Aadhaar Memorandum - Online Verification' page. It features a header with the Government of India logo and the Ministry of Micro, Small & Medium Enterprises. The main content area includes a form with fields for 'Enter 12 digit UAM No.' (containing '99ZSF9') and 'Verification Code'. A 'Verify' button is located at the bottom of the form. To the right, there are 'Instructions for Verify Online UAM' which list: 1. Enter 12 digit UAM No. (i.e. DL05A0000001), 2. Enter Valid Verification Code as given in Captcha Image, 3. Verification Code in same sensitive, 4. Click on Verify Button.

- Step 2: Applicants need to enter their 12 digit UAM number followed by verification code as displayed in captcha image
- Step 3: Click on 'Verify' to check the status of MSME registration online

## How to print / download Udyog Aadhaar / MSME registration certificate online:

- Step 1: To print Udyog Aadhaar / MSME registration certificate, applicant can click here [https://udyamregistration.gov.in/UA/PrintAcknowledgement\\_Pub.aspx](https://udyamregistration.gov.in/UA/PrintAcknowledgement_Pub.aspx) to fill in required details



The screenshot shows the 'Print Udyog Aadhaar Registration Certificate' page. It features a header with the Government of India logo and the Ministry of Micro, Small & Medium Enterprises. The main content area includes a form with fields for 'Enter your UAM No.' and 'Enter Mobile No. As Per Udyog Aadhaar'. A 'SUBMIT' button is located at the bottom of the form. To the right, there are 'Instructions for Print Application' which list: 1. Enter your 12 digit UAM No. i.e. DL05A0000001, 2. Enter your Mobile Number as per Udyog Aadhaar certificate.

- ☛ Step 2: Applicant is required to enter his/her 12 digit UAM No. i.e. DL05A1234567
- ☛ Step 3: Applicant also needs to enter his/her mobile number, as per Udyog Aadhaar Certificate
- ☛ Step 4: After submitting these details, applicants can download or print their Udyog Aadhaar / MSME registration certificate

Note: Update or correction in MSME certificate is free of cost, same like registration is free



## FAQs on Business Registration

**? Who can apply for MSME registration?**

Any type of business can apply for MSME registration or MSME Certificate.

**? How can I get a copy of my MSME certificate?**

Once the MSME registration is complete, you will receive a copy of MSME certificate on your registered email address.

**? What is MSME Certificate Update Fee?**

MSME Registration and MSME Certificate Fee is free of cost.

**? When MSME Certificate will be issued?**

. MSME Certificate is issued after 1-2 working days of form submission.

**? What are the chances of rejection of Online MSME Application?**

There are several reasons of rejection of MSME application like low CIBIL score, unpaid debts, loan defaults, low cash flow, lack of business plan, incomplete documentation, false information, etc.

**? Can the MSME borrowers get collateral free loans from banks?**

Yes, they can get collateral free loans if they opt for unsecured business loans and if they maintain good CIBIL score with decent financial and loan repayment history. Rest it depends on the eligibility criteria to be cleared by applicant defined by the respective bank.



? What is the difference between Udyam Registration and MSME/Udyog Aadhar?

Udyam Registration is MSME registration to start business under Ministry of Micro, Small and Medium Enterprises (MoMSME) approved by Government of India. Whereas MSME/Udyog Aadhaar is a 12-digit Unique Identification Number (UIN) provided by the MoMSME for Small and Medium Enterprises (SMEs).

? What is MSME helpline?

MSME Contact us or Helpline numbers are as follows:

**For MSME: 011-23063288 / 011-23063643**

**For Udyam Registration: 011-23061500 or 011-23061546**

? Is Aadhaar number mandatory for online MSME registration?

For MSME registration, Aadhaar card is mandatory.

? Can MSME borrowers get collateral free loans from financial institutions?

Yes MSME borrowers get collateral free loans from financial institutions

? Is credit score necessary for the MSE borrowers?

No, credit score is not required for MSMEs.

? Do I get a hard copy or physical copy of the MSME certificate?

Government has initiated paperless work, so no physical copy is issued. However, the authority emails the certificate instead.

## Small Scale Industries (SSI) Registration

Small Scale Industries (SSIs) are the entities that are involved in manufacturing, production and services of products on micro or small scale. The maximum investment in machinery, plants and industries by Small Scale Industries cannot exceed Rs. 1 crore. Small Scale enterprises must come under the guidelines of Government of India. SSIs are considered to be the backbone of Indian economy. SSIs also help in the enhancement of employment opportunities as most of the SSIs are labour based.



### **How to Get Small Scale Industries (SSI) Registration**

Ministry of Micro, Small and Medium Enterprises (MSMEs) with the help of Ministry of Small Scale Industries facilitates the registration process for Small Scale Industries. It is essential to obtain SSI registration to avail benefits of numerous government schemes, subsidies, and incentives. SSI registration form is available online for the applicant to fill and submit to get the registration number. According to the Ministry of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, MSMEs are classified into two types:

1. Manufacturing Enterprise
2. Service Enterprise

## Small Scale Industries Registration Procedure in India

Step 1: Fill in the registration form by providing all the required information and follow the instructions, as mentioned on home page to complete the application form

Step 2: After filling the form, click on 'Validate and Pay' to submit the application and to pay the registration fee

Step 3: Post payment and form submission, an executive will process your application

Step 4: Once the application is approved, you shall receive the SSI registration certificate online via email

Note: Validity of SSI registration certificate is for the lifetime

Registration Form consists of 21 elements to be filled online are applicant's Aadhar card, name, social category, gender, physically handicapped, enterprise's name, type of organization and PAN. In addition these elements include location of plant, office address, applicant's mobile number and email ID, date of start of business, bank account number, IFS code, business activity, NIC 2 digit code, additional details about business, number of employees, investment amount in plant and machinery and finally applicant's Aadhar card attachment.

Types of Enterprises & Eligibility	Manufacturing Enterprise	Service Enterprise
Micro Enterprise	Up to Rs. 25 lakh	Up to Rs. 10 lakh
Small Enterprise	Up to Rs. 5 crore	Up to Rs. 2 crore
Medium Enterprise	Up to Rs. 10 crore	Up to Rs. 5 crore

Note: Investment amount is done in plant & machinery only, excluding land and buildings

The distinction between the manufacturing and services enterprises has been removed by making the investment amount and annual turnover similar for enterprises engaged in both the sectors.

MSME – Merged Criteria: Investment and Annual Turnover			
Sector/Enterprise Type	Micro Enterprise	Small Enterprise	Medium Enterprise
Manufacturing & Services Sector, Both	Investment less than Rs. 1 crore Turnover less than Rs. 5 crore	Investment less than Rs. 10 crore Turnover up to Rs. 50 crore	Investment less than Rs. 50 crore Turnover up to Rs. 250 crore

### **Benefits of SSI Registration**

- Ease of getting funding after SSI registration
- SSIs can avail various tax rebates, post SSI registration
- SSI units are granted carry forward of credit for Minimum Alternate Tax (MAT) up to 15 years
- Only SSIs are allowed to have access to certain government tenders
- Acquiring government licenses and certifications becomes easier once a unit receives a permanent registration
- As many concessions and rebates are available, therefore the cost of setting up of industry reduces

### **Features of Small Scale Industries (SSI)**

- **Ownership:** Usually small scale manufacturing industries have a sole proprietorship or if required, partnership with a few individuals.
- **Control:** The control of the industry is with the owner himself/herself, leading to the active participation of the owner in routine business activities.
- **Labor Intensive:** Technology in SSI is on a nominal scale. There is extensive use of labour for production activities.
- **Short Reach:** The operations in a small scale manufacturing industry are not on large scale. Hence, they are only able to cater to regional demand.
- **Flexibility:** As the units are comparatively small in size, changing according to the dynamic environment is more feasible for them.
- **Resources:** Small Scale Industries are located in places where resources are easily made available. This reduces transportation costs for the manufacturer and the use of resources is also efficient.

### **List of Small Scale Industries (SSIs) in India**

- Basic Metal Industries
- Beverages, Tobacco & Tobacco Products
- Chemical & Chemical Products
- Cotton Textiles
- Electrical Machinery & Parts
- Food Products
- Hosiery & Garments – Wood Products
- Jute, Hemp and Mesta Textiles
- Leather & Leather Products
- Machinery & Parts except Electrical goods
- Metal Products
- Miscellaneous Manufacturing Industries
- Non-metallic Mineral Products
- Paper Products & Printing
- Repair Services
- Rubber & Plastic Products
- Transport Equipment & Parts

- Wool, Silk, Synthetic Fiber Textiles

**SSIs are suppliers of various products as mentioned below:**

- Domestic Utensils
- Hosiery Goods, Sheet Metal Goods
- Leather and Leather Goods
- Paints and Varnishes
- Plastic and Rubber Goods
- Preserved Foods and Vegetables
- Ready-Made Garments
- Safety Matches
- Stationery Items – Soap and Detergents
- Toothpaste and Toothpowder
- Wooden and Steel Furniture
- What issues come across Small Scale Industry (SSI)?
- Inadequate Finance
- Lack of marketing support
- Lack of technology up-gradation
- Shortage of Raw materials
- Underutilization of capacity
- Difficulty in Import & Export
- Managerial Issues
- Scarc Infrastructure



**FAQs on Business Registration**

**? What is the primary use of SSI registration?**

SSI registration can be used in getting concessions and rebates from the government.

**? What is the maximum investment that can be done by SSI?**

The maximum investment allowed for SSI is up to Rs. 1 crore.

**? Can I register SSI online?**

Yes, you can register SSI online by visiting their official website and filling and submission of application form.

? Is SSI registration compulsory?

A business unit falling into the bracket of the MSME provisions is not mandated to register under SSI. Registration is voluntary.

? How is the valuation of equipment for services enterprises, and plant and machinery for manufacturing enterprises done?

For computing the value of the Plant and Machinery, and Equipment, its original value is taken into account. There are some component costs that are to be excluded.

? How much time it will take to register after form submission?

Registration certificate will be issued instantly via email, as soon as you submit the application form.

? What all documents do I need to submit to register for Small Scale Industries in villages?

No documents are required to register as SSI, information submitted in the application form is sufficient to get your business registered under Small Scale Industries.

? Will I get a hard copy of the certificate along with email?

No, as per Government's guidelines no paper shall be used for the benefit of environment.

? What is the difference between SSI registration and MSME registration?

There is no difference between SSI and MSME registration. Earlier MSME registration was termed as SSI registration.

? Is it compulsory to get registered as Collate and Small Scale Industries?

It is recommended to get registered, as Government initiated schemes, subsidies and incentives can only be availed after getting registered as Small Scale Industry.

? What are the examples of small scale industry?

Some examples are: Basic Metal Industries, Beverages, Tobacco & Tobacco Products, Chemical & Chemical Products, Cotton Textiles, Electrical Machinery & Parts, Food Products, Hosiery & Garments, Wood Products, Metal Products, Leather and Leather Products.

Micro, Small and Medium Enterprise (MSME) loan is the funding support offered by financial institutions to individuals, SMEs, MSMEs and Startup enterprises. MSME loan schemes are majorly used by business owners and enterprises to meet their working capital requirements, to enhance cash flow, for business expansion purposes, buying equipment and machinery and much more. Many lenders also offers MSME/SME loan without collateral or any security.

Lenders	Interest Rate (p.a.) & Onwards
HDFC Bank	13%
SBI (Mudra Loan)	9.75%
Bajaj Finserv	18%
Lendingkart Finance	18%
Axis Bank	15.5%
ICICI Bank	13%
Kotak Mahindra Bank	16%
Punjab National Bank (Mudra Loan)	10.30%
Corporation Bank	10.30%
Bank of India	10.20%
IDFC First Bank	18%
HDB Finance	18%
Fullerton Finance	17%
Flexiloans	18%
RBL Bank	18%

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank, NBFC and RBI. GST and service tax shall be levied extra on the mentioned charges

## MSME Loans Fees & Interest Rates

Interest Rate	Depends on business requirements
Loan Amount	No Minimum Limit to borrow and Maximum is up to Rs. 1 crore, can exceed as per business requirements
Repayment Tenure	From 12 months – 5 years
Collateral	Not required for Unsecured Business Loans
Processing Fee	From Nil – 4% of the loan amount
Foreclosure Charges	From Nil – 5% of the outstanding loan amount
Part-payment Charges	From Nil – 4%
Loan Cancellation Charges	Varies from bank to bank

## MSME Loan/SME Loan Eligibility

- Age Criteria: Min. 18 years and Max. 66 years
- Company Type: Private or Public Limited, Sole Proprietorship, Partnership Firm, Limited Liability Partnership
- Business Turnover: Depends on lender
- Business Vintage: Minimum 2 year and in profit
- Indian Citizen with no criminal record
- Good repayment history and credit score
- Necessary documents shall be CA certified
- Must have last 2 year ITR and last year's GST Returns

## How to Calculate MSME / SME Loans EMI?

MSME Loan EMI can be calculated from the below-mentioned formula:

$$EMI = P \times r \times (1 + r)^n / ((1 + r)^n - 1)$$

Above:

**P:** - Loan amount,

**R:** - interest rate,

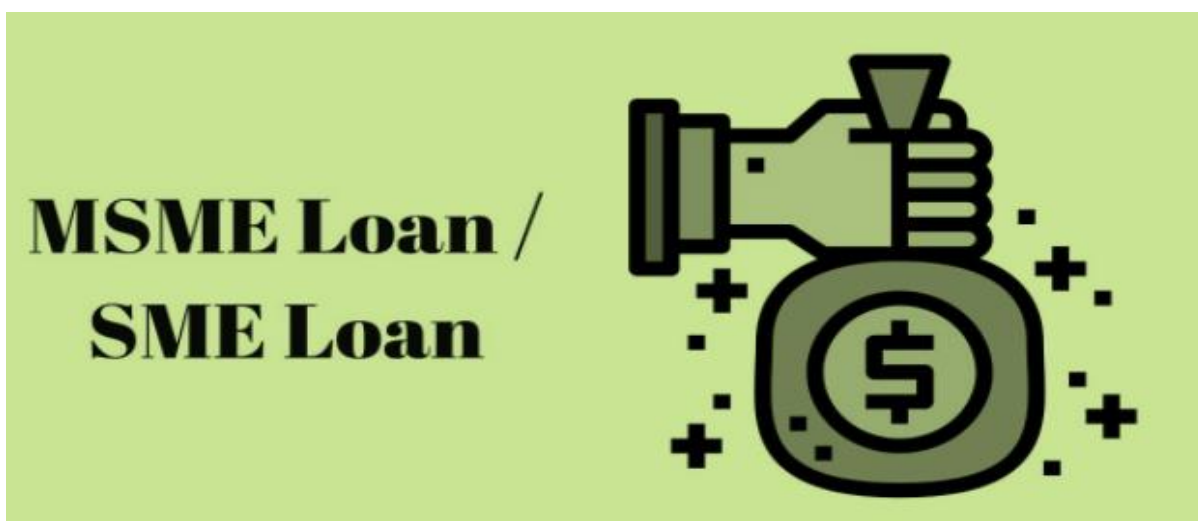
**n:** - tenure in number of months



## What are the Benefits of MSME/SME loans?

Below mentioned are the benefits of MSME loan:

- Lower Interest Rates
- Collateral-free Loans
- Minimal Documentation
- Short-term loans with flexible repayment options
- Nil or Lower Processing Fees
- Quick approval and disbursal



## Features of MSME Loans / SME Loans

- Loan Amount: Min. Rs. 10,000 & Max. up to Rs. 1 crore
- Loan Types: Term loan, Working Capital Loan, Equipment Finance, Mudra Loan, PMEGP, CGTMSE, and many more
- Repayment Tenure: From 12 months to 5 years, can extend in special cases
- Collateral: Not required, only in case of term loan
- Credit Facilities: Bill discounting, Overdraft, Cash Credit, Letter of Credit, Bill of Purchase, Merchant Cash Advance, etc.

## Additional Features of MSME loan for business

- Flexible repayment options
- Easy and Quick documentation
- Simplified balance transfer options
- Minimum loan processing time
- Backed by 100% Credit Guarantee Scheme

The MSME/SME loan's interest rates offered by various private and public sector banks, NBFCs, Small Finance Banks (SFBs), Regional Rural Banks (RRBs) and Micro Finance Institutions (MFIs) are based on various factors, such as desired loan amount, repayment tenure, nature and tenure of business, and applicant's

profile, financial history, creditworthiness and repayment capability. Below mentioned is the MSME loan procedure:

### **Collateral Security on MSME Loans**

Collateral or Security is not required by banks from borrowers, if they are availing unsecured business loans or MSME schemes. However, there are some specific business loan types where collateral is required to be submitted by borrowers, such as Equipment Finance, Loan for Machinery, Fleet Finance, Letter of Credit, Working Capital Loan, etc.

### **Purpose of MSME Loans**

- Meet working capital requirements
- For business expansion
- Manage business cash flow
- To install new equipment or machinery
- For the purchase of raw materials, vehicles, tools, etc
- To stock up inventory
- To pay-off rent, salaries, hire staff, train staff, etc.

### **Documents Required for MSME Loans**

- Business Plan
- Duly filled Application form for MSME loan apply
- Passport-sized photographs
- KYC Documents of applicant and partners or co-applicants, if any
- Identity Proof: Passport, driving licence, PAN card, Voter's identity card
- Residence Proof: Passport, lease agreement, trade license, telephone and electricity bills, ration card and sales tax certificate
- Age Proof: Passport, Voter's identity card, Photo PAN card
- Income Proof of the applicant
- Business address and existence proof
- Rent agreement, Sales Deed, Memorandum of Associations (MoA), Article of Associations (AoA)
- Copy of Licenses, Certificates and Registrations, if applicable

### **Financial Documents:**

- Last 12 months' bank statement
- Business registration proof
- Proprietor(s) PAN Card Copy
- Partnership deed copy
- Company PAN card copy
- P&L and balance sheet copy of last 2 years
- Sales tax documents

- Municipal tax documents

### MSME Scheme – New Definition

The distinction between the manufacturing and services enterprises has been removed by making the investment amount and annual turnover similar for enterprises engaged in both the sectors.

MSME – Merged Criteria: Investment and Annual Turnover			
Sector/Enterprise Type	Micro Enterprise	Small Enterprise	Medium Enterprise
Manufacturing & Services Sector, Both	Investment less than Rs. 1 crore Turnover less than Rs. 5 crore	Investment less than Rs. 10 crore Turnover up to Rs. 50 crore	Investment less than Rs. 50 crore Turnover up to Rs. 250 crore

### MSME/SME Loan from Popular Banks and NBFCs

MSME/SME Loans from Lendingkart Finance – 2020	
Interest Rate	18% onwards*
Max. Loan Amount	Up to 1 crore
Min. Loan Amount	Rs. 50,000
Processing Fee	Up to 2% of the loan amount
Repayment Tenure	Up to 36 months
Loan Sanctioning Time	Within 3 working days
Collateral / Security	Not required
Pre-payment Charges	Nil

MUDRA Loan from SBI – 2020	
Interest Rate	9.75% onwards*
Loan Amount	Max. up to 20 crore, can exceed as per requirements
Processing Fee	Upto 2% of the loan amount
Business Existence	Min. 5 years in same locality/area
Bank Account History	Current account holder for at least 2 years
Repayment Period	Up to 120 months

On 16 June 2020, SBI disbursed approx. Rs 8,700 crore from the Rs 3 lakh crore funding under Emergency Credit Line Guarantee Scheme (ECLGS) for the MSME sector.

<b>SME Loans from HDFC Bank – 2020</b>	
Rack Interest Rate	13% onwards*
Loan amount	Up to Rs. 75 lakh
Processing Fee	Up to 2.50% of the loan amount, Min. of Rs. 2350 & Max. of Rs. 88500
Overdue EMI Interest	2% per month on EMI / Principal Overdue
Pre-payment Charges	Nil, until repayment of 6 EMIs
Collateral / Security	Not required
Repayment Tenure	Up to 48 months

<b>MSME Loans – ICICI Bank – 2020</b>	
Interest Rate	13% onwards*
Loan offered to	Public Limited Companies, Partnership Firms, Sole Proprietorship Firms, Private Limited Companies
Loan Amount	Up to 2 crore
Cash Credit Feature	Available
Collateral / Security	Not required
Eligible Business Segment	Micro Small Enterprise, excluding traders

<b>MSME Loans from Bajaj Finserv – 2020</b>	
Interest Rate	18% onwards*
Processing Fee	Up to 3% of the loan amount
Loan Tenor	Max. up to 48 months
Loan Amount	Max. up to Rs. 20 lakh
Loan Sanctioning Time	Within 24 hours
Collateral / Security	Not required

Note: All the above mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank/NBFC and RBI. GST and service tax shall be levied extra on the mentioned charges.

\*Above mentioned interest rates of all lending institutions are based on the health of your business, revenues and annual turnover.

As per the Micro, Small, and Medium Enterprises (MSME) Development Act 2006, these businesses are classified in two categories, service enterprises and manufacturing enterprises.

### **MSME Loans – 2020**

SME/MSME loans are offered to Micro, Small and Medium Enterprises (MSMEs) by financial institutions that include banks and NBFCs. MSME schemes are also offered

by government with the help of various schemes which are further discussed. Government Schemes that come under MSME loans include Mudra Loan, CGTMSE, PMEGP, etc. MSME loan for startup business is also offered by financial institutions.

**MSME Toll Free No: 18001237376**

**General Enquiries: 011-23063288/011-23063643**



## **FAQs on Business Loans**

**?. Is MSME registration voluntary or compulsory?**

MSME registration is totally voluntary and businesses do it to utilise the benefits offered under it

**?. How much loan is offered under MSME schemes?**

The loan amount for an MSME ranged between Rs. 1 lakh to Rs. 1 crore, may exceed depending upon business requirements. Above Rs. 1 crore MSMEs can avail secured business loan wherein they need to submit collateral or security with the bank or lender.

**?. How can I get collateral free MSME loans?**

If you want to get collateral free MSME loan, then you will have to apply for unsecured business loan that is maximum up to Rs. 1 crore.

**?. Is there any turnover limit for MSME Schemes?**

The minimum annual turnover limit is defined by the lender and it shall vary from applicant to applicant.

**?. What is the full form of MSME/SME Loan?**

MSME stands for Micro, Small and Medium Enterprise loan is termed as MSME whereas SME means for Small and Medium Enterprises.

**?. What is MSME registration fee?**

The MSME registration is free of cost and obtaining MSME certificate is also absolutely free.

**?. Who is eligible for MSME/SME loan?**

MSME loans can be availed by self-employed professionals, entrepreneurs, business owners, micro-small and medium enterprises, sole proprietorship, partnership firms, limited liability partnership, etc.

? How can I avail MSME loan in 59 minutes?

To avail MSME loan in 59 minutes, you can visit the official website of [psbloansin59minutes.com](http://psbloansin59minutes.com), an initiative by Government of India that approves business loans in just 59 minutes after form submission.

? What are the processing fees and pre-closure charges for MSME loans?

The processing fee can be Nil for some banks and may range from 1%-4% of the loan amount. This also applies with the pre-closure charges for MSME loans.

? Is GST mandatory for MSME Loans?

Yes, last years' GST return is necessary for existing MSME and salaried professionals who want to start their new business.

? Is credit score important for MSMEs in getting MSME loan?

Yes, possessing a good credit score is always an added advantage for MSMEs.

? What is the validity of the Provincial Registration Certificate (PRC)?

The validation of a Provincial Registration Certificate (PRC) is for 5 years.

? Is there any validity of MSME certificate?

The validity of MSME certificate is of 5 years.

? From where I can get MSME loan application?

You can download MSME loan application by visiting the bank branch or the official website of Ministry of MSME.

? What is the benefit of tool-rooms provided by the ministry?

The MSME Ministry provides high-tech tool-rooms to the MSME enterprises so that their products and services create a niche for themselves in the market. The tool-room initiative from the MSME ministry also provides skilled manpower to the enterprises for increasing their cap.

? What are the measures and relief introduced by 'Self-reliant India Scheme 2020 by Government of India?

The key takeaways of New MSME Definition introduced in 'Atmanirbhar Bharat Abhiyan' or Self-reliant India Scheme 2020 by Government of India.

### **Collateral Free Loans to MSMEs**

MSME Loans worth of Rs. 3 lakh crore

Moratorium period offered is 12 months

Manufacturing and Service MSMEs shall be considered as same entities

Repayment Tenure of 48 months

100% Credit Guarantee

To benefit approx. 45 lakh units

For loans up to Rs. 3 lakh, relief of 2% in interest rate

Rs. 20,000 crore loan option for MSMEs

Loans of amount Rs. 10,000 offered to pedestrian business owners

50 lakh shopkeepers to benefit, running pedestrian shops

Credit Guarantee Funds Trust for Micro and Small Enterprises (CGTMSE) is a trust established by the Government of India, Ministry of Medium, Small and Micro Enterprises (MSME) and Small Industries Development Bank of India (SIDBI).

Launched in 2000, CGTMSE offers credit guarantee to financial institutions that provide loans to MSMEs. CGTMSE provides a guarantee to lending institutions up to a certain limit for all lending done by them to the MSME sector.

### **What is a Credit Guarantee under CGTMSE**

Credit guarantee refers to a situation where the loan to the applicant is backed by a party without the need for any external collateral or third party guarantee. Here, the loan sanctioned by the member lending institution is backed by the scheme which provides the guarantee cover for a large portion of the loan amount. Under CGTMSE scheme, both new and existing micro and small enterprises including service enterprises are eligible for a maximum credit cap of Rs. 2 crore.

### **Eligibility for CGTMSE Scheme**

Eligibility criteria for CGTMSE loan scheme for credit providers and credit borrowers are

- Lending institutions who provide funding support to specific sectors are in agreement with CGTMSE. The institutions that are eligible for CGTMSE are as follows:
  - Lending Borrowers
  - All existing and new Small and Medium Enterprises
  - Lending Institutions
  - Scheduled Commercial Banks (SCBs)
  - Regional Rural Banks (RRBs)
  - Small Finance Banks (SFBs)
  - Non-banking Financial Companies (NBFCs)
  - Small industrial Development Bank of India (SIDBI)
  - National Small Industries Corporation (NSIC)
  - North Eastern Development Finance Corporation Ltd. (NEDFi)

Small and micro enterprises owned and/or operated by women are eligible for a guarantee cover of 80% whereas all the credit / loans in the North East Region (NER) for credit facilities are eligible for a guarantee of Rs. 50 lakh. Retail trade, educational institutions, agriculture, training institutions, and Self-Help Groups



(SHGs) are not eligible for guarantee cover under CGTMSE. The CGTMSE loan limit depends on the applicant's profile and business requirements.

CGTMSE also provides rehabilitation assistance to the business units. If a business unit is in a bad condition due to factors that are beyond the control of the management, then CGTMSE covers the loan for rehabilitation extended by the lender within the credit cap of Rs. 1 Crore.

### **How to Get a Loan Under the CGTMSE Scheme?**

The objective of the CGTMSE is to enable the banks to look at small and micro businesses with objectivity and give more importance to the project viability and business model validation. To cover the loan under the CGTMSE scheme, the borrower has to pay an additional guarantee fee and service charge in addition to the interest charged by the bank. Current CGTMSE fee is payable at the rate of 1.5%. It is payable at 0.75% for North Eastern region including the state of Sikkim.

The procedure for getting a loan under CGTMSE is as follows:



#### **Step 1. Formation of the Business Entity**

Before even starting the procedure for loan approval under the CGTMSE, the borrower has to incorporate a private limited company, limited liability partnership, one person company, or a proprietorship according to the nature of the business and obtain necessary approvals and tax registrations for executing the project.



#### **Step 2. Business Plan:**

Borrowers need to conduct a market analysis and prepare a business plan containing relevant information, such as business model, promoter profile, projected financials, etc. The report is then presented to the credit facility and an application is filed for getting the loan under CGTMSE scheme. However, businesses should consider that such project reports be prepared by experienced professionals. This shall increase the chances of approval.



#### **Step 3. Sanction for Bank Loan**

The request for bank loan usually contains credit term and working capital facilities. After the application and business plan are under process, banks carefully analyses the viability of business model and process the loan application and accord sanction, as per the bank's policy.



#### Step 4. Obtaining the Guarantee Cover

After the loan is sanctioned the bank applies to CGTMSE authority and obtains the guarantee cover. If the loan is approved by CGTMSE, the borrower will have to pay the guarantee fee and service charges. The CGTMSE loan application form can be downloaded from its official website.

The extended list of MLIs under the CGTMSE scheme contains 141 banks including all the major rural, urban, public sector banks, and private sector banks of India. The list contains some of the larger banks, such as State Bank of India, United Bank of India, Punjab National Bank, etc.

#### **Documents required for Loan under CGTMSE**

- Documents Required for Loan under CGTMSE and its coverage
- CGTMSE loan application form
- Passport-sized photographs
- Business incorporation letter
- Company registration certificate
- Business Project Report
- CGTMSE Loan Coverage Letter
- Copy of loan approval from bank

#### **What is the CGTMSE Claim Settlement Procedure?**

After the disbursement of the final part of loan amount, there is a lock-in period of 18 months for preferred claim. The bank or lender shall prefer claim once the defaulted account has been notified as an NPA. The commencement of recovery proceedings after account is called an NPA, this procedure is known as CGTMSE claim settlement procedure.

#### **What is CGTMSE coverage?**

CGTMSE coverage includes below mentioned criteria:

a) The trust guarantees up to 75% of the defaulted principal amount (up to 85% of the defaulted principal amount for select category of borrowers). The cover comes with a maximum guarantee cap of Rs. 37.50 lakh for the credit facilities up to Rs. 50 lakh.

b) The term credit including interest on principal is covered for a period of one-quarter and / or outstanding capital advances including the interest, as on the date of the account becoming a Non Performing Asset (NPA) or as on the date of filing the suit (whichever is lower).

c) Other charges, such as penal interest, commitment charge, service charge or any other levy/ expenses do not qualify for the guarantee cover.

Below mentioned is the detailed information on the coverage under CGTMSE:

Category	Maximum extent of Guarantee where credit facility is		
	Upto ₹ 5 lakh	Above ₹ 5 lakh upto ₹ 50 lakh	Above ₹ 50 lakh upto ₹ 200 lakh
Micro Enterprises	85% of the amount in default subject to a maximum of ₹ 4.25 lakh	75% of the amount in default subject to a maximum of ₹ 37.50 lakh	
Women entrepreneurs/ Units located in North East Region (Incl. Sikkim) (other than credit facility upto ₹ 5 lakh to micro enterprises)	80% of the amount in default subject to a maximum of ₹ 40 lakh		75% of the amount in default subject to a maximum of ₹ 150 lakh
All other category of borrowers	75% of the amount in default subject to a maximum of ₹ 37.50 lakh		
<b>Activity</b>	<b>From ₹ 10 lakh upto ₹ 100 lakh</b>		
MSE Retail Trade	50% of the amount in default subject to a maximum of ₹ 50 lakh		



## FAQs on Business Loans

? What is CGTMSE Full form?

The full form of CGTMSE is Credit Guarantee Fund Trust for Micro and Small Enterprises that provides funding to financial institutions to further help SMEs and MSMEs in offering credit or loan products and services.

? What is the CGTMSE fee?

CGTMSE fee is mentioned below:

For Credit facility up to Rs.5 lakh: Fee is 0.50% of the guarantee amount

For Credit facility from Rs.5 lakh up to Rs. 1 crore: Fee is 0.75% of the guarantee amount

? What is the lock-in period in CGTMSE?

The lock-in period in CGTMSE is for 18 months.

? Which banks provide loans under CGTMSE?

Loans under CGTMSE are provided by banks offering funding assistance to any specific sector. These financial institutions include Regional Rural Banks, Small Finance Banks, NBFCs and by lending institutions, such as SIDBI, NSIC, NEDFi, etc.

? Which institutions are the eligible to lend under this scheme?

All scheduled MLIs, including PSUs, private and foreign banks in addition to selected regional and rural banks and any other bank directed by the Government of India can avail the guarantee cover under the scheme. However, Regional Rural Banks (RRBs) have different eligibility criteria. Regional rural banks that are classified by NABARD under the sustainable viable category and currently viable category with positive net worth are eligible for a guarantee cover under this scheme.

? Is Mudra loan covered under CGTMSE?

No, Mudra loan is not covered under CGTMSE.

? When can the eligible lending institutions apply for guarantee cover in respect of eligible credit facilities under the scheme?

Eligible lending institutions have to enter into a one-time agreement with CGTMSE for becoming MLIs of the trust. MLIs then can apply for a guarantee cover in respect of the eligible credit facility sanctioned to an eligible borrower. The MLIs can apply for a guarantee cover in respect of the credit proposals sanctioned in the quarter of April-June, July-September, October-December and January-March before the quarter ends.

? Can CGTMSE reappraise the sanctioned proposals for guarantee cover approved by the MLIs?

Every MLI is expected to support only viable projects. The CGTMSE has full trust in the diligence process of MLIs and does not reevaluate any sanctioned proposal. If any proposal satisfies the basic norms under the scheme then the cover will be extended to them.

? Are small road transporters and water transporters eligible for cover under the scheme?

Yes, they are. Small road and water transport loans that are approved by MLIs are eligible for cover under this scheme. All small business owners in this industry who are seeking a loan can ask the banks how to add the CGTMSE cover to their loan applications.

? Is it compulsory for the borrower to obtain IT-PAN to become an eligible borrower?

Yes, borrower is required to obtain IT-PAN before availing facility from the MLI. Also, under section 139A(5) and section 272C of the Income Tax Act, 1961, it is mandatory to show the PAN on all tax documents, including returns, challans, appeals, and other related documents. However, it is not compulsory to indicate the IT-PAN in all applications irrespective of the amount of loan required.

? Is it necessary for the borrower to obtain all the credit facilities from a single MLI?

Credit facilities can be extended through more than one MLI jointly and / or separately to any eligible borrower with a maximum cap of Rs. 100 lakh per borrower.

? Is co-financing with a commercial bank covered under the scheme?

Joint financing by a financing institution and a commercial bank can be covered under the scheme. For instance, an MSE unit can borrow through a term loan from a state financial institution and take working capital funding from a commercial bank.

? . Can term loan or working capital alone be extended by an eligible lender and still be covered under the guarantee scheme?

Any eligible lender can extend either term loan or working capital facility alone and still be eligible for the guarantee cover under the scheme.

? Is there any ceiling for the interest rate to be levied on the credit facility advanced to the borrower if the same is to be covered under the CGS?

In such cases, the lending institution has to follow RBI guidelines related to the levied interest on micro and small enterprises. However, the interest rate on CGTMSE loan cannot exceed more than 4% over and above the base rate of the lender. This interest is exclusive to the payable fee to the trust, which is separate from the bank or financial institution's lending rate.

? What if the annual guarantee rate changes after the commencement of guarantee?

Annual guarantee fee cannot be charged with retrospective effect. The guarantee fee is one-time charge and changes in the guarantee fee, if any, will only affect future proposals.

? Can annual guarantee fee be paid even after the lodgment of claim?

Annual guarantee fee can be paid even after the lodging of the claim but it has to be settled before the first installment of 75% of the guaranteed amount. However, one cannot lodge any claim before the expiry of initial lock-in period and after the expiry of tenure of guarantee cover.

? What are the Member Lending Institutions (MLIs) I can approach?

You can approach any MLI for your MSME loan and to get the CGTMSE guarantee.

## National Bank for Agriculture and Rural Development Bank

National Bank for Agriculture and Rural Development (NABARD) is a development financial institution in India that manages credit related concerns like planning, policy and operations for agriculture and rural undertakings. NABARD is a provider of funding for agriculture related activities for rural development. The institution's prime focus area is the growth and development of rural areas nationwide. NABARD works around three main areas that include finance, development and supervision of the agriculture sector.

Below mentioned are the interest rates charged by NABARD for refinance to banks and NBFCs under various schemes:

NABARD Scheme Interest Rate 2020 (per annum)	
Short Term refinance assistance	4.50% onwards
Long Term refinance assistance	8.50% onwards
Regional Rural Banks (RRBs)	8.35% onwards
State Cooperative Banks (StCBs)	8.35% onwards
State Cooperative Agriculture and Rural Development Banks (SCARDBs)	8.35% onwards

Note: The mentioned interest rates are subject to change and depend on the sole discretion of the NABARD authority and RBI. GST and service tax shall be levied extra on the mentioned charges.

NABARD Scheme is also responsible for the development of the cottage industries, rural and village projects, Small Scale Industries (SSIs), etc. Let's further discuss features and schemes offered by NABARD authority.

### Features of NABARD Scheme

- Providing support by refinancing or funding
- Building infrastructure in rural areas
- Preparing credit plans at district level

- Guiding banking sector in achieving their credit targets
- Supervising Regional Rural Banks (RRBs) and Cooperative Banks
- Designing new projects for rural development
- Implementing Government's development schemes
- Training handicraft artisans

## **Functions of NABARD**

### Loans and Funds under NABARD Scheme

#### Refinance – Short Term Loans

Short-term loans or crop loans are offered by various financial institutions to farmers for the purpose of crop production. By providing this loan, one can assure about the food security in the country. For seasonal agricultural operations, NABARD has sanctioned short-term credit loan of amount Rs. 55,000 cr to several financial institutions in the financial year of 2017-18.

#### Long Term Loans

Long-term loans are provided to financial institutions for various farm and non-farm related activities. The tenor of the long-term loan is from 18 months to maximum of 5 years. NABARD has refinanced around Rs. 65,240 cr for financial institutions in the FY 2017-18 that also include concessional refinance of Rs. 15,000 cr to Cooperative banks and Regional Rural Banks (RRBs).

#### Direct Lending to Cooperative Banks

NABARD has provided assistance to 58 Co-operative Commercial Banks (CCBs) and 4 State Cooperative Banks (StCBs) spread across 14 states with sanctioned amount of Rs 4,849 cr.

#### Credit Facility to Marketing Federations (CFF)

This federation promotes marketing of farm activities and agricultural produce; also it promotes and strengthens marketing federations and cooperatives. Amount disbursed, as on Mar 2018 was Rs. 25436 cr.

#### Credit to Producer Organizations & Primary Agriculture Credit Societies (PACS)

NABARD launched Producer Organizations Development Fund (PODF) to support and finance Producer Organizations (POs) and Primary Agriculture Credit Societies (PACS). These organizations are formed to operate as Multi Service Centres.

### NABARD Scheme for Farming Sector

NABARD also provides schemes related to the development of Farming Sector, such as

### Dairy Entrepreneurship Development Scheme

Under this scheme, entrepreneurs related to dairy market were provided assistance in setting up small dairy farms and other related components in the dairy sector.

Other objectives of the scheme include:

- Setting up of modern day farms for the production of farm milk
- Upgrading the technology to handle milk production on commercial scale
- Generating self-employment and improve infrastructure for unorganized sector
- Encouraging heifer calf rearing and conserving good breeding stock

Various other schemes that are offered by NABARD are as follows:

- Capital Investment Subsidy Scheme for Commercial Production Units for organic / biological Inputs
- Agri-clinic and Agribusiness Centres Scheme
- National Livestock Mission
- GSS – Ensuring End Use of Subsidy Released
- Interest Subvention Scheme
- New Agricultural Marketing Infrastructure
- Credit Linked Capital Subsidy Scheme (CLCSS) under NABARD

NABARD also provides an important off-farm scheme that is mentioned below:

Launched by Government of India in 2000, **Credit Linked Capital Subsidy Scheme (CLCSS)** was introduced for technology upgradation of Micro, Small and Medium Enterprise (MSMEs) to facilitate technology upgradation of Small Scale Industries (SSIs) units in the defined products or sub-sectors.

Note: Under 'Atmanirbhar Bharat Abhiyan' or 'Self-reliant India Scheme', NABARD extended additional emergency working capital or refinance support of Rs. 30,000 crore for Indian farmers. This funding will be over and above the Rs 90,000 crore to be provided by NABARD through the normal refinance route this financial year. Some of the key takeaways are mentioned below:

Rural Co-operative Banks and Regional Rural Banks shall be the main source for credit

- To benefit approximately 3 crore farmers across India
- To meet post harvest (Rabi) and current Kharif requirements in May/June



Hence, NABARD has contributed immensely in the agriculture and rural development through financial and non-financial support to increase prosperity and growth of agriculture and rural sectors.

## Credit Linked Capital Subsidy Scheme

The Ministry of Micro, Small and Medium Enterprises (M/o MSME) has launched a subsidy scheme which is named as Credit Linked Capital Subsidy Scheme (which is the CLCSS full form) for technology up-gradation of Micro and Small Enterprises (MSE's). The primary focus of this scheme is to provide growth and development of Small Scale Industries (SSI) in rural and urban areas.

Large percentage of SSI units still works with out-dated technology and plant and machinery. The Scheme aims at helping technology up-gradation by providing upfront capital subsidy to SSI units, including tiny units, khaadi units, village units and coir industrial units. The capital subsidy is provided to SSIs for the modernization of their production equipment (plant and machinery) and techniques.

### Eligibility Criteria for the CLCSS

- The subsidy rate has been advanced to 15% of the investment in eligible machinery (on institutional finance of up to Rs 1 crore, availed by them)
- The capital subsidy of 15% rate in eligible plant and machinery under the scheme shall be available only for projects, where term loans have been sanctioned by the eligible PLI
- The industries which are upgrading from small scale to medium scale on account of sanction of additional loan under CLCSS are eligible for assistance
- Eligibility for capital subsidy under the scheme is not linked to any refinance scheme for the nodal agencies
- Export oriented and labour intensive new sectors / activities will be considered under this scheme

1. Drugs and Pharmaceuticals	13. Mineral Water Bottle	25. Transformer/ Electrical Stampings/ Laminations /Coils/Chokes including Solenoid coils	37. Industry based on Medicinal and Aromatic plants
2. Glass and Ceramic items including tiles	14. Toys	26. Mineral Filled Sheathed Heating Elements	38. Glass and Ceramic Items, including tiles

3. Bio-tech Industry	15. Steel Furniture	27. Control; Analytical, Medical, Electronic Consumer & Communication equipment, etc.	39. Information Technology (Hardware)
4. Food Processing (including Ice Cream manufacturing)	16. Readymade Garments	28. Forging & Hand Tools xxvi) Foundries – Steel and Cast Iron	40. Plastic Moulded/ Extruded Products and Parts/ Components
5. Wooden Furniture	17. Wires & Cable Industry xxii) Auto Parts and Components	29. Combustion Devices/ Appliances	41. Non-Ferrous Foundry
6. Rubber Processing including Cycle/ Rickshaw Tyres	18. Steel Re-rolling and /or Pencil Ingot making Industries	30. Khadi and Village Industries	42. Sewing Machine Industry
7. Machine Tool	19. Agricultural Implements and Post-Harvest Equipment	31. Paints, Varnishes, Alkyds and Alkyd products	43. Locks
8. Cosmetics	20. Sport Goods	32. Electronic equipment via test, measuring and assembly/ manufacturing, Industrial process	44. Welding Electrodes
9. Fans & Motors Industry	21. Agricultural Implements and Post-Harvest Equipment	33. General Light Service (GLS) lamps	45. Dimensional Stone Industry (excluding Quarrying and Mining)
10. Dyes and Intermediates	22. Beneficiation of Graphite and Phosphate	34. Common Effluent Treatment Plant	46. Corrugated Boxes
11. Printing Industry	23. General Engineering Works - Gold Plating and Jewellery	35. Leather and Leather Products including Footwear and Garments	47. Coir and Coir Products
12. Zinc Sulphate	24. Poultry Hatchery & Cattle Feed Industry	36. Bicycle Parts	48. Industrial Gas

## Documents required for CLCSS Scheme

- Aadhar card / Voter ID / PAN card
- Address proof
- Business proof
- Recent photographs
- KYC documents

## How To Claim Subsidy Under CLCSS

To avail or claim a subsidy under CLCSS, you need to apply online via Primary Lending Institutions (PLIs) from where the Micro and Small Enterprises (MSEs) avail term loan.



## FAQs on Business Loans

? Is this scheme only for rural people?

This scheme is for technological advancement of small scale industries both in rural and urban areas.

? Who are the beneficiaries of this subsidy scheme?

The eligible beneficiaries for this scheme are Private and Public Limited Companies in the SSI sector, Co-operative societies, Partnerships, Proprietorships.

? What is the maximum subsidy offered under CLCSS?

The ceiling on the subsidy would be Rs. 15 lakh or 15% of the investment in eligible plant and machinery, whichever is lower.

? I'm currently availing State government provided technology up-gradation subsidy, can I apply for this?

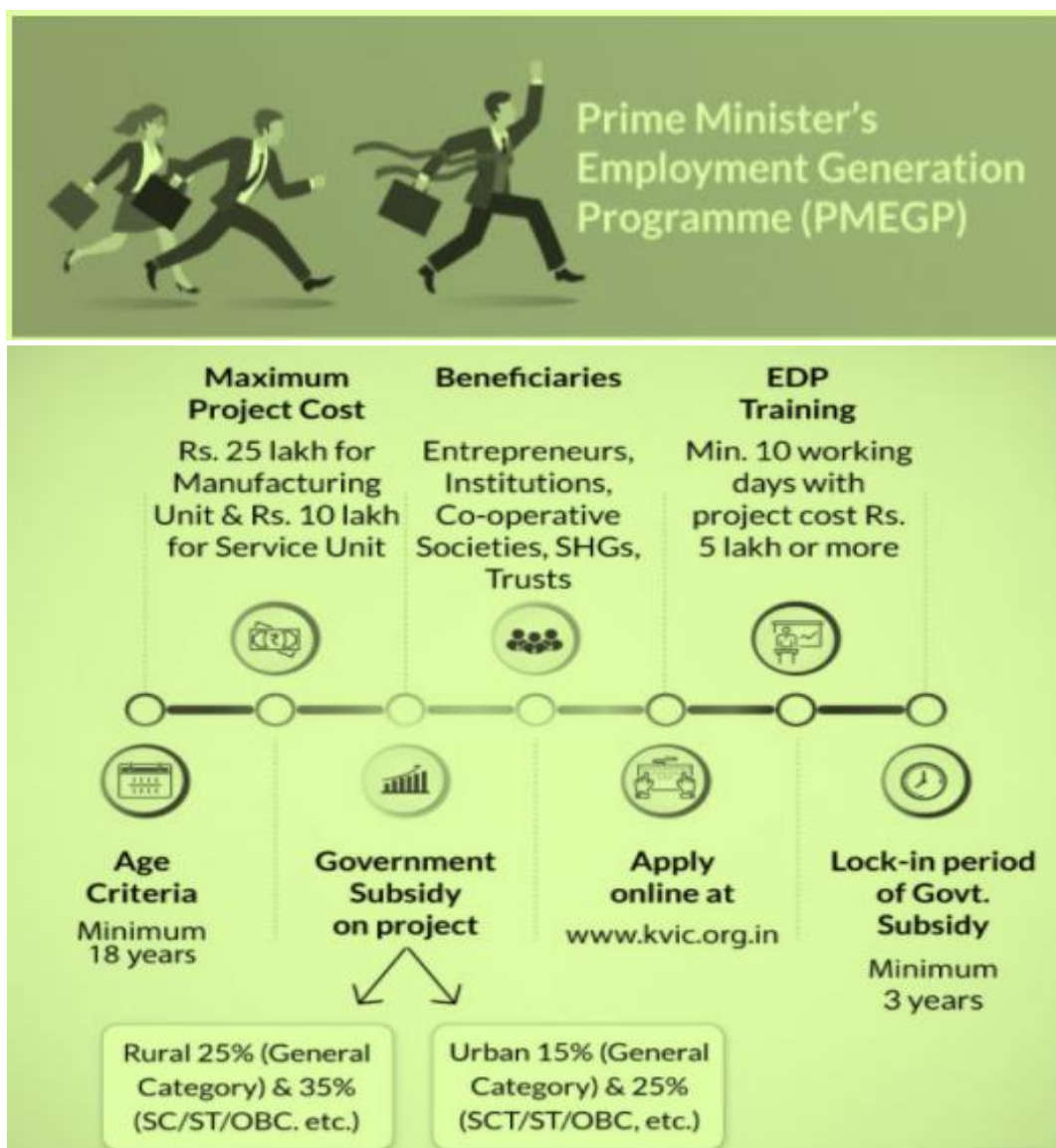
No, the Subsidy under CLCSS shall not avail any other subsidy for technology up-gradation from the Central/State/UT Government. Except Cases covered under National Equity Fund (NEF) Scheme and Units in North-Eastern region are eligible under CLCSS can also be covered under this scheme.

? I have wooden furniture business from last year which I want to expand, I already have can I apply under this scheme?

Ans. Yes, any beneficiary unit shall remain in commercial production for a period of at-least 3 years.

**Prime Minister's Employment Generation Programme**

The Prime Minister's Employment Generation Programme (PMEGP) is a credit linked subsidy programme initiated in 2008. It integrated two earlier schemes, viz. Prime Minister's Rojgar Yojana (PMRY) and the Rural Employment Generation Programme (REGP) that were working along similar lines to generate employment among the youth. Under this scheme, the beneficiary has to invest only 5-10% of the project cost while the government provides a Subsidy of 15-35% of the project cost based on different criteria. The participating banks provide the rest of the funds as term loans to the entrepreneur.



## Objectives

The PMEGP has a four-fold objectives:

- To create employment in rural, as well as urban areas in India by setting up new self-employment micro enterprises or projects.
- To provide a common ground for the widely dispersed traditional artisans and unemployed youth in both rural and urban areas to come together and create self-employment avenues.
- To take steps to prevent migration of rural people to cities to seek employment by giving them stable and sustainable employment. This is especially for traditional and prospective artisans and rural and urban unemployed youth who get traditional or seasonal employment and remain unemployed rest of the year.
- To increase the income earning capacity of artisans and focus on increasing the growth rate of rural and urban employment.

## Subsidy and Funding under PMEGP

Beneficiary Categories	Beneficiary's Share (of Total Project)	Subsidy Rate (from Govt.) – Urban	Subsidy Rate (from Govt.) – Rural
General	10%	15%	25%
Special	5%	25%	35%

The balance amount of the total project cost is provided by the banks as a term loan to the micro unit entrepreneur. This term loan is more commonly referred to as a PMEGP Loan.

### PMEGP Loan Interest rate

The interest rate and subsidy offered under the PMEGP scheme from various financial institutions shall vary from bank to bank and will depend upon applicant's profile, business stability and project cost.

Loans under PMEGP can be availed by various eligible nationalised banks such as SBI, Bank of Baroda, Canara, Bank of India and other private and public sector banks and NBFCs.

### Eligibility Criteria for loans under PMEGP

The PMEGP loan is given to individuals as well as other organisations that meet the specified criteria for such a term loan. The list of such eligible entities who can apply for loan under PEMGP is mentioned below:

- Individuals, who are above 18 years of age; the beneficiary individual must have studied and passed at least class 8 if they want to establish a

manufacturing unit costing over Rs. 10 lakh or a service unit costing over Rs. 5 lakh with the PMEGP loan.

- Self-help groups can also take the PMEGP loan provided they have not availed any other benefit under the scheme.
- Societies that are registered under Societies Registration Act, 1860
- Production Co-operative Societies
- Charitable Trusts

There are no income ceilings to avail this loan. The PMEGP loan is only given to new units and is not available for existing units established under PMRY, REGP or any other government scheme. Moreover, any unit that has availed a subsidy under any other scheme is not eligible for the PMEGP loan.

### **PMEGP Loan Bank List**

Below mentioned is the list of leading banks providing funding assistance under the PMEGP scheme

HDFC Bank Ltd.	Allahabad Bank
Axis Bank	Bank of Baroda
Indian Bank	Punjab National Bank
ICICI Bank Ltd.	State Bank of India
Canara Bank	Central Bank of India
IDFC First Bank	Bank of India
UCO Bank	Andhra Bank
Kotak Mahindra Bank	Union Bank of India

Loans under the PMEGP scheme are also provided by several financial institutions formed under various banking and non-banking categories, such as Private and Public sector banks, Regional Rural Banks (RRBs), Co-operative Banks, Small Finance Banks, Non-Banking Financial Companies (NBFCs), Foreign Banks and Scheduled Urban Banks.

### **Documents required for PMEGP Loan**

The following documents are required when applying for a PMEGP loan application

- Project report
- PAN card
- Aadhaar card
- VIII Pass certificate
- Identity & Address Proof
- Special category certificate, if required
- Certificate of Entrepreneur Development Programme (EDP) training

- ☛ Certificate for SC/ST/OBC/Minority/Ex-Servicemen/PHC
- ☛ Certificate of academic and technical

PMEGP e-portal provides access to the applicants to apply for the PMEGP registration online by filling and submitting the application form online at <https://www.kviconline.gov.in/pmegp.jsp>

PMEGP loan helpline number is 1800 3000 0034 and to get state-wise contact number, applicants can visit the official website by clicking here. <https://www.kviconline.gov.in/pmegpeportal/pmegphome/index.jsp>

Further, let's discuss regarding PMEGP online application process from which various people may be benefited.






### **How to apply online for PMEGP Loan**

Below mentioned are the steps to apply for PMEGP Online for an individual:

- ☛ Step 1: Visit the official website of PMEGP (Khadi and Village Industries Commission website) to fill the form online or click here: <https://www.kviconline.gov.in/pmegpeportal/jsp/pmegponline.jsp>
- ☛ Step 2: Fill in all the required details, as per your information in pmegp online application form
- ☛ Step 3: After filling all the required details, click on 'Save Applicant Data' to save the filled details
- ☛ Step 4: After you have saved your data you need to upload all the documents for final submission of application form
- ☛ Step 5: Once the application is complete and submitted, applicant's ID number and password will be sent to his/her registered mobile number.



## Steps to apply for PEMPG Loan (Offline)

-  Step 1: Fill in the required information in the application form.
-  Step 2: After filling all the information, save the application as draft.
-  Step 3: Take a printout of the application form.
-  Step 4: Submit the printout of the application form to the nearest office.
-  Step 5: Finish all the related formalities performed by the respective bank.

Below mentioned are the fields to be correctly filled in the application form:

- Firstly, mention your Aadhaar Card number
- Enter your full name as per the Aadhaar Card and validate it by clicking on the below tab
- Mention the sponsoring agency, whether it is KVIC, KVIB, DIC or COIR Board
- Next you can select the state and district from where you belong or have valid documents
- Sponsoring office and Gender comes next to be filled
- Fill in the date of birth along with age
- Post this you need to fill in the social category that include General, OBC, SC, ST and social category, such as ex-service man, physically challenged, hill border region or north east region
- Enter qualification as per your knowledge
- Mention complete address with pin code, additionally provide your mobile number, email and PAN number
- Unit of location is important, whether it is rural or urban
- Select the industry sectors being manufacturing, service and trading
- EDP training undergone
- Select either yes or no
- Project cost needs to be filled in
- Most important of all is your selection of 1st Financing Bank with IFS code, branches, address and district
- Alternate Financing Bank name is also required with its IFS code

## Steps to Check PMEGP loan application status Through PMEGP tracking System



Step 1: Visit the official website of PMEGP or click on this link: [kviconline.gov.in/pmegp/](http://kviconline.gov.in/pmegp/)



Step 2: Click on 'Login Form for Registered Applicant' to open a new page where you can see login and password fields



Step 3: Enter your ID and Password and click on Login



Step 4: Finally to check the status of your PMEGP loan application, you need to click on 'View Status'

### PMEGP Loan Details

The below sections look at different aspects of the PMEGP Loan, from percentage share of each party in the allocation of funds to interest rate and tenure.

PMEGP Loan Allocation: Here is a look at the breakup of the money that is given under a PMEGP Loan

- Once the application is approved, the bank allocates 95% of the project cost (for weaker sections of society) or 90% (for general applicants).
- Of this, 15-35% is the margin money or subsidy that is provided by the government. The amount of margin money that will be taken by banks will be proportional to the actual capital expenditure availed by the applicant. The rest of the margin money that is proportional to the amount not availed will be returned to the Khadi and Village Industries Commission (KVIC).
- The rest of the funds (i.e. 90/95% of funds allocated less 15-35% subsidy) is provided by the bank as a term loan or PMEGP loan.

### Rate of Interest:

The rate of interest on the PMEGP loan will be at a normal rate as applicable to the MSE sector

### Tenure of the PMEGP Loan:

After an initial moratorium (that usually does not exceed 6 months), the bank may provide a repayment schedule of 3 years for the borrowers to pay back the PMEGP loan

**Margin Money / Subsidy:**

The margin money is kept in a separate savings account that is linked to the loan account, and locked in for a period of 3 years, after which it is adjusted with the PMEGP loan or released

**Working Capital Requirements:**

The PMEGP loan requires that the working capital expenditure be equal to the cash credit limit at least once in the three years after the margin money is locked in. Moreover, it should not be less than 75% utilisation of the sanctioned limit.

**Indicative Sectors for Which Business Loan under PMEGP Scheme is Given:**

The PMEGP loan is given for enterprises in the following sectors:

- Agro-based Food Processing
- Forest-based Products
- Hand Made Paper and Fibre
- Mineral-based Products
- Polymer and Chemical-based Products
- Rural Engineering and Bio-Tech
- Service and Textile

**Financial Assistance under PMEGP**

The scheme offers financial assistance to people based on different criteria. However, since the scheme covers micro, small and medium-sized enterprises (MSMEs), there are certain specifications on the amount of projects that qualify and the size of the loan that is offered.

The amount of contribution required from the borrower is 10% for the General category and 5% for the Special categories, such as SC/ST/OBC, minorities, women, ex-defence employees, physically challenged persons, and people from the North East region, hills and border areas, among others.

The rate of subsidy will be 15% for the General category in urban areas and 25% in rural regions. For the Special categories of people, the subsidy from the government will be 25% for urban areas and 35% for rural locations.



## FAQs on Business Loans

### ? What is PMEGP Full Form ?

PMEGP stands for Prime Ministers Employment Generation Programme (PMEGP).

### ? What is the maximum project cost allowed under PMEGP?

The maximum loan limit for a project is Rs. 25 lakh for manufacturing unit and Rs. 10 lakh for service unit.

### ? Is collateral required for a loan under PMEGP?

There is no collateral required for projects costing up to Rs. 10 lakh under the PMEGP scheme. The CGTMSE provides a collateral guarantee for the project beyond Rs. 5 lakh and upto Rs. 25 lakh under the PMEGP scheme.

### ? What is the Age limit to apply for a loan under PMEGP?

The minimum age to apply for a loan under PMEGP is 18 years and above.

### ? Which business comes under PMEGP?

To check the extensive list of businesses that come under PMEGP, you can visit the below link for information:

<https://www.kviconline.gov.in/pmegp/pmegpweb/docs/jsp/newprojectReports.jsp>

### ? What is a PMEGP subsidy?

Prime Minister Employment Generation Programme (PMEGP) Subsidy is a credit-linked subsidy provided by the Government of India in which the beneficiary can get a subsidy of 15%-35% on the total project cost. This subsidy can be majorly availed by individuals and MSMEs across the country.

### ? What is the maximum project cost allowed under PMEGP?

The maximum project cost allowed under PMEGP scheme is up to Rs. 25 lakh for enterprises engaged in manufacturing sectors.

### ? How much Margin Money (Govt. Subsidy) admissible?

The margin money is the same as the Govt. Subsidy that ranges from 15%-35% of the total project cost.

### ? Who are the beneficiaries under the PMEGP scheme?

The below mentioned are the beneficiaries under PMEGP scheme:

Individuals who are above 18 years of age

Self-help Groups (SHGs)

## Charitable Trusts

Societies registered under Societies Registration Act, 1860

Production Co-operative Societies

### ? Who can apply for a PMEGP loan?

Applicants who are minimum 18 years of age and have passed VIII standard can apply for loan under PMEGP scheme. Additional entities that can apply for loan under PMEGP include Self-help Groups, Charitable Trusts, Societies registered under Societies Registration Act, 1860 and Production Co-operative Societies.

### ? Can I get a PMEGP loan for a fast food restaurant?

Yes, you can avail loan under PMEGP scheme to start a fast food restaurant. If eligible you can also avail PMEGP subsidy of 90% on total project cost offered by Government of India. The PMEGP subsidy shall range from 15%-35%, depending upon the loan amount.

### ? Are there any age restrictions on taking a PMEGP loan?

The Prime Minister's Employment Generation Programme (PMEGP) mandates that applicants be at least 18 years of age. There are no upper age limits, though banks may use their own criteria to prescribe an upper age limit.

### ? Are there any education restrictions on taking a PMEGP loan?

The beneficiary must have studied and passed class 8, if they want to establish a manufacturing unit costing over Rs. 10 lakh or a service unit costing over Rs. 5 lakh with a PMEGP loan. This implies that in case the cost of the manufacturing unit is less than Rs. 10 lakh or that of the service unit is less than Rs. 5 lakh.

### ? Can a person living in an urban area take a PMEGP loan?

Yes, he or she can. The PMEGP loan scheme is available to all eligible applicants, no matter where they stay. There are certain restrictions, however, on how much subsidy one can get. For instance, the subsidy for the general category is 15% in urban areas, while it is 25% in rural. For the weaker sections of society, it is 25% in urban areas and 35% in rural.

### ? What is margin money under a PMEGP loan? How does it benefit me?

Margin money refers to the subsidy you get from the Khadi and Village Industries Commission (KVIC). It is the amount that the government contributes to your business under the PMEGP loan. This margin money is given to the bank and is subject to a lock-in period of 3 years.

### ? Will the bank give me the margin money?

Yes, the bank gives you the margin money after the lock-in period, provided you have used your funds, as per the guidelines provided by the bank.

? Are there any guidelines on fund utilisation?

The PMEGP loan requires that the working capital expenditure be equal to the cash credit limit at least once in the 3 years after the margin money is locked in. Moreover, it should not be less than 75% utilisation of the sanctioned limit.

? What is the PMEGP project report cost?

The project cost is the break-up of the capital expenditure and the working capital requirements for one cycle. It also includes the cost of leasing or renting any work shed or workshop, provided the total of such rent / lease is not for more than 3 years. 10% of the project cost should comprise of the applicant's own contribution for the general category and 5% of the project cost should be one's own contribution for the special category. The cost of land cannot be included in the project cost.

? I do not have any working capital expenses. Will I be able to get a PMEGP loan?

Yes, you can. You need an approval of the breakup without working capital from the regional office or controller of the bank branch.

Small Industries and Development Bank of India (which is the SIDBI full form) mainly focuses on the financing, promotion and development of the Micro, Small and Medium Enterprises (MSMEs). Established in 1990, SIDBI's primary objective is to strengthen the MSME sector by facilitating cash flow. The bank assists MSMEs to get funds for the development, commercialization and marketing of their innovative technologies and products. SIDBI offers customized financial products under several loan schemes and provides services to meet the demands of various business projects.



### **SIDBI's Objectives**

SIDBI majorly follows 4 major objectives which are Development, Promotion, Coordination and Financing. Some of its key functions include:

- SIDBI offers financial support to MSMEs, Small Scale Industries (SSIs), and other service sectors
- It provides funding via banks, NBFCs, SFCs and other financial institutions
- SIDBI aims to create equilibrium in the financial sector by strengthening credit flows and promoting skill development

### **Loan products offered by SIDBI**

SIDBI covers mainly 6 products under Direct Loans that are discussed below:

- SIDBI Make in India Soft Loan Fund for Micro Small and Medium Enterprises (SMILE)
- Smile Equipment Finance (SEF)
- Loans under Partnership with OEM
- Working Capital (Cash Credit)
- SIDBI Trader Finance Scheme (STFS)

- Loan for Purchase of Equipment for Enterprise's Development (SPEED)

Let's further have some basic understanding of these products:

**SIDBI Make in India Soft Loan Fund for MSME (SMILE):** SMILE focuses on covering the financial requirements for new enterprises which are in the manufacturing or in the services sector. The loan amount offered under this scheme is minimum Rs. 10 lakh for equipment finance and Rs. 25 lakh for other purposes. Repayment tenure is maximum of 10 years, including moratorium period of up to 36 months

**SMILE Equipment Finance (SEF):** SEF has a simplified application format with competitive interest rate. MSME entities that want to purchase any new equipment or need financing for the same are covered under this loan scheme. Repayment period is of 72 months and the loan amount starts from Rs. 10 lakh

**Loans under Partnership with OEM (Original Equipment Manufacturer):** This loan scheme is helpful for MSMEs that can purchase machines from OEMs. Minimum 3 years of business existence is required and the repayment period is of 60 months. Loan amount offered is maximum up to Rs. 1 crore

**Working Capital (Cash Credit):** Working Capital is available for MSME units. Working Capital offers seamless approvals, as per the loan applicant's requirement

**SIDBI Trader Finance Scheme (STFS):** STFS loan scheme is for MSME Retails/Wholesalers who are in existence for at least 3 years with a satisfactory financial position. The minimum loan amount offered is Rs. 10 lakh and maximum up to Rs. 1 crore. However, the repayment period shall depend on the cash flow and size of business. However, the repayment tenure is maximum up to 60 months

**Loan for Purchase of Equipment for Enterprise's Development (SPEED):** Under this loan scheme, SIDBI offers 100% financing with loan amount up to Rs. 1 crore for New to Bank and Rs. 2 crore for existing customers. Minimum 3 years of operations are required to get this loan wherein the repayment



Loan Scheme	Eligibility Criteria	Repayment Tenure	Loan Amount	Features
SIDBI Make in India Soft Loan Fund for MSME (SMILE)	New Enterprises in the manufacturing as well as service sector and existing enterprises who want to expand their operations can apply for SMILE	Up to 10 years	Starts from Rs.10 lakh up to Rs.25 lakh	SMILE offers affordable interest rate with a longer repayment period
Small Equipment Finance (SEF)	MSME entities who have had three years of existence in financial sector can apply for SEF	Up to 72 months	Minimum loan amount is Rs.10 lakh and the maximum loan amount depends on the financial profile of the applicant	The loan scheme provides simplified application format which is easier for the applicants and the rate of interest is affordable and competitive
Loans under partnership with OEM (Original Equipment Manufacturer)	MSME entities who are in the financial sector for at least 3 years can apply for this loan scheme	Up to 60 months	Minimum loan amount is Rs.1 crore. One can apply for higher loan amount as well as per the bank's guidelines	The loan scheme works as a one stop solution for the MSMEs where they can purchase machines
Working Capital (Cash Credit)	Existing customers under SIDBI or other banks can apply for Working Capital	Tenure depends as per the bank guidelines	Depends on the loan applicant's financial profile	Working Capital gives the option of choosing the banking facilities from at least 2-3 banks
SIDBI Trader Finance Scheme (STFS)	Retailers and Wholesalers in distribution, retailing, malls, and super markets with a financial profile for three years can apply for this scheme	The tenure depends on the loan amount and the maximum repayment tenure is up to 60 months	The minimum loan amount starts from Rs.10 lakh up to Rs.1 crore	The rate of interest is competitive along with flexible repayment options
Funds of Funds for start-ups	Start-ups who require funds for operational or day to day purpose, can apply for this scheme	As per the loan amount and financial profile of the loan applicant	As per the loan amount and financial profile of the loan applicant	This loan scheme was launched with the idea of supporting Alternative Investment Funds which can help in the contribution of SIDBI

Aspire Fund	Enterprises who are enlisted with SIDBI that can support the AIF's for the contribution to SIDBI can apply for this scheme	Up to 6 years	As per the loan amount and financial profile of the loan applicant	Aspire fund helps in contributing to the early stages of a start-up in the form of manufacturing, service delivery etc
India Aspiration Fund	Varies from applicant to applicant	As per the loan amount and financial profile of the loan applicant	The loan amount depends on number of factors as the complete fund size of India Aspiration goes up to Rs.2000 crore	India Aspiration Fund focuses on promoting equity and equity linked investments in the MSME sectors
Assistance to NBFCs	The company should be registered with RBI and should be in business for 5 years	The loan repayment period starts from 2 to 5 and half years	The loan amount depends on the need based assistance of the companies	NBFCs and the loan companies that are registered with the RBI help in promoting the financial assistance to the MSME sector
Refinance Scheme	The entity should be in business operations for at least 3 years with earned profit of 2 years. The entity should also have strong profit or loss balance sheet for the last 3 years	Up to 5 years.	As per the loan amount and financial profile of the loan applicant	This loan scheme helps in supporting the micro and the small enterprises by providing smooth flow of cash credit to the MSME Sector
Assistance to Small Finance Banks (SFBs)	The entity should have a license sanctioned by the RBI to carry out small business operations. The entity should also have profits earned for the last 2-3 years	As per the financial institution's guidelines	As per the loan amount and financial profile of the loan applicant	Assistance to Small Finance Banks helps in strengthening the small finance banks by providing the financial support

Note: The mentioned interest rates, eligibility criteria, fees & charges are subject to change and depend on the sole discretion of SIDBI, RBI and Govt. of India. GST and service tax shall be levied extra on the applicable fee & charges on each loan from SIDBI.

### **Additional Loan Products from SIDBI**

#### **SIDBI's Venture Capital**

This loan scheme covers some major initiatives which take care of start-up funding. This includes Start-ups Life cycle along with SIDBI's interventions, Funds of Funds for Start-ups, Aspire Fund and India Aspiration Fund.

#### **Start-ups Lifecycle along with SIDBI's interventions:**

There are new start-ups and ventures in the field of business that require the right funding from time to time. This initiative helps in providing the funds with the help of banks, NBFCs and SFBs

#### **Funds of Funds for Start-ups:**

The Government of India started with this initiative to support various Alternate Investment Funds (AIFs) with the idea that it will bring some contribution to the start-up businesses. It aims to support the growth and development of the enterprises which are innovation driven

#### **Aspire Fund:**

Aspire fund focuses on providing financial backing to start-ups who are in the initial stages of setting up manufacturing and services

India Aspiration Fund: With the support of RBI, India Aspiration Fund was set up in order to promote equity and equity based investments in start-ups and the MSME sector

#### **SIDBI's Indirect Finance**

Under Indirect Finance, there are schemes where financial assistance is provided to banks, NBFCs and SFBs.

Assistance through Banks, NBFCs, and SFBs: Indirect Finance is provided to Banks, NBFCs, SFBs and MSMEs

Assistance to NBFCs: NBFCs which include the loan companies as well that are registered with RBI help in providing financial assistance to enterprises in the MSME sector

Refinance Schemes: Assistance is provided to banks that are financially stable through the refinance schemes

Assistance to Small Finance Banks (SFBs): In order to strengthen the SFBs equity and resource base, this scheme was introduced. This scheme focuses on providing refinance support to SFBs

## SIDBI's Micro-Lending

There are 3 main schemes under Micro Lending namely Micro Lending Development Department, Responsible Finance Initiatives and Beyond Microfinance

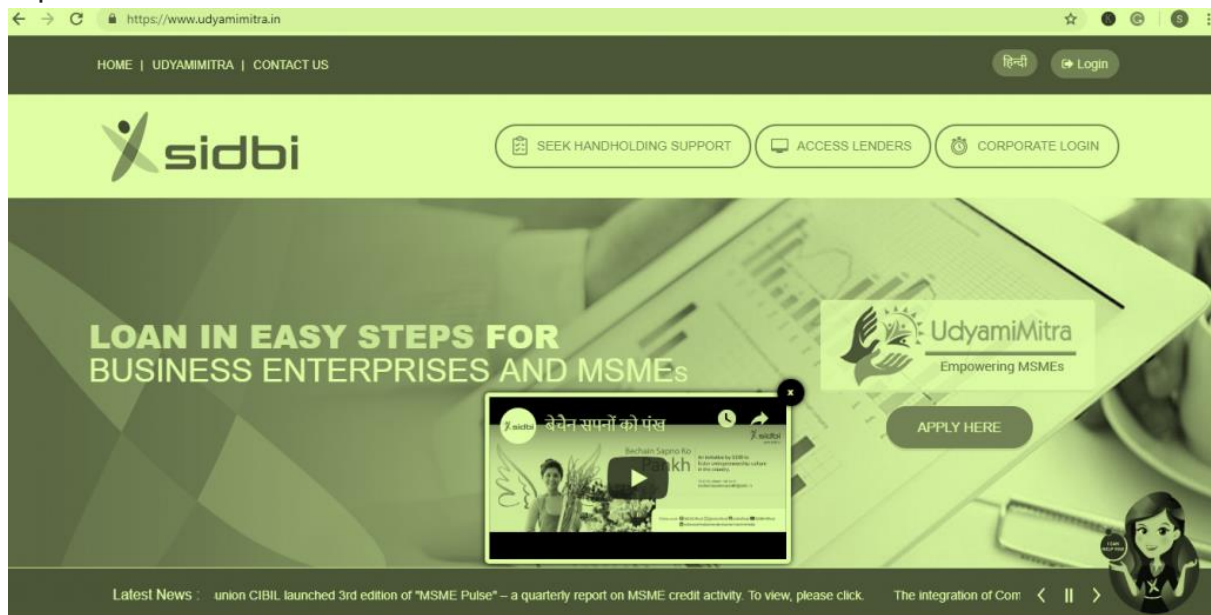
- Micro-Lending Development: The mission of Micro-Lending Development is to create an institution and provide micro financial services to the people who are economically weak, including women
- Responsible Finance Initiatives: In the light to promote cooperation and the right lending practices in the financial sector, this loan scheme comes as a big support to the banks and other financial institutions in the country
- Beyond Microfinance: This loan scheme helps the entrepreneurs to graduate from micro finance to a higher ticket size at an affordable rate.

## Steps to apply for loan from SIDBI

The application process of SIDBI is divided into a few steps that are mentioned in detail. Here is how you can apply for loan from SIDBI –

### STEP 1:

Visit [www.udyamimitra.in](http://www.udyamimitra.in). Here all the government based loan schemes are explained in detail.

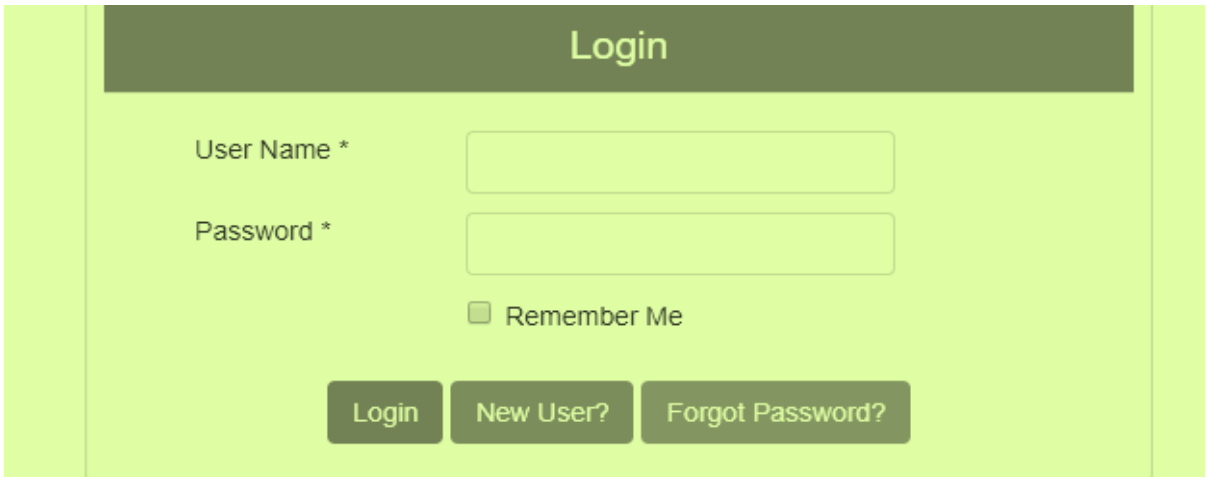


### STEP 2:

Go to the Login section and select the tab of 'Applicant' under that.


**Step 3:**

Under the Applicant tab, click on 'New User'



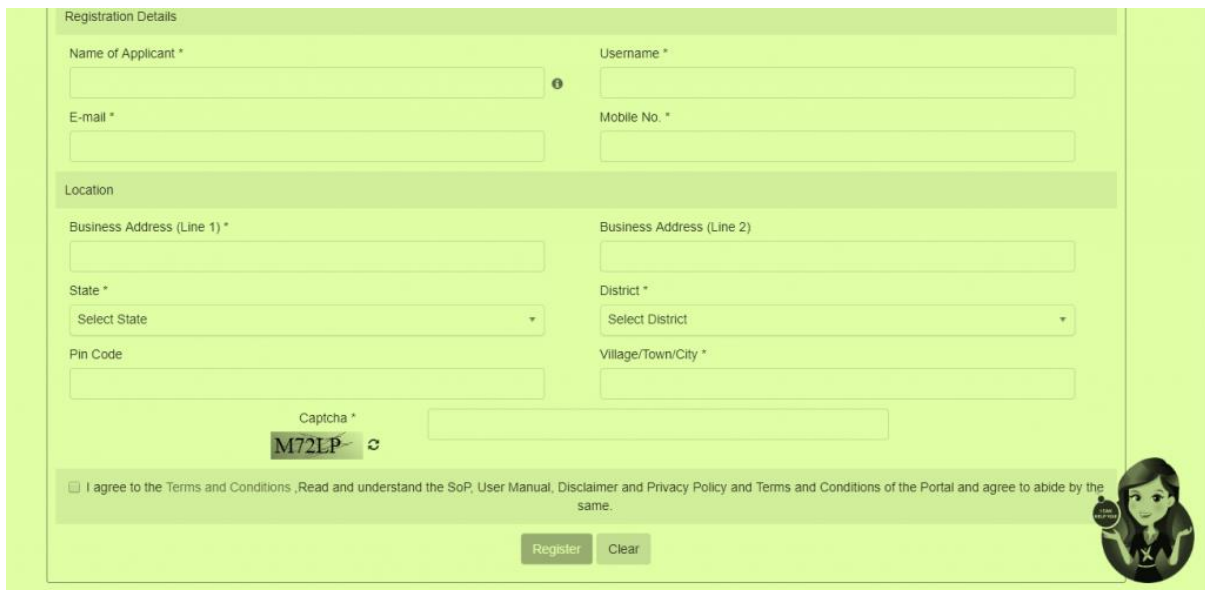
**Step 4:**

After clicking on New User, the first two options will appear asking for the expected loan amount and the scheme you wish to apply under. There is also an option of 'Assess your scheme suitability' so one can check the loan schemes under which they are eligible for



### Step 5:

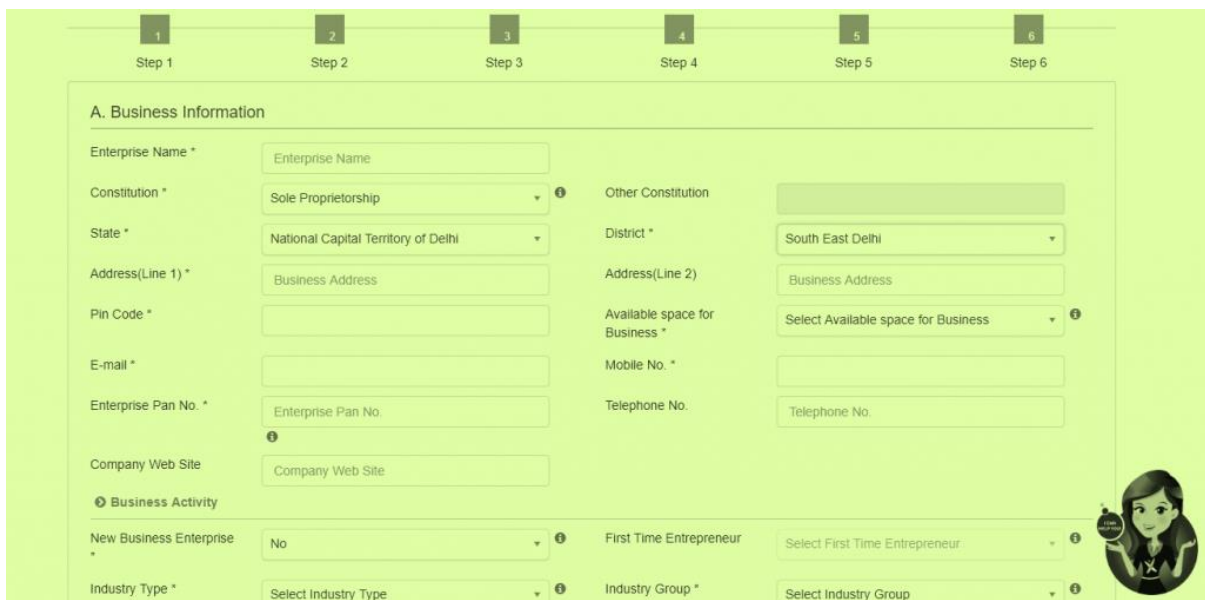
After filling the two fields, the loan application form will expand asking for some mandatory information including personal and business related details.



The screenshot shows a registration form titled "Registration Details". It includes fields for "Name of Applicant", "E-mail", "Username", and "Mobile No.". Below these is a "Location" section with fields for "Business Address (Line 1)", "Business Address (Line 2)", "State", "District", "Pin Code", and "Village/Town/City". A "Captcha" field displays "M72LP". At the bottom, there is a checkbox for "I agree to the Terms and Conditions, Read and understand the SoP, User Manual, Disclaimer and Privacy Policy and Terms and Conditions of the Portal and agree to abide by the same." and "Register" and "Clear" buttons. A cartoon character is visible in the bottom right corner.

### Step 6:

After filling the application, click on Register. An account activation mail will be sent to your email containing the username and password. Login the portal with new credentials and a new form will appear asking information about your business activities.



The screenshot shows a multi-step form titled "Business Information". At the top, there is a progress bar with steps 1 through 6. The form includes fields for "Enterprise Name", "Constitution" (set to "Sole Proprietorship"), "State" (set to "National Capital Territory of Delhi"), "Address(Line 1)", "Pin Code", "E-mail", "Enterprise Pan No.", "Company Web Site", "Available space for Business", "Mobile No.", "Telephone No.", "New Business Enterprise" (set to "No"), "First Time Entrepreneur" (set to "Select First Time Entrepreneur"), "Industry Type", and "Industry Group". A cartoon character is visible in the bottom right corner.

Once all the details have been filled, you can validate the page and apply for the loan scheme which is applicable according to your financial profile.

### **SIDBI Headquarters**

SIDBI Tower, 15, Ashok Marg, Lucknow – 226001, Uttar Pradesh

Phone Number: 0522-2288546 ,0522-2288547, 0522-2288548, 0522-2288549 ,  
0522-4259700

Fax Number: 0522-2288459

### **SIDBI Mumbai Office**

SIDBI,

Swavalamban Bhavan,

C-11, G-Block, Bandra-Kurla Complex, Bandra East,

Mumbai 400051

Phone Number: 022-67531100

Fax Number: 022-67221528

### **SIDBI New Delhi Office**

SIDBI

Atma Ram House, 1 Tolstoy Marg, New Delhi- 110001

Phone Number: 011- 23448300

Fax Number: 23682462



### **FAQs on Business Loans**

#### **? What is SIDBI loan?**

Small Industries Development Bank of India (SIDBI) helps in the promotion, development and finance of MSME sector in India. SIDBI loan provides financial assistance to MSMEs through their various loan schemes.

#### **? Is SIDBI a Nationalized bank?**

No, SIDBI is not a nationalized bank however it termed as development bank being a wholly-owned subsidiary of IDBI (Industrial Development Bank of India).

#### **? What is the maximum loan amount offered under SIDBI loan?**

The maximum loan offered under SIDBI loan is up to Rs. 2 crore.

#### **? What is the maximum repayment tenure of SIDBI loan?**

The maximum repayment tenure of SIDBI loan goes up to 10 years.

#### **? Who owns SIDBI?**

SIDBI was previously owned by IDBI (Industrial Development Bank of India) but now it's a completely independent body.

? What is the purpose of SIDBI?

The primary purpose of SIDBI is to administer Small Industries Development Fund and National Equity Fund which were previously administered by IDBI.

Numerous new business schemes have been introduced in the past few years. One of the key focuses was to maintain an economic balance between the financial lenders and the customers. With SIDBI, one can easily understand the different schemes that it offers and apply instantly. SIDBI remains a one-stop platform for all the financial business solutions that you might be looking for.



**Khadi and Village Industries Commission**

Khadi and Village Industries Commission (KVIC) plans, promotes, organizes and implements programs for the development of Khadi and other village industries in rural areas nationwide. KVIC also helps in building up reserve of raw materials for supply to producers. The commission focuses in creation of common service facilities for processing of raw materials, such as semi-finished goods. KVIC has also helped in creation of employment in Khadi industry.

**Functions of KVIC:**

- Building up of a reserve of raw materials and implementation for supply to producers
- Formation of common service facilities for processing of raw materials that include semi-finished goods
- Promoting the sale and marketing of Khadi and Village Industries products, as well as handicrafts
- Promoting research in the village industries sector related production techniques and equipment
- Providing financial assistance to individuals and institutions for the development and operation of Khadi and Village industries

**Objectives of KVIC:**

- a. To promote Khadi in rural areas
- b. To provide employment
- c. To produce saleable articles
- d. To create self-reliance amongst the poor
- e. To build up strong rural community

### **Features of KVIC:**

Interest Rate: Depends on applicant's profile and business requirements

Loans offered are directed and governed by PMEGP under which is below mentioned criteria for specific MSMEs:

- ° Loan Amount for Manufacturing Sector: Maximum Rs. 25 lakh
- ° Loan Amount for Business and Service Sector: Maximum Rs. 10 lakh

### **Funding Pattern under PMEGP Scheme**

- Repayment Tenure: From 3 years – 7 years, including 6 months of moratorium period
- Income Capping: No criteria
- Margin: Lock-in for 3 years in separate account later adjusted with KVIC loan

### **Eligibility Criteria for Khadi and Village Industries Commission (KVIC)**



KVIC loan can be availed by the following entities:



Individuals of minimum 18 years of age with 8th class pass certificate



Self Help Groups



Registered and Co-operative Societies



Charitable Trusts

### **Schemes under Khadi and Village Industries Commission (KVIC)**

#### **Prime Minister's Employment Generation Programme (PMEGP)**

Prime Minister's Employment Generation Programme (PMEGP) was launched in 2008 to replace The Rural Employment Generation Programme (REGP) scheme. Ministry of MSME launched PMEGP which is a credit linked subsidy program. The prime reason for launching this scheme is to create employment in rural and urban areas across the nation.

Under PMEGP, the beneficiaries are required to invest their own contribution of certain percentage of the project cost to avail subsidy. Mentioned below is a tabular representation of the amount required to be deposited by the beneficiaries:

## Levels of Funding under PMEGP

Categories of beneficiaries under PMEGP	Beneficiary's contribution (of project cost)	Rate of Subsidy (of project cost)
Area (location of project/unit)		Urban/Rural
General Category	10%	15%/25%
Special (including SC / ST / OBC / Minorities/Women, Ex-servicemen, Physically handicapped, NER, Hill and Border areas etc.	5%	25%/35%

Note: The maximum cost of the project/unit admissible under manufacturing sector is Rs. 25 lakh.

The maximum cost of the project/unit admissible under business/service sector is Rs. 10 lakh. The balance amount of the total project cost will be provided by Banks as term loan

### **Scheme of Fund for Regeneration of Traditional Industries (SFURTI)**

Launched in 2005, SFURTI is a Scheme of Fund for Regeneration of Traditional Industries Ministry of MSME. The primary objective of SFURTI is to organize the traditional artisans and industries into groups to make them competitive and provide them with long-term sustainability. The financial support provided under SFURTI for any specific project shall be subject to maximum of Rs 8 crore. Institutions of the Central and State Governments and semi-Government institutions, Non-Government organizations (NGOs), Panchayati Raj institutions (PRIs), etc. can apply for this scheme.

### **Interest Subsidy Eligibility Certificate (ISEC)**

The Interest Subsidy Eligibility Certificate (ISEC) Scheme is the major funding source for the Khadi programme. This scheme is applicable for all registered institutions of KVIC. This scheme was introduced to mobilize funds from banking institutions to bridge the gap in the actual fund requirement and its availability from budgetary sources. Under this scheme, funding is provided at a concessional rate of interest of 4% per annum for working capital purposes as per the requirements.

### **Market Promotion Development Assistance (MPDA)**

Market Promotion Development Assistance (MPDA): This scheme is launched to provide services like market promotion and development assistance for Khadi industries. The aim of this scheme is to ensure increased earnings for artisans.

Under the former MDA scheme, financial assistance was distributed amongst Artisans (25%), selling institutions (45%) and producing Institutions (30%). It goes 20% for selling institutions and 40% for both artisans and producing institutions.

### **Khadi Reform and Development Programme (KRDP)**

Khadi Reform and Development Programme (KRDP) is formed for employment generation, enhancing the earning of artisans and ensuring the positioning of Khadi considering the present needs of Khadi industry. The main focus of this scheme is on Repositioning of Khadi and linking to market requirements, providing selective subsidy and enhanced remuneration.

### **Beekeeping – The Honey Mission**

Honey Mission aims to improve the livelihoods of the rural communities. It works around five dynamics that include:

- It's an income generating activity
- Medicinal and food value of honey
- Supports agricultural activities
- Contributes to forests conservation efforts
- Facilitates healthy linkages between biodiversity towards sustainable livelihoods

### **Market Development Assistance (MDA)**

MDA scheme is promotion assistance for development of Khadi which is paid at 20% on production. Approximately 25% of MDA is paid to the institution from which 25% is given to artisans as incentive and 30% is offered to institution for production and 45% for marketing purposes. Under MDA scheme, financial assistance of 25% is reserved for payment among weavers and spinners as an additional incentive through their post/bank office account.

KVIC also implements various other promotional activities for the development of different village industries, such as handmade paper, polymer, agro and chemical based, bee-keeping and other forest related activities. KVIC loans are offered by various financial institutions at attractive interest rates.

Just after its establishment, KVIC took over All India Khadi and Village Industries Board. KVIC operates via its network of zonal offices located in Delhi, Bhopal, Bangalore, Kolkata, Mumbai (HO) and Guwahati.

### **Interest Rate Subsidy Scheme**

The interest subsidy scheme offered by KVIC shall be applicable to specific loans offered by financial agencies. Loans raised by KVIC for disbursement as capital investment and working capital loans are offered by:

- Institutions: Registered under Societies Registration Act 1860
- Co-operative Society: Registered under Co-operative Societies Act 1912
- Charitable Trusts for public welfare and religious purposes
- Financial Institutions: Scheduled and Non-scheduled banks, Nationalised Banks, Co-operative Banks, State Financial Corporations and Industrial Development Banks

## Pradhan Mantri Mudra Yojana

Pradhan Mantri Mudra Yojana (PMMY) or Mudra Loan is a funding scheme initiated by Government of India. Mudra loan under PMMY provides funding support of maximum up to Rs. 10 lakh to individuals, SMEs, MSMEs, and non-corporate and non-farm small/micro enterprises. There is no collateral or security required by the banks. The repayment tenure is from 3 years to 5 years.

Mudra loans are offered under PMMY with the help of Public and Private Sector Banks, Non-Banking Financial Companies (NBFCs), Micro Finance Institutions (MFIs) and Regional Rural Banks (RRBs).

## Pradhan Mantri Mudra Yojana (PMMY) Features

Loans offered under 3 categories	Shishu, Kishor and Tarun
Maximum Loan Amount	Rs. 10 lakh
Minimum Loan Amount	No criteria
Collateral/Security	Not required
Age Criteria	Minimum 18 years and Maximum 65 years
Repayment Tenure	Up to 5 years
Interest Rate	Varies from bank to bank
Processing Fee	Nil

## Interest Rates on Mudra Loan

SBI	9.75% onwards
Andhra Bank	10.50% onwards
Bank of Baroda	9.65% onwards
Bank of Maharashtra	8.55% onwards
Corporation Bank	9.35% onwards

Note: The interest rates offered under Mudra Yojana shall vary from bank to bank and depends on the business requirements, applicant's profile and financial repayment capability.

## **Loan schemes under PMMY**

Loan amount offered- PM Mudra loan scheme has three categories under which loans are disbursed:

SHISHU Loan: Loans up to Rs. 50,000 (For start-ups and new businesses)

KISHOR Loan: Loans from Rs. 50,001 to Rs. 5,00,000 (For buying equipment/machinery, raw materials, business expansion for existing enterprises)

TARUN Loan: Loans from Rs. 500,001 to Rs. 10,00,000 (For established businesses and enterprises)

### **Who can borrow ?**

Any businessperson or enterprise who/which has not been defaulted on any loan repayment previously is eligible to borrow under the PMMY (Pradhan Mantri MUDRA Yojana). Thus individual business owner, private limited companies, public sector companies, proprietary firms or any other legal business entity can apply for the Mudra loan.

### **Purpose of Loan assistance**

As MUDRA loan is a business loan, the loan amount cannot be used for personal needs. It is provided to small businesses that carry out specific activities in the manufacturing, services or trading sectors. Businesses can utilize the capital obtained from a MUDRA loan for marketing purposes, increasing the available working capital or for acquiring capital assets to grow the business.

### **Current Mudra Loan Interest Rates**

The Mudra Loan Interest Rates vary from bank to bank and depends on the applicant's profile and business requirements. To check the exact interest rate the applicant shall need to contact the respective bank or may check from the banks' official website.

MUDRA Loan is a funding support offered under Pradhan Mantri Mudra Yojana (PMMY) to promote MSME sector in India. The Mudra Yojana is categorised into 3 loan schemes named as Shishu, Kishor, and Tarun. There are no minimum loan amount criteria; however the maximum loan amount offered is up to Rs. 10 lakh. The repayment tenure of each loan is up to 5 years, wherein no collateral or security is required by the lender or financial institution. Below mentioned are the interest rates offered by popular banks offering Mudra loan or a type of business loan:

The interest rates of MUDRA loans shall vary from bank to bank depending on the category of loans and business requirements. MUDRA categorises these loans into three segments, as mentioned earlier, viz., Shishu, Kishor, and Tarun. The interest rates that banks offer are meant to suit each segment based on their needs and prescribed guidelines.

Lenders	Interest Rate	Processing Fee	Maximum Loan Amount	Re-payment Tenure
<b>SBI</b>	9.75% onwards	Nil, for Shishu scheme	Up to Rs. 10 lakh	Up to 5 years
<b>Oriental Bank of Commerce</b>	8.15% onwards	As per applicant's profile	Up to Rs. 10 lakh	Up to 5 years
<b>Bank of Baroda</b>	9.65% onwards + SP (Strategic Premium)	Nil	Up to Rs. 10 lakh	Up to 5 years
<b>Corporation Bank</b>	9.35% onwards	As per applicant's profile	Up to Rs. 10 lakh	Up to 7 years
<b>Bank of Maharashtra</b>	8.55% onwards	As per applicant's profile	Up to Rs. 10 lakh	Up to 5 years
<b>Andhra Bank</b>	8.20% onwards	As per applicant's profile	Up to Rs. 10 lakh	Up to 5 years
<b>Punjab National Bank</b>	9.60% onwards	As per applicant's profile	Up to Rs. 10 lakh	Up to 5 years

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

The three loan schemes under Mudra Yojana along with loan amount offered are as follows:

Types	Loan Amount	Details
<b>Shishu</b>	Up to Rs. 50,000	This stage caters to the needs of entrepreneurs who are yet to start their businesses or whose enterprises are at an early stage.
<b>Kishor</b>	From Rs. 50,001 – Rs. 5,00,000	This stage helps the businesspersons who have started their business but are in a need of funds to sustain it in the market. This segment is also for those entrepreneurs who need a larger sum of money than what Shishu loan offers for starting their businesses.
<b>Tarun</b>	From Rs. 5,00,001 – Rs. 10,00,000	This is the highest level of the scheme and an entrepreneur is eligible for a loan from Rs. 5 lakh and up to Rs. 10 lakh. These loans are meant for business owners who need to set up a large business or need funds to expand the enterprise.



## **Schemes Offered Under MUDRA Loan Yojana**

The MUDRA Loan Yojana has a variety of sub-schemes designed for specific business needs. These schemes include:

*Credit for Micro Enterprises:* This is in line with the most basic motive of the scheme. It focuses on maximising the involvement of the population so that there can be more benefits and an increasing number of beneficiaries. The segment of the population which is involved in land transport, food production, textile and community services can take advantage of the scheme and start their own small business unit to become self-dependent

*Mahila Uddyami Scheme:* This sub-scheme has been designed keeping women entrepreneurs in mind. It has an objective to encourage women, groups of women, joint liability groups, and self-help groups of women to setting up micro business entities. Under this scheme, special interest concessions are also offered to enterprising businesswomen

*Refinance Scheme for Banks:* The MUDRA Yojana also refinances loan amounts of up to Rs. 10 lakh extended by the banks to borrowers. However, refinancing can only be provided for manufacturing and service sector micro and small enterprises. As per RBI guidelines for the scheme, scheduled commercial banks have to lend to the ultimate borrowers at their base rate to avail MUDRA refinance. Also, regional, rural and cooperative banks need to cap their MUDRA loan interest rates margins at 3.5% above their loan refinance rate

*Micro Credit Scheme:* The micro-credit scheme focuses on Micro Finance Institutions (MFIs) and provides them the financial support they need. The scheme makes funds available to individuals, group of individuals, and micro business entities

*MUDRA Card:* This extraordinary product helps create easy credit accessibility and provides exceptional flexibility to the cardholder. It can be used as a debit card for the assigned overdraft limit for ATM withdrawals

*Credit Guarantee Fund:* The credit guarantee fund has been created to reduce the risk for lending institutions. It can provide loans worth more than Rs. 1 lakh crores to manage the risk of lending institutions

*Equipment Finance Scheme:* This scheme is designed to help micro-enterprises in their expansions. With the help of this scheme, qualified equipment can be purchased through finance. It can greatly help organisations in increasing their production and expand their horizons of profitability and sustainability as well

## **Documents Required for Applying MUDRA Loan**

Below mentioned is a list of documents required for Mudra loan:

- Duly filled Mudra application form
- 2 Passport-sized photographs

- Self-written Business Plan
- Identity Proof: Passport, Voter's ID card, Driving License, PAN card, Adhaar Card
- Address Proof: Voter's ID card, Utility Bills (Water/Electricity Bills), Passport, Driving License, Property Papers, Rent agreement
- Income Proof: Last 6 months' salary slip, Last years' ITR/Sales Tax returns
- Age Proof: Birth certificate, Class X certificate
- Proof of belonging to SC/ST/OBC Category, if applicable
- Business address and vintage proof, if applicable
- Last 6 months' bank statement
- Proof of ownership of office/shop/store/godown
- Registrations, Licenses, Permissions, if any
- For a company, need the Memorandum of Association (MoA) and Articles of Association (AoA)
- Furnish pertaining documents in case applicant belongs to SC/ ST/ OBC or any other special category

#### Loan specific Documents Required:

Apart from the general guideline for MUDRA loan documents, there are a certain specific set of documents for specific purposes. These are:

1. For applying a Vehicle loan under MUDRA loan, the following documentation is to be submitted:
  - Duly filled Application Form of Pradhan Mantri Mudra Yojana
  - Duly filled application form for vehicle loan
  - Borrower's passport size photos – 2 photos
  - Address Proof
  - Identity Proof
  - Income Proof
  - Bank statement for most recent past six months
2. For applying a Business Instalment Loan, under PMMY scheme, the following MUDRA loan documents are required:
  - Duly filled Application Form of Pradhan Mantri Mudra Yojana
  - Duly filled application form of Business Instalment loan
  - Address Proof
  - Photo ID Proof
  - Proof for the establishment
  - Proof of ownership of office and/ or residence
  - Proof of business continuity
  - Trade references
  - Proof of qualification
  - Bank statement for most recent past six months

3. For applying Business Loans, for Group and for Rural Business Credits, the following documents are needed:
- Duly filled Application Form of Pradhan Mantri Mudra Yojana
  - Duly filled application form of Business Instalment loan
  - Duly filled application form for Rural Business credit
  - Address Proof
  - Photo ID Proof
  - Age proof
  - Proof of ownership of office or residence
  - Continuity of business proof
  - Bank statement for past 12 months
  - Income tax return documents for most recent 2 years

Therefore, based on the type of business, required documentation are required to be furnished along with the standard set of MUDRA loan documents and business plan.

### **Micro Units Development and Refinance Agency**

Micro Units Development and Refinance Agency (MUDRA) loans are offered to individuals and MSMEs by permitted and eligible financial institutions directed as per RBI, such as public and private sector banks, Non-banking Financial Companies (NBFCs), Small Finance Banks (SFBs), Micro Finance Institutions (MFIs), Co-operative banks and Regional Rural Banks (RRBs).

MUDRA scheme was initiated by Government of India under Pradhan Mantri MUDRA Yojana (PMMY) to provide funding support to Individuals, Startups and MSMEs and to promote MSME sector in India. Further discussed are the important documents that are required to apply for Mudra loan under its 3 loan schemes named as Shishu, Kishor and Tarun.

### **Mudra Yojana Features**

- Age Criteria: Minimum 18 years & Maximum 65 years
- Interest rate: Varies from bank to bank
- Minimum loan amount – No Limit
- Maximum loan amount is up to Rs. 10 lakh
- Collateral or Security: Not required
- Repayment Tenure: Up to 5 years
- Availed by Indian Citizen with no criminal background
- Applicants with no past loan defaults shall be considered



**Mudra Loan Eligibility Criteria**

**Age**  
Minimum 18 years & Maximum 65 years

**Loan Amount**  
Maximum up to Rs. 10 lakh

**Eligible Entities**  
Individuals, Startups, Artisans, Small Vendors, Shopkeepers, Retailers, Manufacturers & MSMEs

**Indian Citizen with No Criminal Records**

**Eligible Enterprises**  
Pvt. & Public Ltd. Companies, Sole Proprietorship, Partnerships, LLPs, NGOs, Trusts & Co-operative Societies

**Availed By**  
All Non-Farm Enterprises - Engaged in only Trading, Services and Manufacturing sectors

**Applicants**  
With No previous Defaults with any bank

### **Mudra Loan Eligibility**

Mudra Loan can be availed by the following entities:

- Individuals and MSMEs
- Artisans, Vendors, Traders, Retailers, Manufacturers
- Sole Proprietorship, Partnership Firms, Limited Liability Partnerships (LLPs), only engaged in trading,
- manufacturing and services sector
- Small and Micro Manufacturing Units
- Small Scale Industry (SSI) Units
- Applicants with minimum age of 18 years and maximum 65 years
- Applicants with good financial and repayment history
- Individuals, Startups, Small business owners, micro units, MSMEs
- Traders, Artisans, Manufacturers, Startups, Retailers, etc. are also eligible
- Applicants with no loan defaults or irregular repayment history
- Indian Citizens with no criminal background

## Types of MUDRA loan

Based on the growth phase and development stage of the business as well as the funding requirement, MUDRA loans are available in three categories named as Shishu, Kishor and Tarun. Further mentioned is the sanctioned loan amount offered under each category:

*Under SHISHU Category:*

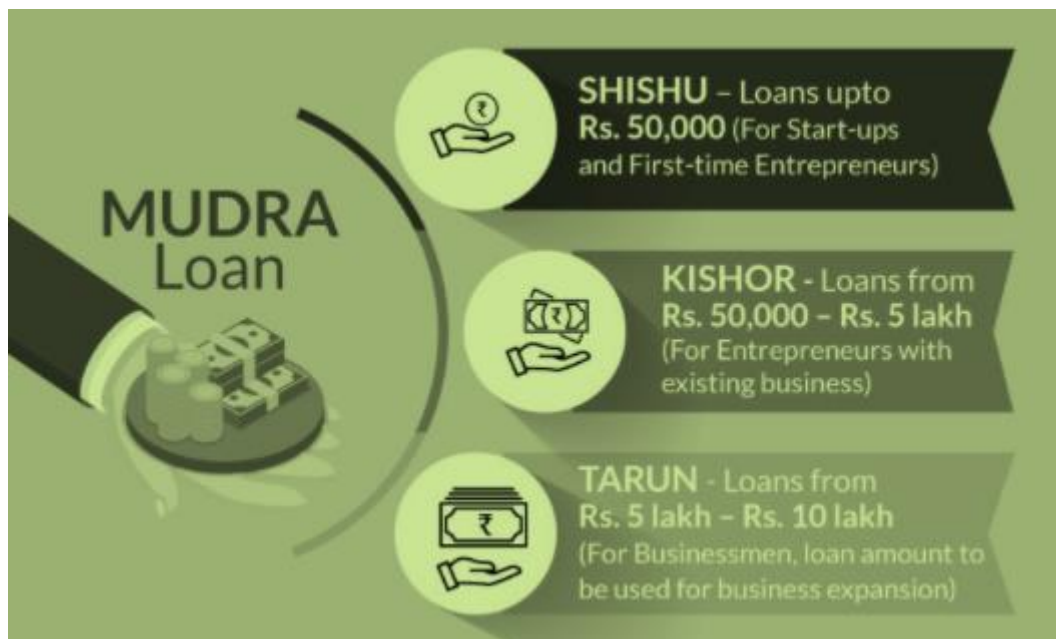
Loans upto Rs. 50,000

*Under KISHOR Category:*

Loans from Rs. 50,001 to Rs. 500,000

*Under TARUN Category:*

Loans from Rs. 500,001 to Rs. 10,00,000



Micro-Units Development and Refinance Agency (MUDRA) Scheme is an initiative by Government of India under Pradhan Mantri Mudra Yojana (PMMY) to promote small businesses, micro units and MSMEs by providing funding support with the help of various banks for their business expansion and growth. The maximum loan amount offered under MUDRA scheme is up to Rs. 10 lakh with repayment tenure up to 5 years. Further, let's discuss some of the key factors of Mudra Loan Eligibility. MUDRA Loan Scheme has been one of the crucial steps taken by the Government to ensure that self-employed professionals, small business owners, micro units and MSMEs do not have to rely only on personal networks and private lenders. These small business owners, micro units and MSMEs can avail the Mudra loan from eligible Government recognized financial institutions at comparatively lower interest rates. Another benefit is that borrowers are not required to submit any collateral / security or any third party guarantee to apply for a Mudra loan.

## **What are the factors that affect my eligibility for a mudra loan?**

Below mentioned are the factors that affect your eligibility for a Mudra Loan:

- Age:  
Your age should be above 18 years and below 65 years
- Income:  
The loan amount shall depend on your total income to check repayment capability
- Nature of business:  
Your businesses should be engaged in non-farm income generating businesses only in manufacturing, trading and services sectors
- Loan Defaults:  
If there is any past loan default, then it affects your chances of Mudra loan approval
- No Criminal Record  
Indian citizen with no criminal past will only be considered by banks in providing Mudra loan

## **Sectors Eligible to Take MUDRA Loan**

Non-farming income generating businesses engaged only in Services, Trading and Manufacturing Sectors will be considered by financial institutions.

## **Eligible Borrowers Under Mudra Loan Scheme**

The below mentioned entities are eligible to apply for Mudra loan under PMMY:  
Individuals, artisans, retailers, manufacturers, traders, Startups, MSMEs, private and public limited companies, sole proprietorship, partnership firms, Limited Liability Partnerships (LLPs), etc.

## Mudra Loan Bank List 2020

HDFC Bank	Bank of Maharashtra
State Bank of India	Oriental Bank of Commerce
Bank of India	Syndicate Bank
ICICI Bank	UCO Bank
Bank of Baroda	Union Bank of India
Central Bank of India	Punjab National Bank
Axis Bank	Corporation Bank
Canara Bank	Karnataka Bank
Dena Bank	Saraswat Bank
Indian Bank	IDBI Bank
Indian Overseas Bank	United Bank of India
Kotak Mahindra Bank	Allahabad Bank
Federal Bank	Andhra Bank

### How to Calculate Mudra Loan EMI

To calculate Mudra loan EMI, you need to enter few details in the EMI calculator on the selected bank's official website, eligible to offer Mudra loan as directed by RBI:



Step 1: Select the total loan amount from the slider or type in the required loan amount. Maximum up to Rs. 10 lakh under Tarun Category.



Step 2: Enter the interest rate offered by the respective bank



Step 3: Mention the desired repayment tenure from 12 months to 5 years

### Pradhan Mantri MUDRA Yojana (PMMY) Offerings

Pradhan Mantri loan Yojana has a range of loan scheme to offer to its customers. The significant few include the following:

#### Micro Credit Scheme

Under this scheme, financial support is extended through Micro Financial Institutions (MFIs) so that they can provide business loans of up to Rs. 1 lakh. Typically the mode of delivery of such loans could include individuals engaged in specific micro

enterprise activities, as well various joint liability groups (JLGs) and self-help groups (SHGs).

### Women Enterprise Programme (Mahila Uddyami Yojana)

This scheme is an important part of MUDRA Yojana targeted specifically at women entrepreneurs. It is designed to encourage individual women entrepreneurs, women's Joint Liability Groups and Self-Help Groups to set up various micro enterprises. Special concessions may be afforded in such cases for example reduction in interest rates of up to 0.25% on loans granted.

### Refinance scheme for Banks

MUDRA allows banks including Scheduled Co-operatives Banks, Regional Rural Banks and Commercial banks to easily refinance loan amounts (up to Rs 10 lakh per unit). The refinance facility is available only if these business loans have been extended for micro enterprise activities. Banks eligible for availing the refinance facility need to comply with requirements that are notified from time to time

### Mudra Card

MUDRA Card is an innovative credit product which makes credit easily accessible to small business while providing flexibility to the card owner. It can be used as a credit card with overdraft (loan) limit and can also be used as a debit card with the facility of ATM withdrawals. The Mudra Card can be used by businesses to obtain working capital under its unique cash-credit arrangement.



### Credit Guarantee Fund

Also known as the portfolio credit guarantee, this involves the creation and use of a special fund termed as the Credit Guarantee Fund for Micro Units (CGFMU). This fund is managed by the National Credit Guarantee Trustee Company Ltd. and allows eligible entities to receive micro loans with ease.

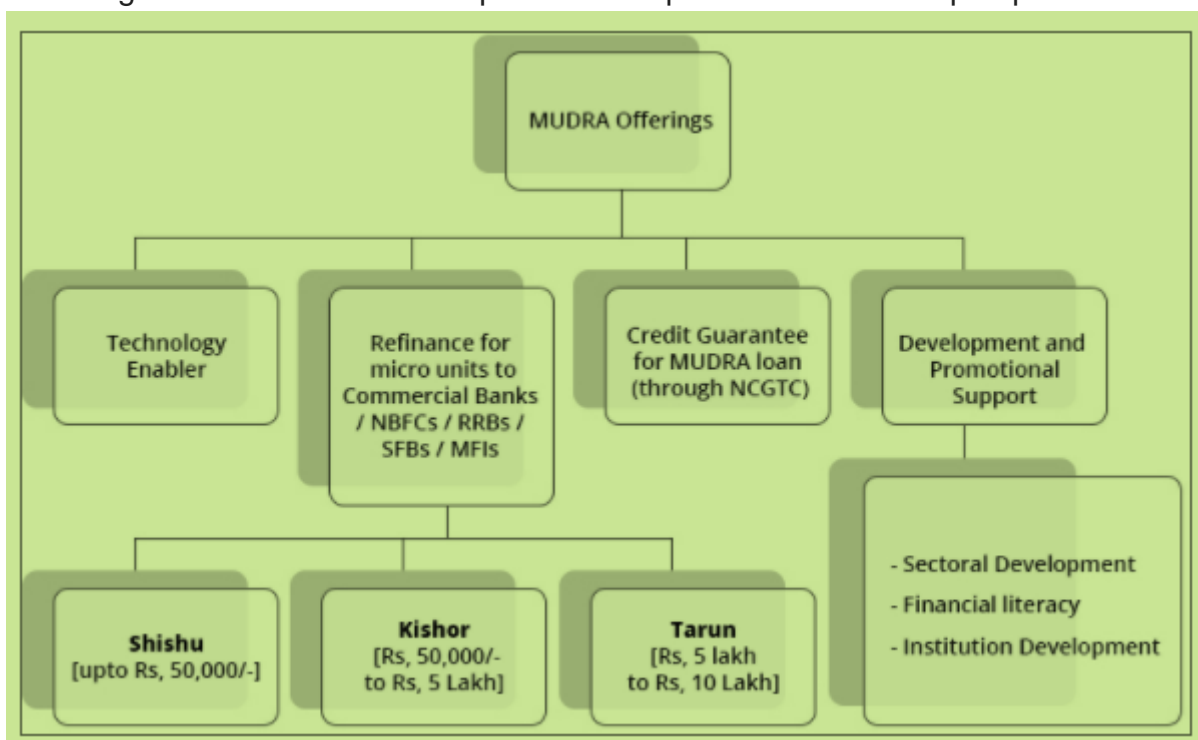


### Equipment Finance Scheme

This scheme as part of the MUDRA Loan scheme enables small entrepreneurs and micro units to avail a loan to finance the purchase/upgrade of qualifying equipment/machinery. This encourages the enterprises to improve their production techniques to increase overall productivity and efficiency of their business.

### Credit to Micro Enterprises

One of the basic motives of MUDRA is to maximise both the quantum of benefits and the number of beneficiaries from the scheme. A large proportion of India's population is currently involved in specific sectors including but not limited to land transport, food production, textile production and community services. To meet the growth requirements of these sectors, various tailor-made products and schemes were and are being launched in order to help micro enterprises succeed and prosper.



### FAQs on Business Loans

? What is the maximum loan amount that can I avail from Mudra Loan?

The maximum loan amount of Rs. 10 lakh can be availed under the category named as 'Tarun' and can be used for business expansion or related purposes.

? What is the repayment period of the Mudra loan?

The repayment period of Mudra loan goes maximum up to 5 years, however in some specific cases it may exceed up to 7 years.

? Do I need to deposit any collateral to get Mudra loan sanctioned?

No, there is no need to provide any collateral to any bank and bank will also not ask you to provide any collateral.

? Can a college graduate apply for a MUDRA loan?

Yes, any college graduate (minimum 18 years) who wishes to set up his/her own business and requires finance can apply for a MUDRA loan.

? I am 19 years old, can I get Mudra loan to start my own business?

Yes, any individual who is more than 18 years is eligible to take Mudra loan for startup businesses in trading, services or manufacturing sectors.

? What are the roles and responsibilities of MUDRA?

MUDRA is responsible for refinancing all the last mile financiers including private & public sector banks, co-operative societies, small finance banks, scheduled commercial banks, and regional rural banks that lend to small and micro entities engaged in manufacturing, trading, and services sectors.

? Q. What are the relief measures introduced by Government of India under Atmanirbhar Bharat Abhiyan 2020?

A. As per 'Atmanirbhar Bharat Abhiyan' or 'Self-reliant India Scheme', Government of India introduced various benefits under MUDRA Shishu Category

- Relief of Rs. 1500 crore to MUDRA Shishu loan borrowers
- Rs. 1500 crore Interest subsidy for MUDRA 'Shishu' Loan category
- Government of India shall provide Interest discount of 2% for fast recipients for a period of 12 months

? Who is eligible for Mudra Loan?

Mudra Loan can be availed by applicants who fulfil the eligibility criteria as mentioned below:

- Minimum age of 18 years and maximum up to 65 years
- Indian Citizen with no criminal record
- Should not have defaulted in any loans or credit cards in past, if any
- No minimum loan amount criteria and maximum loan amount up to Rs. 10 lakh
- No collateral or security required

? How to Improve your Mudra Loan Eligibility?

Mudra Loan eligibility can be improved by enhancing your source of income, maintaining good repayment history, having no future loan defaults and improving your creditworthiness.

? How can I check my mudra loan eligibility?

You can check Mudra loan eligibility by visiting the official website of the desired bank and filling in the required details to clear the eligibility criteria.

? Will I be eligible for a mudra loan even if I have bad credit?

Generally, banks do not check CIBIL score before sanctioning Mudra loan. However, it is recommended to maintain good credit score to secure your financial future.

? How does my income affect my eligibility?

If your combined family income is high, then it becomes easy for banks to sanction Mudra loan, considering that you shall be able to repay the loan on time.

? Do I need to have an account in the same bank to get a Mudra loan?

No, it is not mandatory to apply for a Mudra loan from a bank where you hold an account. However, having a bank account in the same bank might improve your chances of getting a Mudra loan approval.

? I want to start a business, which Mudra loan should I apply for?

The Shishu loan is the best option for start-ups. All you need to do is present your business idea along with the application form and relevant documents to meet the Mudra loan eligibility requirements and apply for the loan.

? What is the maximum limit of the Mudra loan?

There is no minimum loan amount limit for Mudra Loan.

? What are the documents that I need to apply for a Mudra loan?

You need to go to the bank of your choice that offers mudra loan to get the application form. Here are the documents that you need to provide if you apply for a mudra loan and want to meet all Mudra loan eligibility prerequisites.

- Business Plan
- Duly filled application form
- 2 recent passport size photographs
- Proof of Identity of the applicant
- Proof of Residence of the applicant
- Proof of belonging to a special category such as SC, ST, OBC, Minority, etc.
- Proof of Identity, Address, Licences of the Enterprise (if any)
- Quotation of items to be purchased for business use (if any)

- Registration and Licenses along with valid Certificates

? What is the contribution of recent scheme named as 'Atmanirbhar Bharat Abhiyan' by Government of India?

As per 'Atmanirbhar Bharat Abhiyan' or 'Self-reliant India Scheme', Government of India introduced various benefits under MUDRA Shishu Category:

- Relief of Rs. 1500 crore to MUDRA Shishu loan borrowers
- Rs. 1500 crore Interest subsidy for MUDRA Shishu Loan category
- Government of India shall provide Interest discount of 2% for fast recipients for a period of 12 months

? Does CIBIL score affect Mudra loan eligibility?

No, CIBIL score is not checked by banks, if an applicant is applying for Mudra loan.

? Are handicapped persons also eligible for loans under PMMY?

Every Indian citizen is eligible to avail Mudra loan, irrespective of their physical condition.

Pradhan Mantri Rozgar Yojana or PMRY is initiated by Central Government of India to provide sustainable self-employment opportunities to 10 lakh educated unemployed youth and women in India. Launched in 1993, PMRY initiated this cause by offering financial assistance in starting one's own enterprise in trade, manufacturing, and and services sectors.

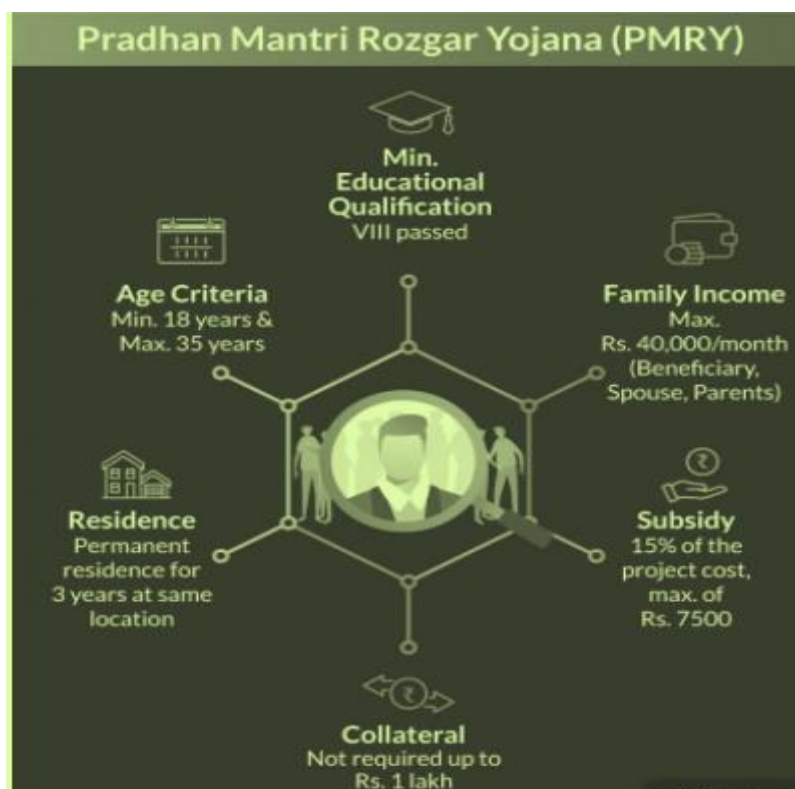


### **Eligibility for Rozgar Yojana**

PMRY aims in setting up of 7 lakh micro enterprises through inducting service and business venture over a period of 2 years 6 months. Small Scale Industries (SSI) uses its vision to utilize local resources, technologies for productive purposes and exploit the local market at micro level.

Collateral - No collateral for project up to Rs.1 lakh

PMRY – Eligibility	
Age	For all educated unemployed people between 18-35 years
Educational Qualification	8 <sup>th</sup> standard – Passed
Interest Rate	Normal interest rate shall be charged
Repayment Schedule	Between 3 to 7 years after an initial moratorium
Family Income	Income of beneficiary along with spouse nor the income of parents shall exceeds Rs. 40,000/month
Residence	Permanent resident of the area for at least 3 years
Defaulter	Should not be a defaulter to any nationalized financial institution / bank / cooperative bank
Subsidy and Margin money	Subsidy will be limited to 15% of the project cost subject to ceiling of Rs. 7,500 per borrower
Reservation	Weaker sections (SCs/STs), including women



## Features of Pradhan Mantri Rozgar Yojana:

Project Cost Covered under PMRY Scheme (Loan Amount)

Sector	Project Cost
Business Sector	Rs. 2 lakh
Service Sector	Rs. 5 lakh
Industry Sector	Rs. 5 lakh




- PMRY is a centrally sponsored scheme with repayment tenure from 3 years to 7 years
- Training provided to borrowers for 15-20 days to ensure the setting up of their businesses
- Primary body of this scheme is Development Commissioner (Small-Scale Industries) under Ministry of Small Scale, Rural and Agro, Industries
- Commissioner/Director of Industries implements the scheme at the State level except the four metropolitan cities of the country
- Every quarter, State Level PMRY Committee monitors the progress of the scheme
- Implementing agencies of this scheme are the metropolitan cities of the country
- To expand their coverage areas of small tea gardens, fishing, poultry, piggery and horticulture
- Easy Equated Monthly Instalments (EMIs) for borrower's business initialization

## Relief Norms and Measures for North Eastern Region

- Subsidy component @15% with an upper ceiling of Rs. 15,000
- Assistance Eligibility for project costing up to Rs. 2 lakh
- Margin money may vary from 5% to 12.5% of the project cost

## How to apply for Pradhan Mantri Rozgar Yojana (PMRY) Loan?

Please follow the steps below for a successful registration process of Pradhan Mantri Rozgar Yojana online:

-  Step 1: Visit the official website of Prime Minister's Rozgar Yojana <https://pmrpy.gov.in/>
-  Step 2: Download the application form and fill it with complete details.
-  Step 3: Submit the duly filled form to the respective bank those which come under PMRY scheme and then the concerned bank will get in touch with you.

### **List of Documents Required**

- Copies of the following documents are required to apply for Pradhan Mantri Rozgar Yojana (PMRY):
- Driving License
- EDP Training certificate
- Copy of the Proposed Project Profile
- Experience, qualification, and technical certificates
- Proof of Date of Birth (SSC certificate or TC from school where studied)
- Residence proof for 3 years, ration card or any other proof of residency
- Income certificate issued by MRO (Mandal Revenue Officer)
- Caste certificate issued by MRO, if applicable

### **Modifications in the PMRY Scheme**

- The upper age limit has been raised by 10 years beyond 35 years for SCs/STs and women
- Educational qualifications for eligibility under the scheme has been reduced to 8th class from 10th class
- The upper limit of project cost has also been increased from Rs. 1 lakh to Rs. 2 lakh
- The scheme will cover agriculture and allied activities and exclude direct agricultural operations, such as manure and its purchase, raising crop, etc.
- Group financing eligibility up to Rs. 5 lakh
- The upper age limit increased up to 40 years in seven North Eastern States of India





## FAQs on Business Loans

? What is the age criteria to enroll for PMRY?

The minimum age of the applicant should be 18 years and maximum 35 years; in case the applicant is from North-eastern states then the maximum age is 40 years and for people falling in SC/ST category then it is 45 years.

? What is the minimum qualification required to enroll under PMRY?

The applicant should have studied and passed VIII standard to be eligible.

? Is there any requirement of collateral to be submitted?

There is no requirement of collateral for project up to Rs. 1 lakh.

? What is the subsidy offered under PMRY?

The subsidy offered under PMRY is 15% of the project cost, maximum of Rs. 7500.

? Are there any income criteria to meet before enrolling for PMRY?

The annual family income shall not exceed Rs. 40,000 to get enrolled under PMRY.

? What is the repayment schedule offered under PMRY?

The repayment schedule to be followed by the applicant should be between 3 to 7 years after initial moratorium period.

? For how long is the training provided to the borrowers?

The training is provided for 15-20 days to ensure that their businesses get settled and started.

? What is the maximum time duration that I need to reside permanently before applying?

You need to have stayed for at least 3 years at the same location to be eligible for PMRY.

National Small Industries Corporation (NSIC) is a Government of India entity that comes under Ministry of Micro, Small and Medium Enterprises (MoMSMEs). NSIC promotes and aids the growth of MSMEs across the nation. The corporation has setup training and incubation that is managed by professionals. NSIC provides integrated support services under various fields that include technology, support service, finance and marketing. NSIC registers Micro & Small Enterprises (MSEs) under Single Point Registration Scheme (SPRS) for involvement in Government purchases.



### **Single Point Registration for Government Purchase**

The entities registered under Single Point Registration Scheme of NSIC are eligible to avail benefits under “Public Procurement Policy for Micro & Small Enterprises (MSEs) Order 2012” as directed by the Government of India.

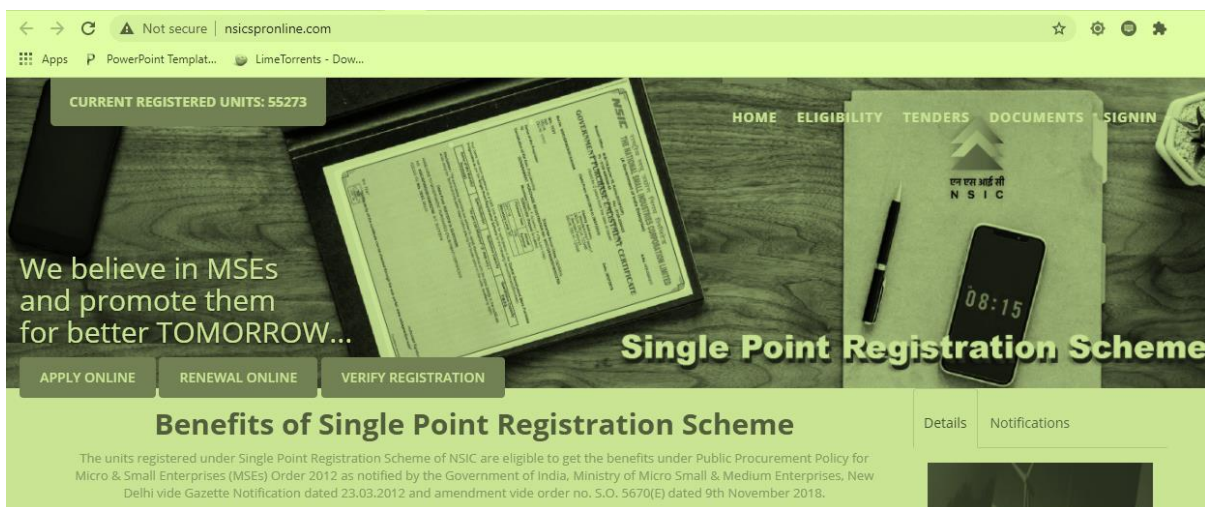
### **Eligibility for registering with NSIC under SPRS**

Micro & Small Enterprises (MSEs) having Udyog Adhaar Memorandum (UAM) and possess their own workshop or on lease basis are eligible for registration. Eligible enterprises should possess commercial and technical advancement to provide services for supply to various Government departments that include defence,

railways, PSUs, and central and state government departments. MSMEs fulfilling this criterion are eligible for registration under SPRS. MSEs who have already started their commercial production but not completed 1 year of existence are also eligible for the registration.

### How to Apply for NSIC Certificate

To complete the registration process, MSMEs need to duly fill the application form and submit the form along with required documents to the respective NSIC's zonal or branch offices located nearest to the unit. Authorized person of MSMEs can download the application form by visiting the official website of NSIC and also can apply for registration under SPRS



### What is the Registration Process for NSIC

To obtain NSIC certificate, you need to follow various steps as follows:

- Step 1: You need to visit the official UDYAM Registration website to obtain Udyam Registration Number or can click here [www.nsicspronline.com](http://www.nsicspronline.com)
- Step 2: MSMEs are required to register in MSME Data Bank using UAM No. and PAN, to get registered for Single Point Registration
- Step 3: Fill in the required details, requested at each step of registration using PAN and UAM number
- Step 4: Along with application form, submit all the necessary documents
- Step 5: Pay the registration fee online to obtain the NSIC certificate
- Step 6: After payment confirmation and documents verification, NSIC certificate shall be sent by post

## Registration Fees

The registration fee is defined as per the MSME's annual turnover and latest audited balance sheet. However, basic details of the registration fees for MSEs are mentioned below

SPRS Registration Fees		
Category	Turnover up to Rs. 100 lakh	Turnover above Rs. 100 lakh
Micro Enterprises	Rs. 3000	Rs. 3000 plus Rs. 1500 for every additional turnover of Rs. 100 Lakh
Small Enterprises	Rs. 5000	Rs. 5000 plus Rs. 2000 for every additional turnover of Rs. 100 Lakh

Note: The Registration Fee as mentioned is exclusive of the Inspection charges as levied by the inspecting agency. GST will be applicable extra on the charges. Cap of Rs. 1 lakh for all categories.

Additional Fees	
Fee for issuance of amendments in Stores	50% of the charges proposed above for Micro and Small Enterprises with a cap of Rs. 50,000
Fee for issuance of change in monetary limit or any other amendment in the certificate	
Fee for issuance of Renewal of Registration	

Note: Validity of Registration Certificate is 2 years and shall be renewed after every two years by verifying technical and commercial competence of the MSME.

## Benefits of Registration under SPRS

- 358 items are reserved for exclusive purchase from SSI Sector
- Tender sets are issued at free of cost
- Earnest Money Deposit (EMD) payments are exempted
- PSUs, departments, central ministries shall fix an annual goal of minimum 25% of the total annual purchases of products/services produced by MSEs
- In addition, NSIC offers various consultancy services that include entrepreneurship development, capacity building, policy and institutional framework and business development services.

## Documents Required

- Self-attested Documents – Duplicate Copy Required
- Self-attested copy of PAN, Udyog Adhaar Memorandum (UAM) Number
- Declaration of entry been made in MSME Data Bank
- Proof of ownership of raw materials, plant/machinery, equipment and tools
- Performance statement, as per application's Performa 'Annexure-F'
- Self-attested copy of ownership documents of the business location
- Copy of sales deed
- Certificate from the Directors, Proprietor and Partner whether or not they have any link with large scale Unit(s)
- Documents required – Duly signed by authorized person
- Copy of PAN
- Copy of last electricity bill
- Proof of Business existence for minimum 3 years
- List of employees indulged in production and services
- Write-up on quality control measurement opted by firm for quality control
- Audited balance sheet and P&L statement for last 3 years

## Contact Address

National Small Industries Corporation (NSIC)  
NSIC Bhawan, Okhla Industrial Estate,  
New Delhi – 110020, India



## FAQs on Business Registration

**?** When was Single Point Registration Scheme launched by Government of India?

The SPRS scheme was initiated in 1976 by Government of India.

**?** What is the validity of the SPRS certificate?

The validity of SPRS certificate is 2 years and can be renewed after two years.

**?**.. I am a trader; can I get registered under NSIC?

No, NSIC do not register traders.

**?**Who all are eligible to get registered with NSIC under Single Point Registration Scheme?

Micro & Small Enterprises (MSEs) across the nation are eligible to get registered with NSIC under SPRS.

?What is the permissible limit for investment in Plant & Machinery for Micro Enterprise under MSMED Act?

The allowable limit for investment in plant and machinery is up to Rs. 25 lakh.

? What is the permissible limit for investment in Plant & Machinery for Small Enterprise under MSMED Act?

The allowable limit for investment in plant and machinery is above Rs. 25 lakh and up to Rs. 5 crore.

?What is the permissible limit for investment in equipment for micro service industry?

The allowable limit for investment in equipment is up to Rs. 10 lakh.

?What is the permissible limit for investment in equipment for small service industry?

The allowable limit for investment in equipment is above Rs. 10 lakh and up to Rs. 2 crore.



With the objective to encourage women entrepreneurs and give impetus to their business journey, the Ministry of Social Justice and Empowerment, the Government of India has implemented a strategic policy – Mahila Samridhi Yojana. Under the visionary scheme, the government provides microfinance to women entrepreneurs hailing from marginalized sections of the society – backward classes. Designed considering the women empowerment, the flagship scheme is being implemented by a wide range of channel partners nationwide. Targeted women beneficiaries are identified and given loan either directly or in the form of Self-Help Groups (SHGs)



### **Bank and NBFCs Interest Rates**

The guidelines under the Mahila Samridhi Yojana (MSY) clearly signify that the loan to the tune of 95% will be sanctioned, while the balance 5% will be funded by the State Channelizing Agencies (SCAs) or beneficiary contribution. Guidelines indicate that the utilization period for the loan received is 4 months, starting from the date of disbursement of the loan.

Limit of Loan	Interest Chargeable	
	SCA	Beneficiary
Rs. 60, 000 per beneficiary	1% per annum	4% per annum

Loan Repayment Tenure: 3 years and 6 months

Moratorium Period: 3 months

### Eligibility

As the MSY scheme is dedicated to bringing about a turnaround in the lives of women belonging to the marginalized sections of the society, stringent eligibility criteria is in place to ensure fair disbursement of the loan. The eligibility criteria comprise:

- SHGs and women entrepreneur from backward sections of the society are only eligible to draw the benefit of MSY loan
- Woman beneficiary of the minimum age of 18 years
- Beneficiary falling under the BPL category
- Annual income of the beneficiary should be less Rs. 3 lakh per annum
- No criminal past record
- Any kind of misrepresentation or fudging of data might lead to the rejection of an application.

### Documents Required

The MSY loan has been receiving an overwhelming response from the women hailing from every nook and corner of the country. There are plenty of reasons to corroborate the fact, minimal documentation is one among them. The following documents are required to avail the loan facility intended to empower women and lift their socio-economic status:

- Proof of Identity – Voter ID card
- Self-group membership ID card
- Income certificate issued by the competent authority
- Filled in the application form to obtain the Mahila Samridhi Yojna loan
- Aadhaar card
- Caste certificate issued by the competent authority
- Bank account book
- Passport size photograph
- Proof of residence (Electricity bill or ration card can be furnished)



- As the MSY loan is intended for the backward sections, it has come to light, a substantial number of women beneficiaries have lifted their socio-economic status.

### **Features and benefits**

The flagship scheme of the Ministry of Social Justice and Empowerment, the Government of India has been instrumental in transforming the lives of hundreds of women across India. Some of the benefits include:

- Lifts the socio-economic condition of the beneficiary
- Plays a role in mainstreaming of the poverty-ridden family
- Supports in generating employment opportunities
- Cultivates entrepreneurship among women
- Empowers the women, make them self-reliant
- Minimal documentation
- Raises the self-belief in women

### **Other significant information**

#### Self Help Groups (SHGs):

Economically aligned group of people who voluntarily develop a group to raise their income by saving and contributing to group activities.

#### Channel Partners:

Channel partners are represented by competent professionals in the field; help the group and its members in economic activities and in availing the MSY loan.

#### Member Ration:

As per the rules and regulations, maximum women members allowed in an SHG are – 20. The 75% of members should be from the backward classes as mandated by the eligibility criteria, while the remaining 25% of women members could be from other weaker sections – Scheduled Caste or physically handicapped.

#### Loan Disbursal:

Loan is disbursed through the State Channelizing Agencies (SCAs), Regional Rural Banks (RRBs) and the nationalized banks to the beneficiaries.



## FAQs on Business Loan

? I'm a general category girl; my mother wants to obtain the MSY loan. Is it possible?

The guidelines strictly stipulate that the beneficiary should belong to backward classes or scheduled caste.

? Is it mandatory to be from a Below Poverty Line (BPL) section to avail the MSY loan?

Yes, the woman beneficiary should be from the BPL category.

? My cousin sister is part of an SHG. She doesn't hold Aadhar and ID proof. Can she avail the loan?

Obtaining Aadhar and other ID proof like Voter ID card aren't tough to obtain these days. Get connected with the concerned authority. Without Aadhar and Voter ID card, MSY loan can't be sanctioned.

? What is the loan repayment period?

The loan obtained under the MSY scheme can be repaid in quarterly instalments within 48 months, including the six months moratorium period available under the scheme.

? What does the target group mean when we talk about the Mahila Samridhi Yojna?

The Mahila Samridhi Yojna (MSY) is intended for women belonging to backward classes of the society and living below double the poverty line.

? What's the utilization period of the MSY loan?

The utilization period of the MSY loan begins from the date of the disbursement. It is 4 months. Within this period, the beneficiary has to utilize the fund and complete the utilization formalities.

? I'm from a backward section of the society. But I don't have the caste certificate. What should I do?

As per the protocol of the MSY, caste certificate issued by the competent authority is mandatory. Approach the designated department to obtain the caste certificate.

Headed by National Small Industries Corporation (NSIC), the scheme aims to meet the credit requirements of MSME units. The NSIC has entered into a Memorandum of Understanding (MoU) with various nationalised and private sector banks for the purpose. Through syndication with these banks, the NSIC arranges for credit support (fund- or non-fund-based limits) from banks without any cost to MSMEs.

Eligibility: MSMEs registered in India

Fiscal incentives: NA



### **FAQs on Business Loan**

**?** How can I get a government loan for a small business in India?

To apply for loans under government schemes for small businesses, you can opt for schemes, such as Standup India, Mudra Yojana, Startup India, psbloansin59minutes, CGTMSE, CLCSS, etc.

**?** How much loan can I get for a small business?

The maximum loan amount that can be availed for small business is up to Rs. 10 lakh under the Government loan scheme named as MUDRA Yojana at lower interest rates. Higher loan amounts can be availed by applying with private and public sector banks or even with NBFCs.

Building the bright future for our country's youth might be difficult, but guiding the youth to make their future bright is quite possible. To make this possible, Government of India launched Pradhan Mantri Kaushal Vikas Yojana (PMKVY) under Ministry of Skill Development & Entrepreneurship (MSDE).



Training and Assessment Fees are completely paid by the Government”

PMKVY Allocated budget of Rs. 12,000 crore (2016-2020) to benefit 10 million youth of India

PMKVY enables country's youth to get industry-relevant skill training that further helps them in making their lifestyle better. This scheme helps in the improvement of working efficiency of daily wage earners by distributing monetary rewards and awards, followed by providing free skill training to country's youth.

### **Key Components of PMKVY**

#### ***a) Short-term Training***

Under PMKVY there are various Training Centers (TCs) that provide training in areas, such as entrepreneurship, soft skills, and financial and digital literacy. Numerous candidates are benefited from this training program that includes unemployed people and school or college dropouts. The training programs come under National Skills Qualification Framework (NSQF). The time duration of the training program is usually between 150 – 300 hours.

### b) Recognition of Prior Learning (RPL)

RPL refers to an assessment process used to evaluate an individual's existing skill set, knowledge and experience gained either by formal or informal learning. Individuals with prior learning experience or skills are assessed under Recognition of Prior Learning (RPL), which is one of the components of the PMKVY scheme. Presently more than 6 lakh individuals are RPL certified and they are offered bridge courses by Project Implementing Agencies (PIAs) to address their knowledge gaps and make them ready for current market conditions.

Reasons to choose RPL

- It's free, there is no fee charged for participating in RPL program
- INR 500 is given to each successfully certified candidate
- Free accidental insurance coverage for 3 years to candidates
- RPL provides a government certificate to candidates for their skills
- Individuals get exposure to the concepts of financial and digital literacy

### c) Special Projects

Under special projects component, training is provided in special areas or premises of Government bodies, industry bodies and corporate offices. The training will be provided in the special job roles which are not defined under available Qualification Packs (QPs)/National Occupational Standards (NOSs). The terms and conditions are slightly different from the short-term training under PMKVY for any stockholder. The primary objective of Special Projects is to encourage training in weak and sidelined groups of society.

### d) Kaushal and Rozgar Mela

Kaushal and Rozgar Mela is conducted by Training Partners every 6 months with media coverage. PMKVY gives importance to the involvement of the target beneficiaries through a definite mobilisation process. It is essential for Training Partners to actively participate in National Career Service Melas and on-ground activities.

### e) Placement Assistance

PMKVY's training partners provide placement opportunities to individuals certified under this scheme. Training partners should also provide support for the development of entrepreneurs.

- The candidate is considered to be placed, if he/she fulfills the following criteria:
- Candidate is certified and placed within the 90 days of certification
- Candidate has successfully completed 3 months of regular employment (self/wage)

- Candidates placed in wage employment are earning at least equal to or above minimum wages, as defined by the state employment guidelines

#### f) Continuous Monitoring

Empaneled inspection agencies may use various actions to maintain the high standards of quality that include self-audit reporting, call validations, surprise visits, and monitoring through the Skills Development Management System (SDMS). The visiting Inspector has the details of batch timing for a particular center and shall visit during batch hours to check compliance to PMKVY 2016-20 guidelines.

#### **How PMKVY help to start your own business?**

PMKVY specializes in providing skill training to the youth of our country so that they can have a better life. After gaining the skill training, the individual can start his/her own business by taking a business loan or can start a new job by applying the new skill set gained from PMKVY. Business loan is easily available under Mudra scheme and the loan amount ranges between Rs. 50,000 – Rs. 10 lakh to suit the requirement of country's youth.

#### **Customer Care Numbers:**

Student Helpline: 880-005-5555

SMART Helpline: 1800-123-9626

NSDC TP Helpline: 1800-123-9626

#### **Jobs after PMKVY's Implementation**

National Skill Qualification Framework (NSQF) decides the specific skills on the basis of feedback provided from industries that employ the trainees. National Skill Development Council (NSDC) has been driving this scheme since the launch of PMKVY in 2015.

After the implementation of PMKVY, within the first two years a total number of 252 job roles were taken up to impart training. After the two years of the scheme implementation, approximately 15.4 lakh candidates have been certified. Around 5.8 lakh reported placements under the component of short-term training. Out of 252 job roles, training is imparted for 198 job roles.

Stand-Up India Scheme provides funding to women entrepreneurs and people who come under SC/ST category of the society. Stand-up India scheme was introduced by Government of India to provide credit services majorly to SC/ST category people. The primary purpose of this scheme is to help banks in offering loans between Rs. 10 lakh and Rs. 1 crore to at least one SC/ST applicant and one women entrepreneur per bank branch in enabling them to set-up their own enterprise.

Stand-up India Scheme – Interest Rate & Eligibility – 2020	
Interest Rate	Bank's MCLR + 3% + tenor premium
Repayment tenure	Max. 7 years with moratorium period up to 18 months
Min. age criteria	18 years for SC/ST and women entrepreneur
Loan amount	Between Rs. 10 lakh and Rs. 1 crore
Loans offered for	Only Green Field Projects (first time venture)
Shareholding stake	51% for Non-Individual Enterprises
Borrower's financial repayment status	Never defaulted to any bank or NBFC
Margin	Max 25%
Working Capital Limit	Up to Rs. 10 lakh in form of Cash Credit limit

*Note: The mentioned interest rates are subject to change and depend on the sole discretion of the Stand-up India authority, bank, NBFC and RBI. GST and service tax shall be levied extra on the mentioned charges.*

Stand-up India scheme shall be operated by all branches of India's scheduled commercial banks. The main focus of this scheme is to provide funding to enterprise serving the services, manufacturing and trading sectors. For non-individual enterprises, at least 51% of controlling and shareholding stake could be held by either a women borrower or an individual belonging to SC/ST.

### Features of Stand-up India Scheme

- Interest rate applicable is set by the desired bank for that category that is banks' not to exceed MCLR + 3% + tenor premium
- Minimum age criteria to get loan under Stand-up scheme is 18 years for SC/ST people and women applicants

- Loans are only offered for Green Field Projects that means for entrepreneurs who are venturing in manufacturing or trading sectors for the first time
- Applicant should not have defaulted before to any bank or NBFC
- Composite loan (that includes term loan and working capital) is offered between Rs. 10 lakh and up to Rs. 1 crore
- Loans may be secured by collateral security or guarantee of Credit Guarantee Fund Scheme, as decided by the banks
- Loans can be used for SC/ST and women entrepreneurs to set up new enterprise only in trading, services and manufacturing sectors
- The repayment period is a maximum up to 7 years with maximum moratorium period up to 18 months
- Stand up India Loan details
- Loan Amount offered is the 75% of the project cost that is inclusive of term loan or working capital loan. The applicant shall not be applicable if borrower's contribution along with conjunction support from any other scheme surpasses 25% of the project cost.

Other Features:

- Interest Rate: (Base Rate + (MCLR) + 3% + Tenor Premium)
- Loan Amount: Minimum Rs. 10 lakh & Maximum up to Rs. 1 crore
- Repayment Tenure: Up to 7 years, including moratorium period of 18 months
- Collateral: Required as primary security or guarantee of Credit Guarantee Scheme for Stand-up India Loans (CGFSIL)

**How to apply for loans / How to Avail Stand-Up India Scheme ?**

To apply for loans under Stand-Up India, applicants need to visit the nearest bank branch and find out whether 1-person quota for SC/ST category or one women entrepreneur per bank branch is available or not. If yes, then he/she can fill in and submit the application form along with required documents to apply for loan under Stand-up India scheme.

**Eligibility**

- Minimum age of 18 years for SC/ST or women entrepreneur
- Loan available only for Green Field Projects
- At least 51% of shareholding stake to be held with either SC/ST or women entrepreneur, in case of non-individual enterprise
- Applicant should not have defaulted in any previous loan(s)
- Indian citizen with no criminal records



## Steps to register for Stand-up India Scheme

- ➡ Step 1: Visit Stand-up India's official website '<https://www.standupmitra.in/Login/Register>'
- ➡ Step 2: Fill in the registration form by firstly entering the business location that include business address, state, district, village, town, city and pin code.
- ➡ Step 3: Select whether promoter belongs to women category and holds 51% stake or higher and same applicable to SC/ST category.
- ➡ Step 4: Next applicant can select the nature of the business planned, desired loan amount, nature and description of business activity, status of space for business and select the drop down of first time entrepreneurs.
- ➡ Step 5: Further he/she needs to mention his/her past business experience by mentioning business activity, years of experience and nature of business.
- ➡ Step 6: Next one need to tick the desired hand holding support, as per the need and interest.
- ➡ Step 7: Last and final step of registration is regarding applicant's personal information that is name, name of enterprise, user name, mobile number, email and type of constitution.
- ➡ Step 8: By clicking on register applicant will be able to apply for the Stand-up India scheme with the respective financial institution and their officials will contact for further formalities.

## Documents required

- Passport-sized photographs
- Identity Proof: Passport, driving license, voter's ID card, PAN card, etc.
- Residence Proof: Voter's ID card, passport, latest electricity and telephone bills, property tax receipt, etc.
- Business address proof
- Memorandum and Articles of Association of the company
- Partnership deed of the partners
- Photocopies of lease deeds
- Rent agreement
- Last 3 years' balance sheets of association
- Assets and liabilities statement of the promoters and guarantors

Stand-up India has always worked to promote economic empowerment and helped in the creation of employment. The scheme is set to benefit minimum 2.5 lakh borrowers through 1.25 lakh bank branches located nationwide. This scheme provides a digital platform to support entrepreneurs from SC/ST category and women entrepreneurs via credit guarantee, hand holding support and providing information on financing. Additional services offered under this scheme are training, mentorship, guidance and skill development programmes for entrepreneurs.



## FAQs on Business Loan

**?**.. What is the Stand-Up India scheme?

Stand-up India scheme is an initiative by Government of India to provide financing or funding support to SC/ST and or Women Entrepreneurs with the help of banks across the nation.

**?**.. Who is eligible for Stand-Up India?

SC/ST and or women applicants with minimum 18 years of age are eligible to apply for loans under Stand-up India Scheme.

**?**.. How can I apply for Stand-Up India?

You can apply for a loan under Stand-up India scheme by visiting the nearest bank branch and filling and submitting loan application form, along with required documents and photographs.

**?**.. Is there any subsidy in Stand-Up India?

No, there is no subsidy offered under this scheme. However, loans up to 75% of the project cost are offered at attractive interest rates from scheduled commercial banks, as well as private and public sector banks.

**?**.. What is the difference between Startup India and Stand-Up India?

Startup India is an online entrepreneurship platform for startups that makes them use various tools and resources for their business and allows them to create a network for them to promote and grow their business. Whereas in Stand-Up India it offers loans depending upon the project cost to SC/ST and or women entrepreneurs.

## Stand-Up India Loan Application Form

### A. Business Information

<b>Application No.</b>	<input type="text"/>	<b>Enterprise Name</b>	<input type="text"/>
<b>Constitution</b>	<input type="text"/>	<b>Other Constitution</b>	<input type="text"/>
<b>State</b>	<input type="text"/>	<b>District</b>	<input type="text"/>
<b>Address(Lin- 1)</b>	<input type="text"/>	<b>Address(Lin- 2)</b>	<input type="text"/>
<b>Pin Code</b>	<input type="text"/>	<b>Available space for Business</b>	<input type="text"/>
<b>Email</b>	<input type="text"/>	<b>Mobile No.</b>	<input type="text"/>
<b>Telephone No.</b>	<input type="text"/>	<b>Enterprise Pan No.</b>	<input type="text"/>

### Business Activity

<b>Proposed</b>	<input type="text"/>	<b>Existing</b>	<input type="text"/>
<b>Commencement Date</b>	<input type="text"/>		

### Whether the Unit is Registered

<b>Registration No.</b>	<input type="text"/>	<b>Registered Office Address</b>	<input type="text"/>
<b>Registration Act</b>	<input type="text"/>		

### B. Background Information of Proprietor/Directors

S.No.	Name	Date of Birth	Gender	Address	Mobile	Qualification	Experience (Yrs)
1							
2							

S.No.	Aadhaar No.	Voter ID No.	Driving License No.	PAN Card/DIR No.	Other Document	Other Document No.	Relationship with officials / Director of the bank, if any
1							
2							

NOTE: (The Social Category is for self-promoter only)

<b>Social Category</b>	<input type="text"/>	<b>If Minority</b>	<input type="text"/>
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**C. Names of Associates and Nature of Association**

S.No.	Name of Associate Concern	Address of Associate Concern	Presently Banking with	Nature of Association Concern	Extent of Interest as Prop./Partner/Director or Joint Investor in Associate Concern (in %)

**D. Banking/Credit Facilities Existing: (In Rs.)**

Type of Facilities	Presently banking with	Limit Availed	Balance / Outstanding as on 31/03/2017	Security lodged

It is Certified that we neither have not availed any loan from any other Bank/Financial Institution in the past and We are/are not indebted to any other Bank / Financial Institution other than those mentioned in column no. 2 above.

**E. Credit Facilities Proposed: (In Rs.)**

Type of Facilities	Amount	Purpose for which Required	Details of Primary Security Offered (with approx. value to be mentioned)	Whether Collateral Security offered	Collateral Security Details

Expected Employment

**F. Banking with Working capital Basis of Cash Credit Limit applied: (In Rs.)**

Index	Working Cycle (in Months)	Inventory	Debtors	Creditors	Promoter's Contribution	Limit

G. In case of Term loan requirements, the details of machinery/equipment may be given as under:

Type of Machine/Equipment	Purpose for which required	Name of Supplier	Total Cost of Machine	Contribution being made by the promoters (Rs.)	Loan Required (Rs.)

**H. Future Estimates: (In Rs.)**

**Future Estimates** (Estimates for current year and projections for first year to be provided for working capital facilities. However for term loan facilities projections to be provided till the proposed year of repayment of loan)

Rs. in lakh	Current Year (Estimate)	First Year (Projection)	Second Year (Projection)	Third Year (Projection)	Fourth Year (Projection)	Fifth Year (Projection)	Sixth Year (Projection)	Seventh Year (Projection)

**I. Status Regarding Statutory Obligations:**

S.No.	Statutory Obligations	Whether Complied with	Remarks (If any details in connection with the relevant obligation to be given)

**J. Attach Document(s) (Self Attested)**

**KYC for Proprietor**

<b>ID Proof Type</b>	<input type="text"/>	<b>ID Proof</b>	<input type="text"/>
<b>Address Proof Type</b>	<input type="text"/>	<b>Address Proof</b>	<input type="text"/>
<b>Proof of Category</b>	<input type="text"/>		
<b>Applicant Photo</b>		<b>Applicant Signature</b>	

**KYC for Enterprise**

<b>Proof of Identity/Address of Business Enterprise</b>	<input type="text"/>
<b>Statement of Accounts (Last 6 Months)</b>	<input type="text"/>
<b>IS (Last 2 yrs) with IT Sales Tax Returns (Mandatory if Rs.2 Lacs &amp; above)</b>	<input type="text"/>
<b>Projected IS (Cash credit - 1 yr) Term loan - loan period (Mandatory if Rs.2 Lacs &amp; above)</b>	<input type="text"/>
<b>Sales up to the Date of Application (Current FY)</b>	<input type="text"/>
<b>Proposed Project Report (technical &amp; economic viability)</b>	<input type="text"/>

**MOA & MOI of Co./Partnership (if any)**

**In absence of Third Party Guarantee, NET WORTH Statement of Borrower/Director/Partner, etc**

### Other Additional Documents

<b>Sr. No.</b>	<b>Document Name</b>	<b>Attachment</b>

### K. Preferred Banks

<b>Bank</b>	<b>Branch</b>

### Declaration:

I/We hereby verify that all information furnished by me/ us is true correct and complete. I/We have no financing arrangements for the said except as indicated in the application form. There shall be no counter/holding due owed by me/ us. I/We shall furnish all other information that may be required by Bank in connection with my/ our application. The information may also be exchanged by you with any agency you may deem fit. You, your representatives or Reserve Bank of India, or any other agency as authorized by you/ us at any time, independently my/ our assets, books of accounts etc. in our factory/business premises as given above. You may take appropriate safeguard/ action for recovery of bank's dues.

### No Objection Clause:

I/ we have no objection to carry out verification for my/ our proof, KYC documents and assessing my credit history & credit score by credit bureau and credit rating by rating agencies on behalf of your operation and branches.

### Application Submission Details

**Submission Date**

**Submission Place**



## Loan against Property

Financial setbacks are like uninvited guests – they always turn up unannounced at the wrong time and derail your plans. A lot of us imagine this scenario in our heads and create hypothetical funds or options that we are sure will help us in case of such an eventuality. Many of us might not have that fund ready and need to fall back on options that are always not so pleasant – like taking a loan from a relative or a friend. So how do you arrange for money at these times of crisis? Let's take a look at one of our recommended options- the loan against property.

We are all aware of the high interest of personal loans but often we find ourselves out of choices. This is where a loan against property (LAP) becomes a viable option. Also known as Mortgage Loan, LAP is categorised as a secured loan and disbursed against the security/guarantee of the borrower's legally owned property. Although loans against property are not at par with housing loans as far as competitive interest rates are concerned, they are definitely cheaper than personal loans.

In case of loan against property, lenders have conditional ownership over the borrower's property until the loan is repaid in full. Therefore, the borrower can obtain a loan amount commensurate to the value of the property less the lender's margin. Additionally, these loans offer larger sums at lower interest rates and longer repayment tenures. The borrower still remains the lawful property owner throughout the loan tenure and can choose to repay the loan at a pace in line with his/her financial standing and situation. Further, unlike home loans, loan against property can be used as the borrower wishes. With constantly escalating real estate values, this loan helps raise big sums, while they are also suitable for short-term needs like medical treatment/emergencies, children's education/marriage, starting/expanding business, etc.

If you are considering taking a loan against property, here are some important things you must know:

### **Property evaluation**

Loan against property can be taken against a self-occupied property or a residential property that has been rented out, as long as the borrower is the lawful owner. Real estate that qualifies for a LAP includes a house, a commercial property or a piece of land. Further, if a property is owned by more than one person, all legal owners need to jointly apply for the loan against the co-owned property.



On receiving an application for a LAP, the lending institution sends an appraiser to evaluate the plot or home's market value. Non-banking financial companies and banks typically sanction only a specific percentage of the property's total market value, usually 40-60%. Before quoting a final figure, financiers also take into account the property's age and overall condition. To ensure that the loan is approved, it is advisable to ascertain that the property is free from previous liens and is completely owned by the applicant(s).

### Loan-to-value (LTV) ratio

To secure a good deal, it is imperative to compare between various lending institutions in terms of the loan-to-value (LTV) ratio offered by them. Private sector banks may offer up to 75% of the property's value as a loan, while public banks offer up to 65%. This variation is attributable to the way in which the property is evaluated by financial institutions, or their internal rules, and this restricts the offered LTV.

Further, if the borrower pledges his/her commercial property as collateral, the LTV offered is usually lower than in case of a residential property. This is because banks opine that borrowers are more dedicated towards saving their residential property rather than commercial, and this naturally lowers the bank's perceived risk.

### LAP Eligibility criteria

Though this may vary from bank to bank, some common factors that all banks consider are the borrower's income, debts, savings, repayment track record (for credit cards, previous loans, etc.); and the market value of the mortgaged property. Apart from this, the borrower's employment status, age, financial standing, and credit score also play a key role in determining the loan amount that is sanctioned. Lenders prefer that the borrower is paying off the debt while still employed – this is precisely why the maximum age for maturity of LAP for a salaried individual is set at 60 years (retirement age in India) and for self-employed individuals it is 70 years.

Loan Against Property Eligibility	
Eligible Age	21 to 70 years
Eligible Salary	Min Rs. 25,000
Eligible Profession	Salaried or Self-employed
Loan Amount	Upto 75% of Property
Property Eligibility	Residential, commercial or industrial properties

Loans Against Property (LAP) is a loan offered by banks or other lending institutions for business expansion or the bad time of financial crises. It is offered after mortgaging freehold property, both residential and commercial and better than personal loans or gold loans.

LAPs are, therefore, one of the most sought-after loans in India and are even more affordable today on account of the competition in the loans-disbursal market. Not just affordable, LAP are also very easy (or simple) to avail and repay. This is so because real-estate is mortgaged when you avail LAP and real-estate prices rarely dip which makes them much safer.

### **Loan against Property Eligibility**

Eligibility criterion for banks and other institutions are almost same for salaried professionals, self-employed professionals and self-employed businesspersons. According to the criteria, you:

- ☛ Should be an Indian national
- ☛ Should be at least 21 years of age at the time of submitting the loan application
- ☛ Should have been employed by your current organization or been involved in your business for a certain number of years
- ☛ Should have the minimum required salary or monthly repaying capacity
- ☛ Should have submitted EMIs for other loans and made your credit card payments on time for three months prior to submitting the loan application

### **Loan against Property Eligibility Calculator**

Loan Against Property Eligibility Calculator helps you to find out the loan you are eligible for, given the value of your property and monthly income. You can check for EMIs to be paid and work on your finances accordingly.

### **SBI loan against property eligibility**

An individual who is an employee or a professional, self-employed or an income tax assessee or engaged in agricultural and allied activities can apply for SBI Loan Against Property.

Your Net Monthly Income (salaried) is in excess of Rs.12,000/- or Net Annual Income (others) is in excess of Rs.1,50,000/-

The income of the spouse may be added if he/she is a co-borrower or a guarantor.

Maximum age limit: 60 years

### **HDFC loan against property eligibility**

HDFC loan against property helps to meet your business needs, marriage, medical expenses and other personal needs. Or transferring your outstanding loan availed from another Bank / Financial Institution.

### **ICICI loan against property eligibility**

Any citizen of India can apply for ICICI loan against property at attractive rates for tenure of 15 years. It can be availed for Starting a new business, long term working capital, funding, children's higher education, repaying your high interest debts.

**PERSONAL  
LOAN?**



**Personal Loan**

Personal Loan is a short to medium term unsecured loan, which does not require any collateral/security for disbursement. They are generally disbursed in a few hours to a few days with minimal or no paper work at all. A key feature of personal loan is its flexible end-use. Thus, this unsecured loan can be used to meet a variety of needs ranging from emergency medical expenses to planned expenditures such as home renovation, wedding, etc.

### Personal Loan Eligibility Factors

A personal loan as the name suggests is provided to individuals and not businesses. Most banks and NBFCs (Non-Banking Financial Companies) offer personal loans to both salaried and self-employed individuals/professionals. The eligibility criteria for a personal loan vary slightly depending on the type of applicant. Following are some of the key personal loan eligibility factors that need to be kept in mind\*:

Particulars	Salaried	Self-Employed
<b>Age</b>	21 - 60 years	21 - 68 years
<b>Minimum Income</b>	Rs. 15,000 per month	Rs. 5 lakh per year (gross)
<b>Employment stability</b>	<b>Total experience-</b> Minimum 2 years <b>Experience in the current organization-</b> Minimum 1 year	Minimum 2 years in current business

\*The personal loan eligibility criteria mentioned above are generic in nature and actual eligibility factors will differ from one lender to another.

### How do Personal Loans Work?

Personal loans are unsecured credit with flexible end-use that typically have a tenure of 12 months to 60 months. If a shorter tenure is chosen, individual EMI amounts are higher, while a longer tenure results in lower individual EMIs. The following are the key features of a personal loan:

## Personal Loan Features



**No Collateral/Security Required:** You don't need to provide any collateral such as house or car to avail a personal loan. The loan is approved only on the basis of your creditworthiness, which depends on your credit score, income, repayment history, employer reputation, etc.



**Flexible End Use:** Unlike a car loan or home loan, personal loans can be used for multiple purposes, such as to meet expenses of a medical emergency, travel, house renovation, debt consolidation, etc.



**Flexible Tenure:** Personal Loans come with flexible tenure usually ranging from 12 months to 60 months.



**Minimal Documentation:** You can apply for a personal loan online and even offline with minimal documentation. Key documents that lenders generally need the applicant to provide include a proof of identity, a proof of address and a proof of income.



**Quick Disbursal:** Personal loan disbursal can happen within a period as short as a few hours, once the application is approved. Turnaround times can also be as short as a few minutes, if you are able to avail a pre-approved loan offer.



**Flexible Loan Amount:** The eligible personal loan amount is based on an individual's repayment history, monthly income, age, profession, employer reputation and other such factors. Lenders offer personal loans of amount as low as Rs. 10,000 to as high as Rs. 40 lakh.

## Personal Loan Interest Rates

Personal loan interest rates differ from one bank to another. The rates are also affected by application based factors, such as credit score of the applicant, quantum of loan and tenure. Interest Rate ComparisonThe following is a comparison of the personal loan interest rates of some leading banks and NBFCs in India\*:


### Current Personal Loan Interest Rates in India

Lenders	Interest Rate* (p.a.)	Loan Amount (Rs.)	Lenders	Interest Rate* (p.a.)	Loan Amount (Rs.)
Allahabad Bank	9.05% onwards	As per applicant's profile	IDFC First	10.75% onwards	1 lakh-40 lakhs
Andhra Bank	8.90% onwards	Up to 15 lakh	Indiabulls	13.99% onwards	Rs. 1000 to Rs. 15 lakh
Axis Bank	10.49% onwards	50,000 to 15 lakh	Indian Bank	9.05% onwards	As per applicant's profile
Bajaj Finserv	12.99% onwards	Up to 25 lakh	Indian Overseas Bank	10.30% onwards	Up to 15 lakh
Bank of Baroda	10.50% onwards	50,000 to 10 lakh	IndusInd Bank	11% onwards	50,000-15 lakhs
Bank of India	9.35% onwards	Up to 10 lakh	Kotak Mahindra Bank	10.75% onwards	50,000-20 lakh
Bank of Maharashtra	9.70% onwards	Up to 10 lakh	Kreditbee	1.02% p.m. onwards	1000 to 2 lakh
CASHe	33% onwards	9,000 to 3 lakh	Moneytap	1.25% p.m. onwards	Rs. 3000 to Rs. 5 lakh
Central Bank	8.45% onwards	Up to 20 lakh	Moneyview	1.33% p.m. onwards	Rs. 10,000 to Rs. 5 lakh
Citibank	9.99% onwards	10,000 to 30 lakh	Muthoot Finance	Varies based on applicant profile	Rs. 50,000 onwards
Early Salary	24% onwards	8,000 to 5 lakh	Punjab National Bank	8.95% onwards	25,000 to 15 lakh
Federal Bank	11.49% onwards	Up to 25 lakh	RBL Bank	14% onwards	1 lakh to 20 lakh
Fullerton India	11.99% onwards	Up to 25 lakhs	Standard Chartered Bank	11.00% onwards	1 lakh-50 lakhs
HDFC Bank	10.75% onwards	50,000 to 40 lakh	State Bank of India	9.60% onwards	Up to 20 lakhs
Home Credit	24% onwards	Up to 2.4 lakh	TATA Capital	10.99% onwards	75,000 to 25 lakh
HSBC Bank	10.50% onwards	Up to 30 lakh	UCO Bank	8.45% onwards	Up to 10 lakh
ICICI Bank	11.25% onwards	50,000-20 lakhs	Union Bank of India	8.90% onwards	Up to 15 lakh
IDBI Bank	12% onwards	25,000-5 lakhs	Yes Bank	10.75% onwards	1 lakh to 40 lakh

\*Interest rates are subject to periodic change as per bank/NBFC policies

Interest rate is one of the key factors that determine the cost of borrowing. A lower interest rate is preferable as it decreases the interest payout for the borrower over the entire loan tenure. Following is the list of current personal loan interest rates offered by major banks and Non-Banking Financial Companies (NBFCs) in India:

**Personal Loan Interest Rates of Top Banks/NBFCs in India**



Bank/NBFC Name*	Interest Rate	Processing Fees
SBI	9.60% onwards	Up to 1%
HDFC	10.75% onwards	Up to 2.5%
ICICI	11.25% onwards	Up to 2.25%
Axis	10.49% onwards	Up to 2%
Bank of Baroda	10.50% onwards	Up to 2%
PNB	8.95% onwards	Up to 1%
Citi	9.99% onwards	Up to 3%
Standard Chartered	11.00% onwards	Up to 2.50%
Bajaj Finserv	12.99% onwards	Up to 4.13%
Tata Capital	10.99% onwards	Up to 2.75%
Fullerton India	11.99% onwards	Up to 6%

\*Bank/Non-Banking Financial Companies (NBFC) interest rate and processing fees are subject to periodic change. Processing fees are calculated on the loan amount disbursed.

### Types of Personal Loan Interest Rates

There are basically two types of Interest rates applicable on a personal loan, these are:

- ☛ Fixed Rate of Interest
- ☛ Floating Rate of Interest

a) Fixed Rate of Interest:

In this case, the rate of interest remains constant throughout the loan tenure. Consequently, monthly EMI amount also remain fixed throughout the loan repayment period. This may help you plan your monthly expenditure in the long term.

b) Floating Rate of Interest:

It depends on either the internal benchmark set by the lender or as current market conditions. As a result, floating interest rate is liable to change



periodically which leads to increase/decrease in loan tenure or monthly EMI payouts depending on whether the rate moves upwards or downwards.

### Interest Calculation Methods

Personal loan interest can be calculated in the following two ways:

- Flat Rate
- Reducing Balance method

a) Flat Rate Method of Interest Calculation:

In this method, interest is calculated on the total loan amount initially borrowed over the entire tenure of the loan.

- b) Reducing Balance Method of Interest Calculation: As you pay off your monthly EMIs, parts of the loan amount and the interest component are paid off. Thus, the principal loan amount keeps on decreasing with time. In this method, interest is calculated on this decreasing loan amount and not the total amount initially borrowed.

### Interest Rates for Different Applicant Types

Most lenders consider a number of factors when deciding the interest rate applicable to personal loan applicants. One of these is the applicant type. The following are some insights regarding how personal loan interest rates tend to vary depending upon the type of applicant:

Salaried and self-employed:

Whether the applicant is salaried or self-employed can significantly impact the interest rate applicable to a personal loan. Generally, salaried employees with a stable employment record working with reputed organizations tend to get a personal loan at a lower rate of interest than self-employed. This is because salaried employees working with a reputed company have greater job security, and in most cases better ability to repay their loan. However, self-employed applicants with a stable source of income can also avail personal loans from banks and NBFCs at competitive interest rates.

Women:

Certain banks and NBFCs, such as Bajaj Finserv and Fullerton India offer preferential rate of interest to women. This is in an attempt to promote salaried women, entrepreneurs and professionals to fulfill their dreams and be financially stable.

Pensioners: Pensioners can avail special personal loan specifically meant for them at a relatively lower rate of interest from banks like State Bank of India (SBI) and Punjab National Bank (PNB). In most cases, preferential (lower) interest rate on

pension loans is available in case, the pension account is held with the chosen lender.

Please note that beyond the applicant type, interest rate depends on the individual applicant profile. People with a stable source of income, good credit history and high credit score tend to receive a loan at a lower rate, irrespective of their category.

### Personal Loan Balance Transfer Rates

Personal Loan balance transfer refers to the process, wherein you transfer your existing personal loan account with an existing lender to a new lender for better repayment terms such as a lower interest rate. This option generally allows you to save on the interest payable on your personal loan. For example: if you transfer your existing personal loan of Rs. 10 lakh@16% for 48 months after 12 months to another bank offering a lower rate of interest @14% p.a. for the remaining tenure of 36 months, then you will save Rs. 28,421\*. Please note that in this example, as illustrated below, both the banks follow reducing balance method of interest calculation.

Particulars	Original loan parameters	Balance Transfer (BT) Parameters
<b>Outstanding Loan amount</b>	Rs. 10 lakh	Rs. 8,06,106
<b>Tenure</b>	48 months	36 months
<b>Interest rate</b>	16%	14%
<b>EMI</b>	Rs. 28,340	Rs. 27,551
<b>Total interest payout</b>	3,60,333	3,31,912
<b>Savings</b>	–	Rs. 28,421

The example is for illustrative purposes only.

The personal loan balance transfer rates depend on both the bank's internal criteria as well as the individual applicant's profile. For example, the personal loan balance transfer interest rates for HDFC bank, ICICI Bank and Axis bank start at 11.39%, 11.29% and 12% respectively. Do keep in mind that personal loan balance transfer offers typically have some additional fees/charges associated with them such as processing fees, prepayment charges applicable to the original loan, etc.

### Interest Formula and Calculation

Following are the formulae for interest calculation using flat rate method and reducing balance method:

### Flat Rate Method:

Interest is charged on the total loan amount initially borrowed. The formula to calculate EMI on the basis of this method is as follows:

$$\text{EMI by Flat Rate Method} = (\text{Principal} + \text{Total Interest Payable}) / \text{Loan Tenure in Months}$$

Where,

$$\text{Total Interest Payable} = \text{Principal} \times \text{Interest Rate} \times \text{Loan Tenure}/100$$

### Reducing Balance Method:

In this case interest for subsequent months is charged on the outstanding loan amount. The formula to calculate EMI on the basis of this method is as follows:

$$\text{EMI by Reducing Balance Method} = [P \times R \times (1+R)^N] / [(1+R)^N - (1)]$$

Where,

**P** = Principal loan amount

**R** = Rate of interest on a monthly basis

**N** = Loan repayment tenure in months

Following table shows the total interest payout and EMI calculation using the 2 methods of interest calculation:

Parameters	Flat Rate Method	Reducing Balance Method
Loan Amount	Rs. 20 lakh	Rs. 20 lakh
Tenure	60 months	60 months
Interest Rate	15% p.a.	15% p.a.
Total Interest Payout	Rs. 15 lakh	Rs. 8,54,792
EMI	Rs. 58,333	Rs. 47,580
Savings	–	Rs. 6,45,208*

\*NOTE: Savings occur due to lower total interest payout when reducing balance method of interest calculation is used.

### **How to Get Low Interest Rate on Personal Loan?**

Follow the below-mentioned tips to get low interest rate on your personal loan:

- Maintain a high credit score.
- Keep a low credit utilization ratio.
- Maintain a low FOIR (fixed obligation to income ratio).
- Do not apply for a personal loan with multiple lenders at the same time.

- Opt for your personal loan from a bank/NBFC with which you already have a relationship, such as a savings account or a fixed deposit.

## **Factors Affecting Personal Loan Interest Rates**

### Credit History and Credit Score:

Your credit history and credit score are reflective of your creditworthiness. The higher your credit score, greater are your chances of getting approved for a personal loan at a low rate of interest.

### Income:

Higher income typically indicates at a higher repayment capacity which often translates into a preferentially lower rate of interest for your personal loan.

### Credit Utilization Ratio:

This refers to the ratio of credit used to the total credit available to you. Ideally, this should not exceed 30%. A lower credit utilization ratio typically indicates higher repayment capability.

### Fixed Obligation to Income Ratio (FOIR):

This refers to the ratio of pre-existing loan EMIs and credit card dues to your income. A large amount of pre-existing obligations leaves only a small amount of your income. Thus, you should maintain a low FOIR, preferably lower than 50% to get low personal loan interest rate.

### Multiple Loan Applications:

You should never apply for a personal loan with multiple lenders at the same time, as this portrays you as credit hungry. If multiple enquiries of your credit report are conducted within a short time, it negatively affects your credit score and lowers the chances of getting approved for a personal loan at a low interest rate.

### Pre-existing Relationship with the Lender:

Having a previous relationship with a lender also impacts the personal loan interest rate. For example, if you already have a savings account or a fixed deposit with the bank, chances of getting a lower rate of interest on your loan increases.

### Credit Score:

It is a 3-digit number between 300 and 900 which is based on an individual's financial health and repayment ability. Higher your credit score, higher are the chances of getting a personal loan and being offered a lower rate in interest.

### Loan Amount:

Some lenders charge a higher interest rate if the applicant is borrowing a higher loan amount. This is due to the perceived higher risk of default as a higher loan amount typically translates to a higher EMI payout. Loan Tenure: Some lenders charge a higher or lower interest rest for a longer tenure personal loan as compared to the

same loan for a shorter tenure. Such variation typically depends on the bank's internal criteria.

### Repayment Capacity:

In some cases, personal loan borrowers may be charged a higher rate of interest in case they have high existing debt. This is because a higher fixed obligation typically increases the risk of default by the lender.

### **How to Calculate Total Cumulative Interest**

The annual interest on a loan is calculated using the formula

$$I = P \times (R/100)$$

Where,

**I** = Interest payable,

**P** = Principal (loan outstanding)

**R** = Rate of Interest (annual percentage rate)





While the above formula can be used as in case of a personal loan with 1 year tenure, multi-year loan may feature different principal in successive years as the loan is repaid. Subsequently, the different interest amount for each year has to be added to calculate total cumulative interest of a personal loan.

To eliminate the need of making such complicated calculations, it is advisable to use an EMI calculator which instantly provides you with details such as the total interest payable on your home loan.

### **Tips to get a low PL Interest Rate.**

Typically, interest rate applicable to a personal loan is lower if the lender perceives you to be financial responsible.

The following are some ways you may be able to get a low interest rate for your personal loan:

-  Maintain a high credit score and clean credit history
-  Ensure you have minimal outstanding debt i.e. credit utilization ratio of 30% or less
-  Apply for personal loan with a lender with whom you have a prior relationship
-  Opt for a secured personal loan such as loan against shares, NSC, KVP, LIC, etc.

While the above tips are a good starting point to get a lower interest payout for your loan, a low interest rate is not completely assured as there are multiple factors that impact loan interest rate.

## Ways to decrease total interest payout.

While it may not be possible to get the lowest rate of interest for your personal loan, there are 3 ways you can decrease the total interest payout on your loan:

- Opting for a shorter tenure
- Higher individual EMI but lower overall interest payout
- Part pre-payment/foreclosure
- Decreases the loan principal thus interest payout is lower
- Opting for a lesser loan amount
- Lower loan principal equals lower total interest payout



## FAQs on Personal Loan

**?..** What is the personal loan rate for SBI?

SBI personal loan interest rate starts from 9.60% p.a.

**?..** What is the personal loan rate of interest for Federal Bank?

Interest rate for Federal bank starts at 11.49%.

**?..** What is the PL interest rate for Canara Bank?

It starts at 9.40%.

**?..** What is the personal loan interest rate for ICICI Bank?

It starts from 11.25%.

**?..** What is the rate of interest offered by HDFC Bank?

The PL interest rate for HDFC Bank starts from 10.75%.

**?..** Which one provides personal loan at a lower rate of interest – NBFCs or Banks?

Generally, banks provide personal loan at a lower rate of interest than non-banking financial companies (NBFCs). However, the eligibility criteria for personal loans from banks is often more stringent than that of NBFCs.

**?..** How can I check total interest payout for my personal loan?

You can check both your monthly EMI and total interest payout using personal loan EMI calculator. All you need to provide are the loan principal, the interest rate and the loan tenure to get instant results



## Business Loan

Business loan is the primary unsecured type of funding, designed to meet the day-to-day business requirements of business owners or enterprises. Borrowers are not pressurized to submit any collateral or security to avail unsecured business loan. Business loans can be used for business expansion purposes, manage cash flow, buy equipment/machinery, hire/train staff, purchase raw materials, upgrade inventory and much more. There are no minimum loan limit criteria to borrow, whereas customers can avail collateral-free business loans up to Rs. 1 crore with flexible and customized repayment options.

### **How Does the Business Loan Work?**

If you take a loan for new business from a bank or lender, you shall receive a lump sum amount that you need to repay in a defined period of time that is in form of EMIs, at an interest rate that can be fixed or floating rates. There are no minimum loan amount criteria to borrow and the maximum loan amount can go up to Rs. 1 crore, depending upon business requirements. The repayment tenure ranges between 12 months to 5 years. In some case the repayment tenure may exceed as per the sole discretion of the lender.

### **Top Features of Business Loan:**

- Interest Rate: 11.90% onwards
- Nature of Loan: Short- and Long-term, Working Capital, Secured and Unsecured Loans
- Minimum Loan Amount: No Limit to Borrow
- Maximum Loan Amount: Up to Rs. 1 crore (collateral-free loans), can exceed as per business requirements
- Repayment Period: From 12 months to 5 years
- Check and Compare from available business loan options at competitive interest rates.

### **What are the Business Loan Fees and Charges?**

The fees and charges of business loan vary from lender to lender and case to case. The fees and charges depends on the loan amount, interest rate and repayment tenure.



## How to Calculate your Business Loan EMI?

Business Loan EMI is calculated from the below mentioned formula:

$$E = P \times r \times (1 + r)^n / [(1 + r)^n - 1]$$

Above,

**E** is the Equated Monthly Instalment (EMI)

**P** is the Principal or Loan amount

**r** is the rate of interest (calculated monthly)

**n** is the tenor (calculated monthly)

## How is a Business Loan Disbursed?

After your loan application or loan is approved, bank will deposit the required loan amount in your bank account. The time duration of loan processing and disbursal shall vary from lender to lender.

Bank/NBFC/Fintech	Interest Rate (p.a.)
Bajaj Finserv	18% onwards
Fullerton Finance	17% onwards
FlexiLoans	18% onwards
IDFC First Bank	16% onwards
HDB Financial Services Ltd.	18% onwards
HDFC Bank	13% onwards
Hero FinCorp	18% onwards
ICICI Bank	13% onwards
IIFL Finance	18% onwards
Indifi Finance	18% onwards
Kotak Mahindra Bank	16% onwards
Lendingkart Finance	18% onwards
NeoGrowth Finance	21% onwards
PaySense Services India Pvt. Ltd.	18% onwards
RBL Bank	18% onwards
SMEcorner	18% onwards
Tata Capital Finance	18% onwards
ZipLoan	16% onwards

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank, NBFC and RBI.

## Business Loan Eligibility Criteria

Below mentioned are the eligibility criteria for business loan:

- ❖ Age Criteria: Minimum 18 years at time of loan application & 65 years at time of loan maturity
- ❖ Indian Citizen with no criminal background
- ❖ Applicant with good credit score and no past loan defaults, if any

- ❖ Fees & Charges, Income, Business Turnover, Operational History, Business Vintage, Credit score and Profitability Criteria shall be defined by the respective financial institution

**Below mentioned are the entities that can avail business loan:**

- Individuals
- Startup Enterprises
- MSMEs
- Artisans, Retailers, Manufacturers and Traders
- Private and Public Limited Companies
- Closely Held Limited Companies
- Sole Proprietorship Firms, Partnerships, Limited Liability Partnerships and Large Enterprises engaged
- only in Manufacturing, Trading or Services sectors
- NGOs, Co-operative Societies and Trusts
- Self-employed individuals / Professionals - CAs, Doctors, Architects, Company Secretaries, Allopathic Doctors, Designers, etc.

**Eligibility Criteria - Loan for new business - Salaried Applicant**

- ❖ Age Criteria: Minimum 18 years and Maximum 65 years
- ❖ Indian Citizen with no criminal records
- ❖ Applicant with no previous loan defaults with any bank
- ❖ Salaried Applicant must provide below mentioned documents at time of loan application along with KYC documents of applicant and co-applicant or partners:
  - ❖ Minimum monthly salary: As per bank's discretion
  - ❖ Last 6 months' salary slips
  - ❖ Last 1 year ITR
  - ❖ Office ID card
  - ❖ Appointment and offer letter from current employer

**Business Loan Eligibility Criteria for Self Employed Applicant**

- Age Criteria: Minimum 21 years and Maximum 65 years
- Business existence for at least 1 year
- Minimum Annual Turnover: Depends on lender
- Indian Citizen with no criminal records
- Applicant with no previous loan defaults with any bank
- Salaried Applicant must provide below mentioned documents at time of loan application along with KYC documents of applicant and co-applicant or partners:
  - Last 12 months' bank statement
  - Last 1 year ITR, GST returns and Sales Tax statement
  - Last 1-year P&L statement – All documents to be audited by CA

- Copy of Registrations, Licenses and Permissions

### **Factors Affecting Business Loan Eligibility**

- ❖ Age Criteria: From 18 years - 65 years
- ❖ Nature of Business: Enterprise engaged in only Services, Trading & Manufacturing Sectors
- ❖ Business Plan: Self-written & Detailed Business Plan
- ❖ Minimum Annual Turnover: Depends on lender
- ❖ Business Vintage: Minimum 2 years
- ❖ Financial History: Good and Stable Financial Past
- ❖ Source of Income: All types of money earning sources
- ❖ CIBIL Score: 700 and above
- ❖ Loan Defaults: No previous loan defaults, if any
- ❖ Ownership: Applicant should own either a Home/ Office/ Shop

### **Special Schemes for Women Entrepreneurs**

Nowadays, banks are giving attractive schemes to women entrepreneurs. These lending schemes are exclusively for women and it gives them relief in terms of interest rates and collateral. Some of the banks also have special departments for women entrepreneurs where they provide them business consulting, training and counseling along with avenues for marketing and showcasing of their products. Women entrepreneurs whose ownership is less than 50% in the company are not eligible to avail the benefits of the women's special schemes.

Some of the popular loan schemes for women entrepreneurs are as follows:

- Mahila Udyam Nidhi Scheme
- Mahila Samridhi Yojana
- Cent Kalyani from Central Bank of India
- Stree Shakti Package from State Bank of India
- Shringaar and Annapurna from Bhartiya Mahila Bank
- Dena Shakti Scheme from Dena Bank
- Udyogini Scheme

### **Documents Required for Business Loan**

Checklist of documents required to apply for business loan

- ❖ Recent Passport-sized Photographs
- ❖ Identity Proof - PAN card, Aadhaar card, Valid passport, Voter's ID card, Driving License
- ❖ Address Proof - Voter's ID card, Aadhar card, Passport, Driving license, Utility bill, Water Bill, Electricity Bill
- ❖ Business Address Proof
- ❖ Proof of business existence for last 3 years
- ❖ Last 6 months' bank statement

- ❖ Last 3 years' Income Tax Return (ITR)
- ❖ Balance sheet and Profit & Loss account statement
- ❖ Financial documents audited/attested/signed by Certified CA
- ❖ Copy of Trade License
- ❖ Sales Tax Certificate
- ❖ Certified Copy of Partnership Deed
- ❖ GST Registration Certificate
- ❖ Proof of ownership of the possessions used for business activities

### **Uses of Business Loans**

You can use business loans for various purposes, as mentioned below:

- For business expansion or relocation
- To meet working capital requirements
- Enhance business cash flow
- To purchase land or space for business operations
- To purchase equipment/machinery/raw materials
- To stock up inventory
- To pay rent/salaries/hire employees/staff training, etc.
- Scale-up operations or to upgrade technology
- New product or technology setup or installation
- Office premises' renovation

### **Business Loan Types**

#### Term Loan

Currently many types of term loans are available, such as short-term loan, long-term loan and other small business loans. An entrepreneur can avail these loans according to his/her requirements and economical position. Mainly the loan tenure for a short term loan is 12 months and for long-term loan it goes up to 5 years.

Term loans are divided into two parts, unsecured business loans and secured business loans. In secured loans, the collateral or security can be a certain property, machinery or a business ground and they will usually possess lower interest rates as compared to an unsecured one. Most of the business loans are unsecured loans and do not require any collateral or security to be submitted to banks or NBFCs.

#### Working Capital Loan

Working Capital Loans and even small business loans are used to overcome the day-to-day financial requirements of enterprises. The daily expenditure of enterprises include paying-off salaries, buying raw materials, paying rent, undertaking trainings, etc.

### MUDRA Loan Under PMMY

Micro Units Development and Refinance Agency (MUDRA) loan is a funding provided by most of the leading banks to Micro, Small and Medium Enterprises (MSMEs) nationwide. Under the Pradhan Mantri MUDRA Yojana, loans of minimum Rs. 50,000 and maximum of Rs. 10 lakh are provided to start an enterprise or an SME unit. Through the Mudra Loan Yojana, the Government wants to ensure that proper funding is provided to first-time entrepreneurs or existing business owners.

PMMY is a scheme launched by Government of India to offer funds up to Rs. 10 lakh to non-farm small/micro enterprises and non-corporate companies. Mudra loan scheme is divided into three categories named as Shishu, Kishore & Tarun wherein these loans are offered by Private Sector Banks, Public Sector Banks, Regional Rural Banks (RRBs), etc. Small business loans are also offered under this scheme.

### Loans for Self-employed Entrepreneurs

This is the most popular category among all as the loans for self-employed entrepreneurs are taken in large numbers. The loan amount can range anywhere between Rs. 50,000 being the minimum and can reach up to 10 crore. The interest rate offered depends on the financial history of the applicant and is decided by the lenders as per their discretion.

### Stand-Up India

Stand-up India scheme was introduced by Government of India to provide funding to people who come under SC/ST category and women entrepreneurs. The primary purpose of this scheme is to help banks in offering loans between Rs. 10 lakh and Rs. 1 crore to at least one SC/ST borrower and at least one women entrepreneur per bank branch in enabling them to set-up their own enterprise.

### Startup India

Startup India Scheme is an initiative by the Government of India that offers financing and handholding support to Startup entities for growth and expansion. Additional key functions include promotion of Startups, wealth creation and employment generation. To avail benefits of government schemes, an entity needs to be recognized as a Startup by applying on Startup India Mobile App/portal and obtaining the certificate of recognition.

### Bill-Invoice Discounting

Invoice discounting is a financial instrument offered by banks and NBFCs. Bill discounting is a source of working capital finance for the seller of goods on credit. It is a discount which, a financial institution takes from a seller's customer. Through the payment being made by letter of credit, buyer has the option of buying goods from the seller. Bills that come under bill discounting are termed as 'bills of exchange'

### Letter of Credit

Letter of credit is a payment instrument used mainly in international trade in which bank provides monetary guarantee to enterprises which deal in import and export of goods. Letter of credit is used for both import and export of goods. Enterprises doing businesses overseas have to deal with unknown suppliers and they require assurance of payment before performing any transaction. Therefore, letter of credit is important to provide payment assurance to the suppliers or exporters.

### Point of Sale

Point of Sale Loan is a type of funding wherein merchants offer their customers some financial assistance at point of their purchase. This funding is provided in order to assist their customers in buying a product or service from their shop. Business owners, enterprises, MSMEs, entrepreneurs, retailers can avail Loan against POS machines to start a new business or to manage their existing businesses. Point of Sale Loan is also termed as Merchant Cash Advance in which the loan amount depends on business volume generated via POS terminals.

### Overdraft Loan

An overdraft means overdrawing money from one's current/savings account. In simpler words, an account holder takes out more money than has been deposited in the account. An agreed rate of interest will be charged, if the overdrawn amount is within the limits of a preceding agreement.



## FAQs on Personal Loan

**?..** What is the processing fee for business loans?

The processing fee varies from bank to bank that can be Nil for a bank and can exceed up to 4% of the loan amount as per the loan requirements.

**?..** What is the best credit score or CIBIL score to get an instant business loans?

Any CIBIL score that is as close to 900 is considered best by financial institutions.

**?..** What is the maximum amount can I take through a ban loan for business?

The maximum loan amount offered by banks via business loan is up to Rs. 1 crore.

**?..** What is the interest rate offered by financial institutions to get a business loan?

The interest rate offered by various banks and NBFCs starts from 11.90% onwards.

**?... How to choose the ideal repayment tenor for business loans?**

Ideally, if you avail short-term loan then the repayment tenure should not exceed 12 months. However, it may increase as per the desired loan amount. The maximum repayment period can be chosen up to 5 years.

**?..** Can I get an instant business loans with a 750 credit score?

Definitely, any CIBIL/credit score of 750 or above is considered by any financial institution. With a score of 750 you can avail business loans at comparatively low interest rates.

**?..** What is the impact of GST on business loan for new business?

The GST plays an important role in getting business loans, as more the GST is paid, larger shall be the business volume. Therefore, it becomes easy for banks to rely on such applicants or borrowers.

**?..** What is the minimum turnover requirement for a loan to start a business?

The minimum annual turnover criteria is defined by the lender and varies from bank to bank.

**?.. Who can get Business Loans?**

The below mentioned entities can get business loan: Individuals, artisans, retailers, manufacturers, traders, Startups, MSMEs, sole proprietorship, partnership firms, LLPs, NGOs, Co-operative societies, trusts and many more.

**?... What information do you need for small business loan for new business?**

The key information that you require to know before applying for small business loans is as follows:

- Check whether you meet the eligibility criteria defined by the desired bank
- Check and gather all the necessary documents required by the lender
- Check and compare small business loans interest rates from various banks/NBFCs
- Calculate the small business loans EMI for better cash flow management
- Check for hidden charges or fees to be charged by the lender
- Check the availability of loan balance transfer and foreclosure options

**?.. I am 19 years old; can I get a business loan?**

Yes, any individual who is 18 years and above at the time of loan application is eligible to apply for business loan.

**?... How much is the minimum and maximum loan amount I can get?**

The minimum loan amount offered is Rs. 10,000 and maximum loan amount can exceed Rs. 50 crore, depending on the business requirements and applicant's profile.

**?... What is the maximum age of availing business loan?**

The maximum age of availing a business loan is up to 65 years at time of loan maturity.

**?... What is the business loan tenure?**

The business loan tenure or repayment tenure ranges from 12 months – 5 years, and may exceed depending on business requirements.

**?.. Do I need to submit any collateral to bank before applying for a business loan?**

No, you are not required to submit any collateral to bank or NBFC, for few specific secured business loans, collateral is required.

**?.. Can I get a Business Loan without collateral?**

Yes, you can get an unsecured business loan from financial institutions wherein no collateral is required.



**?..** What are the repayment, pre-payment and foreclosure charges and processing fees of a business loan?

All the fees and charges of a business loan vary from bank to bank. Every financial institution has different charges, so you need to check online from their official website.

**?..** What are the pre closure and part-prepayment charges in business loans?

The pre-closure and part-payment charges vary from bank to bank. It may be Nil from some banks and may exceed up to 4%-5% of the loan amount.

**?..** What are the types of business loans in India that I can avail?

There are different kinds of business loans offered by banks and NBFCs and that include MSME loan, Mudra loan under PMMY, secured and unsecured business loan, short- and long-term loan, working capital loan, equipment finance, line of credit, equipment finance, bill discounting, loan for construction equipment, machinery and equipment purchase loan,

**?..** What are the loan schemes initiated by Government of India?

Some of the popular schemes include MUDRA scheme under PMMY, SIDBI loan, CGTMSE, PMEGP, Standup India, Startup India, [psbloansin59minutes.com](http://psbloansin59minutes.com), NSIC, NABARD, etc.

Below mentioned is the detailed table that will help in understanding the latest unsecured business loan interest rates, processing fee and loan amount offered by popular financial institutions in India:

Lenders	Interest Rate (p.a.)	Loan Amount (Max.) in Rs.	Repayment Tenure (Months)
Axis Bank	15.5% onwards	50 lakh	12 – 36
Bajaj Finserv	18% onwards	20 lakh	12 – 48
Capital First Prime	21% onwards	75 lakh	12 – 36
Fullerton Finance	17% onwards	50 lakh	12 – 48
HDB Financial Services Ltd.	18% onwards	30 lakh	12 – 60
HDFC Bank	13% onwards	75 lakh	6 – 48
Hero FinCorp	18% onwards	25 lakh	12 – 36
ICICI Bank	13% onwards	40 lakh	6 – 48
IIFL Finance	18% onwards	50 lakh	12 – 36
Indifi Finance	18% onwards	50 lakh	12 – 36
Kotak Mahindra Bank	16% onwards	75 lakh	6 – 48
Lendingkart Finance	18% onwards	1 Crore	3 – 36
NeoGrowth Finance	21% onwards	75 lakh	6 – 24
Pay Sense Services India Pvt. Ltd.	18% onwards	5 lakh	3 – 36
RBL Bank	18% onwards	20 lakh	12 – 36
Tata Capital Finance	18% onwards	30 lakh	12 – 36
ZipLoan	18% onwards	5 lakh	6 – 24

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank, NBFC and RBI. GST and service tax shall be levied extra on the mentioned charges.

Note: The above table also contains interest rates of SME loan, MSME loan and Government loan schemes.



## Business Loan Interest Rate

Business Loan interest rate starts from 11.90% onwards per annum. However, other factors too influence the final commercial business loan interest rates decided by the lender that include applicant's profile and creditworthiness, business plan, credit score, required loan amount, repayment tenure, business vintage and profit, with various other financial aspects.

## Business Loan Top Banks/NBFCs – Fees & Charges

Bank/NBFC	Processing Fee	Pre-payment/Foreclosure Charges
SBI	1% of the sanctioned limit*	Varies from loan-loan
HDFC Bank	Up to 2.50% of loan amount	Up to 4% of outstanding amount
ICICI Bank	Up to 2% of loan amount	Charged as per T&Cs under sanction letter
Bajaj Finserv	Up to 2% of loan amount	Part-payment: 2% on the amount part-paid
Lendingkart Finance	Up to 3% of loan amount	Nil
RBL Bank	Up to 3% of loan amount	No foreclosure permitted before repayment of 6 EMIs
Tata Capital	Depends on applicant's profile and business requirements	Foreclosure: 5% of Principal loan outstanding
IDFC First Bank	Up to 3.5% of loan amount	Foreclosure: 5% of Principal loan outstanding

\*Processing charge may increase depending upon sanction limit and applicant's profile

Note: The mentioned fees and charges may change and shall depend on the sole discretion of banks, NBFCs and RBI, GST and service tax are not added in the mentioned charges and will be levied extra.

### **Factors that affect Business Loan Interest Rates**

The factors that affect business loan interest rates are as follows:

#### **1. Nature of Business**

The lender usually classifies the loan under Priority Sector and Non-Priority Sector. Loans that fall under Non-Priority Sector have a higher rate of interest, as compared to the priority sector loans. Hence, the nature of your business too determines the interest rate on your business loan.

#### **2. Business Existence**

The longer your business is in existence, the better it is for you. However, irrespective of the nature of the business, the minimum business operation of 2 years is mandatory. With more number of years in business, you have a higher possibility of getting loan(s) at lower interest rates.

#### **3. Monthly Turnover**

The monthly turnover of your business decides, if your business is making a profit or incurring losses. In short, it remains a key factor in determining your eligibility to avail a business loan. There are times when the turnover keeps fluctuating. However, maintaining consistency is highly crucial, as it helps your lender to determine the loan amount and repayment terms.

#### **4. Credit Score**

Credit score evaluates your creditworthiness and is based on your credit history. In case you have availed a loan in the past and repaid it on time or if you pay credit card bills on time, you will have a good credit score. And, if you have a good credit score, it will work in your favor while applying for a loan. A good credit score will give you more benefits like lower interest rates and flexible tenure or repayment terms.

#### **5. Collateral**

Collateral is the security, which is pledged to the lender to avail a loan. Higher the value of collateral, the more will be the benefits. Highly valuable collateral like real estate, equipment, machinery, deposits or home equity gives security to the bank. After examining the collateral, the bank may grant you a higher loan amount as the risk is low.

#### **6. Type of Lender**

Business loan interest rates vary from one lender to another. But if you compare business loan interest rates offered by banks and NBFCs, you will find that banks levy lower interest rates, as compared to NBFCs.

## **How to avail Business Loan at Low-Interest Rate?**

To avail business loan at low interest rate, applicant should consider below mentioned suggestions and techniques:

- Prepare a Business Plan
- Maintain financial stability along with good loan repayment history
- Improve CIBIL score up to 700 or above
- Improve your creditworthiness
- Should have decent source of income
- Apply for long-term business loan, instead of short-term
- Build relationship with bank, open account
- Do not close old accounts or credit cards
- Increase your company's profitability
- Submit all the required documents – authentic and audited by CA
- Apply loan with top private or public sector banks
- Offer or submit valuable collateral or security, if required for secured business loan

## **Business Loan Balance Transfer Online**

Business Loan Balance Transfer Online is a credit facility in which customers can transfer their existing business loan from one bank to another online. In this process the outstanding balance of the loan amount is transferred from one bank to another at comparatively lower interest rates. The main purpose of making balance transfers is reducing EMIs and choosing a lower interest rate for outstanding balance of loan amount. Customers can perform business loan balance transfer online by selecting the required fields from the balance transfer EMI calculator and submitting the request online.

## **Types of Business Loan Interest Rates**

### **1. Reducing or Diminishing Balance Rate**

Reducing or diminishing balance rate is calculated each month on the remaining loan amount. If you opt for this type, the EMI comprises of interest that is payable for outstanding loan amount for each month along with the principal repayment. The good part is that after each EMI payment, the outstanding amount of the loan is reduced. Hence, the interest rate for the subsequent month would be the calculation of interest applicable only on the outstanding amount.

### **2. Fixed Rate of Interest**

Fixed/flat interest rate is calculated on full loan amount during the course of its tenure. The interest is charged without considering the fact that the monthly EMIs would decrease that principal amount, and hence the interest rate.



## FAQs on Business Loan

?.. What is the lowest interest rate on a business loan?

The business loan interest rate starts from 11.90% onwards per annum.

?.. Which bank gives the lowest interest rate for business loans?

SBI is among the leading banks that offers SME or business loans at lowest interest rates.

?.. What is the small business loan interest rates offered by SBI?

SBI offers small business loans or Mudra loans at an interest rate of 9.75% onwards.

?.. What is the interest rate for business loans in HDFC?

HDFC business loan is offered at 13% onwards.

?.. What is the minimum and maximum amount can I take through a Business Loan?

There is no minimum limit criteria to borrow a business loan. However, the maximum loan amount for an unsecured business loan is up to Rs. 1 crore.

?.. Is the interest rate fixed or floating?

It depends on the banks or lender to offer fixed or floating interest rates. However, both the types of interest rates are offered in the banking sector.

?.. What is the minimum interest rate offered by banks or NBFCs for unsecured business loans?

The business loan interest rate starts from 13% onwards and can exceed depending on the requirements.

?.. What is the loan amount offered under business loan?

The minimum loan amount offered under business loan has no limit and the maximum loan amount can go up to Rs. 1 crore which may exceed as per the requirements.

?.. How to Calculate Interest Rate on Business Loan?

Business Loan EMI is calculated from the below-mentioned formula:

$$E = P \times r \times (1+r)^n / (1+r)^n - 1$$

Here,

E = EMI amount

P = Principal amount

r = Rate of interest at which you will be borrowing the loan

n = tenure of the loan over which you will be repaying the loan.

?.. Is there any need to provide a collateral to avail Business Loan?

There is no need to provide any collateral/security or asset in order to apply for a Business Loan, except few secured business loans like Letter of Credit, equipment and machinery loan that are secured business loans.

?.. What is the repayment period of a business loan?

The minimum repayment period is 12 months, where as the maximum repayment period is of 5 years, however in some special cases it may exceed to up to 10 years.

Collateral, whether to be provided or not is the biggest concern of a start-up entrepreneur. As there are many other things at stake of the business owners like their savings, machinery, raw material, funding and much more. Collateral free loan makes the entrepreneur to do business at ease without worrying about providing any security or collateral at stake.

During past few years, the number of small units and cottage industries are on the rise. However, these start-ups and micro industries need funds to grow and manage the business and to thrive in the market. The Government of India has taken initiatives to provide finances and promote these Small Scale Industries (SSIs) and Business Start-ups. Therefore, they have introduced various loan schemes for start-ups where there is no need of providing collateral or security.

Some of the schemes with high importance and preference are listed below for your reference:

### **1. MUDRA Loan**

“Fund the Unfunded” is the main motto of MUDRA loan. Providing adequate funds to the micro units and the non-corporate small business is the main purpose of the Micro Units Development and Refinance Agency (MUDRA). Bank facilitates loans under the MUDRA scheme as per the customer’s requirements. Under this scheme the loans which are provided are collateral free loans.

People can avail loans under MUDRA scheme classified in three categories, such as Shishu, Kishor and Tarun:

Under Shishu Loan, the government provides loans up to Rs. 50,000 in this loan scheme. This scheme is basically for the business start-ups

Kishor and Tarun schemes are designed based on the stage of the business and funding needs of the beneficiary. Under Kishor scheme, loans are offered from the amount of Rs. 50,000 to Rs. 5 lakh and up to Rs. 10 lakh of loan amount under Tarun scheme

### **2. Stand-Up India Scheme**

Stand-Up India is a Government scheme which aims to financially empower SC/ST and women entrepreneurs of the country. Under this scheme the banks facilitates loans between Rs. 10 lakh – Rs. 1 crore, to at least one women, SC/ST borrower for setting up enterprise either in manufacturing or service or trading sectors. The loan



tenure is up to 7 years. This scheme aims at promoting women entrepreneur among scheduled caste and scheduled tribes.

### **3. The Credit Guarantee Fund Scheme (CGTMSE)**

The Government of India launched the Credit Guarantee Fund Scheme for Micro and Small Enterprises (MSEs). Both new and existing enterprises are covered under this scheme. The amount of loan given to any person depends on the eligibility and viability of their business. The maximum limit of the loan given under this scheme is Rs. 1 crore per borrowing unit and without collateral. Also this scheme gives collateral free loans. The banks which are eligible to avail this scheme are all scheduled commercial banks, public and private sector banks, foreign banks, selected Regional Rural Banks (RRBs) under category of National Bank for Agriculture and Rural Development (NABARD).

### **4. Market Development Assistance Scheme for MSMEs**

This scheme helps in gaining exposure for Micro, Small and Medium enterprises in international exhibitions, study tour abroad and trade fairs under the MSME India kiosk. The aim is to display the potential of MSMEs and also strengthening them. This scheme provides funding for various purposes as mentioned below:

- Participation by manufacturing SMEs in exhibitions and international trade fairs
- Contesting or initiating anti-dumping cases by MSME associations
- Reimbursement of 75% of one time registration fee and 75% of annual fees paid to GSI by SMEs for first three years of bar code

### **5. Bank Credit Facilitation Scheme**

This scheme was initiated by National Small Industries Corporation (NSIC), to fund MSMEs registered in India. Under this scheme the tenure depends up on the income generated. It varies from 5-7 years and goes up to 11 years in exceptional cases.

### **6. Coir Udyami Yojana**

This scheme is headed by Coir board and aims to set up coir units across India. Under this scheme, they funds the project cost up to 10 lakh and one cycle of working capital. The total fund should not exceed 25% of the project cost. The capital expenditure is financed through a term loan or working capital in cash credit .The repayment is to be made within 7 years.

### **Eligibility to Get Startup Business Loan without Collateral**

- ☛ The age should be between 21-65 years
- ☛ The firm should be new and not older than 5 years
- ☛ Innovative products must be provided by firm

- ☛ The firm should get approval from the Department of Industrial Policy and Promotion (DIPP)
- ☛ The firm must get a patent guarantee from the Indian patent and trademark office
- ☛ Documents required
- ☛ PAN card , Aadhar card, Driving License
- ☛ KYC Documents
- ☛ Business registration certificate
- ☛ Details of authorised representatives
- ☛ Details of partners
- ☛ Document by self-attestation



## FAQs on Business Loan

### ?.. What Are Collateral Free Loans?

Collateral-free loans can be termed as unsecured business loans wherein borrowers are not required to submit any security or collateral with the bank or any financial institution to avail business loan.

### ?.. How much Collateral is needed for a Small Business Loan?

Generally, small business loans are of lesser amount and do not require collateral. However, the amount of type of collateral depends on the business requirements and respective lender. Collateral also depends on the size and value of the loan.

### ?.. What types of collateral does the Bank accept?

Collateral can be of various types like commercial or residential properties, machinery/equipment, raw materials, stocks, inventory, two-wheeler, car, gold, etc. can be deposited as collateral or security with the lender.

### ?.. I'm going to start my own business. Is there any government scheme for start-up business loan?

Yes, there are government schemes for Start-Up businesses, such as MUDRA scheme, Stand-Up India Scheme, Credit Guarantee Scheme (CGS), Coir Udyami Yojana, Market Development Assistance Scheme for MSMEs, Bank Credit facilitation scheme, NABARD scheme, etc.

### ?.. What are the criteria to meet, to get the loan for start-up business?

The firm must provide innovative ideas and product. The firm should new or it should of at least 5 years.

?.. Can I opt for any private bank or financial corporation for start-up business loan?

No, there are no collateral loans given by Banks for start-ups. The collateral free loan is given by the bank only if it 3-5 years old of your business.

?.. What is the age limit for get this loan?

Any person who is of 21-65 years is eligible to apply for a loan.



## Nationalised Banks

<b>Axis Bank</b>	75
<b>Bandhan Bank Limited</b>	1
<b>Bank of Baroda</b>	110
<b>Bank of India</b>	340
<b>Bank of Maharashtra</b>	10
<b>Canara Bank</b>	481
<b>Catholic Syrian Bank</b>	251
<b>City Union Bank Ltd</b>	12
<b>Development Credit Bank</b>	1
<b>Dhanalaxmi Bank</b>	153
<b>Federal Bank Ltd (The)</b>	598
<b>HDFC Bank Ltd</b>	168
<b>ICICI Bank Ltd</b>	113
<b>IDBI Bank Ltd</b>	62
<b>Indian Bank</b>	129
<b>Indusind Bank Ltd</b>	20
<b>Jammu and Kashmir Bank Ltd (The)</b>	2
<b>Karnataka Bank Ltd</b>	12
<b>Karur Vysya Bank</b>	16
<b>Kerala Gramin Bank</b>	595
<b>Kotak Mahindra Bank</b>	14
<b>North Malabar Gramin Bank</b>	224
<b>Punjab National Bank</b>	177
<b>South Indian Bank</b>	476
<b>State Bank of India</b>	515 + 845 Branches of SBT
<b>Tamilnad Mercantile Bank Ltd</b>	9
<b>Union Bank of India</b>	248
<b>Yes Bank Ltd</b>	40

### **Personal Loan**

Axis Bank personal loan can be availed with zero foreclosure and part payment charges along with quick disbursal and flexible end-use. Common uses of a personal loan from Axis include managing vacation expenses, renovating your house, arranging a dream wedding and paying for medical emergencies. The bank currently provides personal loans ranging from Rs. 50,000 to Rs. 15 lakh with flexible repayment tenure of 1 to 5 years.



### **Features of Axis Bank Personal Loan**

#### Flexible Tenure:

You can decide your repayment period as per your convenience as Axis Bank offers a flexible loan tenure of 12 to 60 months.

#### Special offers:

Preferentially lower interest rates are offered if you are already an Axis Bank customer.

#### Loan Amount:

Axis offers personal loans ranging from Rs. 50,000 to Rs. 15 lakh.

#### Personal Loan balance Transfer:

You can easily move your high interest rate personal loan from a different bank to Axis Bank at a lower interest rate.

#### Documentation:

Minimal documentation is required to avail Axis personal loan. Hence, loan approval is speedy and hassle free.

## Axis Bank Personal Loan Interest Rate

Personal Loan Interest Rate	1-year MCLR*	Spread on 1-year MCLR	Effective Rate of Interest
	8.25%	3.75-15.75%	12-24%

\*MCLR is Marginal Cost of funds based Lending Rate.

## Eligibility Criteria

The following are some key eligibility criteria for an Axis Bank personal loan:

Who?	<ul style="list-style-type: none"><li>• Salaried Employees</li><li>• Salaried Doctors</li><li>• Employees of various public and private companies</li><li>• Government sector employees, including Public Sector Undertakings, Central and Local Bodies</li></ul>
Age	<ul style="list-style-type: none"><li>• Minimum: 21 years</li><li>• Maximum: 60 years at the time of personal loan maturity</li></ul>
Minimum Net Monthly Income	Rs. 15,000

## Documents required for Loan Application

### General

- Duly filled application form
- KYC documents (proof of identity and proof of address)
- Proof of income (Latest 2 salary slips)
- Last 3 months' bank statement
- Duly filled out and signed loan agreement with Standing Instruction (SI) Request/Electronic Clearing Service (ECS) forms

### Based on the Repayment Mode

- For ECS/SI repayment mode: 3 security Post Dated Cheques (PDCs)
- For PDC repayment mode: PDCs equivalent to the loan tenure
- For ECS repayment mode: One cancelled cheque

Note: Bank may ask for additional documents based on the applicant's profil

## Check Axis Personal Loan Application Status

You can check your Axis Bank personal loan application status online. Enter your application ID, date of birth (DDMMYYYY), captcha and click “Enquiry”.

## Fees and other Charges\*

The following are the key fees and charges associated with an Axis Bank personal loan:

Repayment Instruction/ Instrument Return Charges	Rs.500/- per instance of dishonor of cheque /SI/ECS/NACH debit instruction + GST as applicable
Swap Charges (Cheque/ Instrument)	Rs. 500/- per instance + GST as applicable
Penal Interest	24% per annum, i.e. 2% per month on the overdue installment.
Duplicate statement issuance charges	Rs.250/- per instance per set + GST as applicable.
Duplicate Amortization schedule issuance charges	Rs.250/- per instance per set + GST as applicable.
Re-Issuance of photocopy of loan agreement/documents	Rs.250/- per instance per set + GST as applicable.
Credit Information Companies (CICs) Report Issuance Charges	Rs. 50/- per instance per set + GST as applicable
Duplicate NOC	Rs. 500/- per instance per set + GST as applicable.
Stamp Duty Charges	As per State Stamp Act



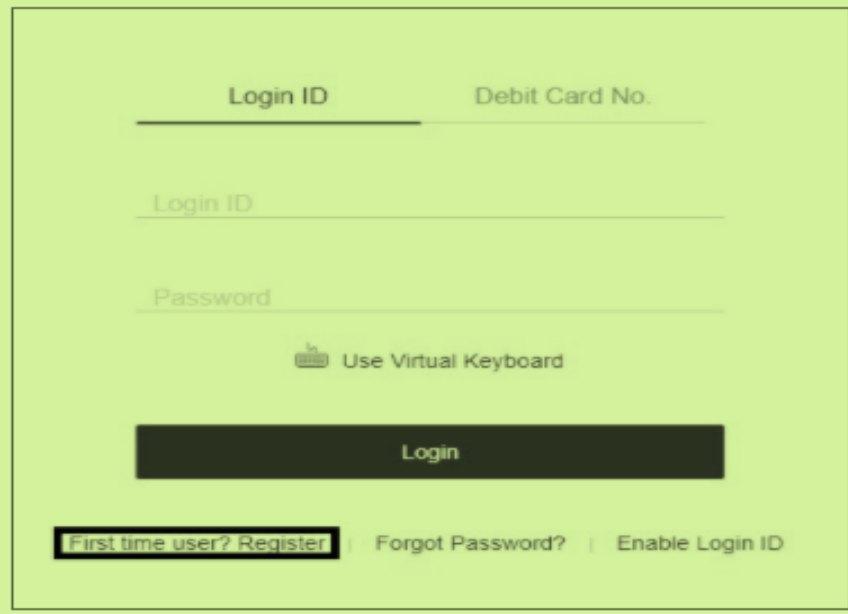
## How to Login on Axis Bank Portal

### For Existing Users

- Step 1: Visit Axis Bank's online banking portal.
- Step 2: Enter your Login ID (customer ID) and password.
- Step 3: Click on the "Login" option.

### For First Time Users

- Step 1: Visit the Axis Bank online portal.



The screenshot shows the login interface for existing users. It features a light green background. At the top, there are two input fields: "Login ID" and "Debit Card No.". Below these are three more input fields: "Login ID", "Password", and a "Use Virtual Keyboard" option with a keyboard icon. A large black "Login" button is centered below the input fields. At the bottom, there are three links: "First time user? Register" (highlighted with a black box), "Forgot Password?", and "Enable Login ID".

- Step 2: Click "First time user? Register". Following web page will be displayed to generate your online banking password

## Axis Bank Personal Loan Statement

You can request for the hard copy of your personal loan account statement in the following ways:

- Contact Axis Bank Call Centre.
- Fill out and submit the contact form on [axisbank.com/support](http://axisbank.com/support).
- Visit the nearest Axis Bank Loan Center.

Now you can also avail instant electronic statements for your Axis Bank personal loan account. Although e-statements are not compulsory, it is advisable to opt for them owing to the following advantages:

E-statement is an environment friendly option

Get monthly e-statements instead of quarterly statements in print form.

You can get an e-statement whenever you want.

To avail an e-statement on demand on your registered e-mail address, send ESTMT<last 5 digits of account number><From Date><To Date> via an SMS to 5676782. Please note that the dates should be typed in dd-mm-yyyy format. For example, ESTMT 13421 01-11-2018 20-12-2018.

## How to avail Axis Bank personal loan e-statement?

Website: [Click here to register for e-statement for your personal loan account.](#)

Internet Banking: Login to Axis internet banking using your credentials. Click on “My Profile” > “Contact Details Update”. Update your e-mail ID and it will automatically register you for e-statement.

SMS: Send GREEN to 5676782.

Phone Banking Centre: Call Axis Bank customer service number 1860-419-5555 or 1860-500-5555 to register yourself for e-statements. (standard call rates may apply)

Bank Branch: Visit the nearest Axis Bank branch to submit e-statement registration request.

### Axis Bank Personal Loan Restructuring (COVID-19)

At the start of the COVID-19 lockdown in March, Axis Bank offered a 6 month moratorium on various term loans in order to mitigate the financial hardship faced by many borrowers. However, once the moratorium ended, all borrowers were expected to start making regular EMI payments as per the original loan schedule. Unfortunately, many borrowers are still unable to meet these repayment obligations as a result of income reduction due to job loss, business closure, etc. Such individuals can opt for the personal loan restructuring plan offered by Axis Bank.

This loan restructuring option is a one-time benefit available to various eligible borrowers including those with outstanding Axis Bank personal loans. While all eligible borrowers are free to apply for this relief with Axis Bank, the financial decision regarding approval or rejection of the application will rest with the bank. It is however advisable to opt for this relief mechanism only as a last resort as higher interest charges will be applicable to the outstanding loan due to the longer repayment tenure/longer moratorium period that will be offered as part of the relief mechanism.

### EMI Calculation

The following is a sample calculation of EMI payouts on your Axis personal loan across different tenure for various loan amounts and interest rates.

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
2 lakh @ 12% p.a.	17,769	9,414	6,642	5,266	4,448
5 lakh @ 14% p.a.	44,893	24,006	17,088	13,663	11,634
4 lakh @ 15% p.a.	36,103	19,394	13,866	11,132	9,515

## Comparison of Axis Bank Personal Loan vs Other Lenders

The following is a comparison of key features of a personal loan from Axis Bank across multiple criteria:

Comparison Criteria	Axis Bank	HDFC Bank	Citibank	ICICI Bank	Bajaj Finserv
Interest Rate	12-24%	10.75-21.30%	10.50% onwards	11.25-22.00%	12.99% onwards
Tenure	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Rs. 50,000 to Rs. 15 lakh	Upto Rs. 40 lakh	Upto Rs. 30 lakh	Upto Rs. 20 lakh	Upto Rs. 25 lakh
Processing Fee	Upto 2% of the loan amount plus GST	Upto 2.50% of the loan amount	Upto 3% of the loan amount	Upto 2.25% of loan amount plus GST	Up to 4.13% of the loan amount (including taxes)

### Axis Bank Customer Care

#### Personal Phone Banking

You can call at the following numbers between 9 am to 9 pm from Monday to Saturday (excluding national holidays).

1-860-419-5555 (Charges applicable as per the service provider)

1-860-500-5555 (Charges applicable as per the service provider)

If you are calling from outside India, dial +91-22-67987700 (international call rates apply).

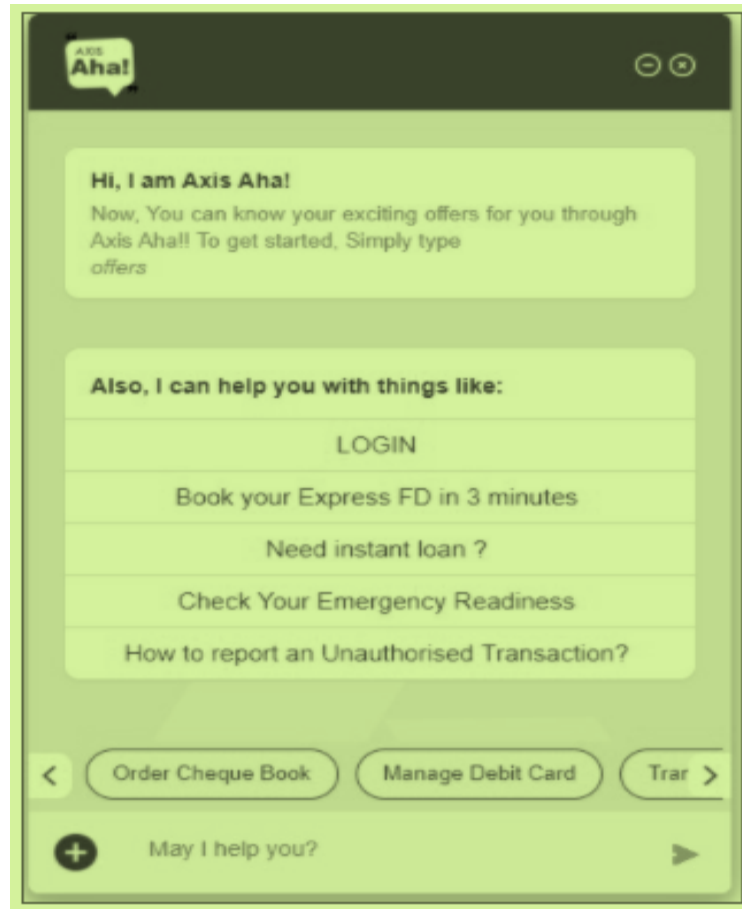
### Axis Support

You can also find answers to your queries using online Axis Support. Select "Loan" > "Personal Loan", your query details and click on "Submit".

The screenshot shows a web form with the title "Select Your Specific Query". It contains four dropdown menus for selection: "Start selection here", "Continue Selecting", "Choose your Query", and "Select Specifics". At the bottom of the form is a black button with the text "SUBMIT" in white capital letters.

## Axis Aha! (Live Chat)

Alternatively, you can use Axis Aha!, the live chat feature provided by Axis Bank to get answer to your queries.



## Important Aspects

Following are some of the important aspects that should be considered before applying for Axis personal loan:

- Make sure you meet the eligibility criteria.
- Check the list of documents required to apply for a personal loan.
- Avoid multiple loan applications at the same time as this can lead to several hard inquiries of your credit report. Such hard inquiries can lower your credit score, and hence lower the chances of loan approval.
- Maintain a low credit utilization ratio, preferably lower than 30% in order to maximize your chances of approval for an Axis personal loan.



## FAQs on Loan from Banks

**?.** What is the turnaround time for Axis Bank personal loan disbursement?

While the exact time for personal loan disbursement is not specified by Axis Bank, the turnaround time for personal loan disbursement is typically 5 working days from the date of loan approval. However actual timelines for loan approval/disbursement may vary from one applicant to another.

**?.** Does Axis Bank provide pre-approved loans?

In case you have an existing relationship with Axis Bank, you may receive a pre-approved personal loan offer. However, such offers are provided only to select customers for a limited period of time. The interest rate and loan quantum in such cases tend to vary from one applicant to applicant.

**?.** Does Axis Bank offer personal loan balance transfer?

Yes, Axis Bank offers personal loan balance transfer. You can transfer your pre-existing loan at a higher rate of interest with any bank to Axis at a lower rate of interest. You can contact Axis Bank customer care to know more about the balance transfer option and procedure.

**?.** What are the upper and lower limits for Axis Bank personal loan amount?

You can avail a personal loan from Axis Bank for as low an amount as Rs. 50,000 to as high as Rs. 15 lakh.

**?.** Are there different types of Axis personal loan?

A personal loan from comes with a range of inclusive features wherein all eligible salaried employees can avail the loan subject to applicable terms and conditions. At present different types of personal loans do not exist with respect to Axis Bank.

**?.** How can I check Axis Bank personal loan status?

You can check your Axis Bank personal loan status online. Enter your loan application ID, date of birth and captcha code to see the status of your application.

**?.** What will be the personal loan interest rate after GST?

The interest component of a personal loan is not subject to GST. Hence, the interest payout and by extension loan EMI will remain unaffected after GST.

**?.** On what charges is GST applicable with respect to Axis personal loan?

Charges like processing fees, late payment penalties, cheque swap charges, part prepayment charges and foreclosure charges are subject to GST at the rate of 18%.

However now that Axis has revised part prepayment and foreclosure charges to nil, no GST will be applicable to those.

? Are there any extra charges if I don't pay EMI on time?

Yes, a penal interest of 24% per annum, i.e. 2% per month on the overdue installment have to be paid if you do not pay your Axis PL EMI on time.

? What does zero foreclosure charge for Axis Bank personal loan mean?

Zero foreclosure charges mean that you can completely pay off your loan before the designated due date without incurring any extra charges in the form of pre-payment penalties. Additionally, Axis Bank does not levy any charges even if you partly prepay your loan amount.

## Business Loan

Axis Bank is ranked as the third largest bank in India and is engaged in offering comprehensive financial products and services to its customers. Axis Bank offers



business loans at an interest rate of 15.5% onwards with added benefits. Axis Bank's business loans can provide cash-strapped or growing businesses with much needed capital. Whether it is expansion, purchase of machinery, business property or venturing into new avenues with the

help of Axis Bank business loan you can always stay in the competition.

## Axis Bank Business Loan Interest Rate 2020

Interest Rate	15.5% onwards
Processing Charges	Up to 2% of loan amount + applicable taxes
Loan Amount	Min. Rs. 50,000 & Max Up to Rs. 50 Lakh
Collateral	Not required
Foreclosure Charges	Nil
Prepayment Charges	Nil

Note: The facts and figures provided above are illustrative and subject to periodic change

Additional Fees & Charges	
Penal Interest	2% p.m. on the amount of overdue instalment
Stamp Duty	As per applicable state laws
Cheque Bounce Charges	Rs. 500 per bounced cheque + applicable taxes
Renewal Processing Fee	NA
Non Due Certificate (NOC)	Rs. 150 + applicable taxes
CERSAI Charges	NA

## Axis Bank Business Loan Eligibility Criteria

Eligibility Factors	Eligibility Criteria
Age of the Applicant	Min: 21 years and Maximum: 65 years (At the time of Loan Maturity)
Business Tenure	Min. 3 Years
Business Turnover	Min. Rs. 30 lakh

### Eligibility of any loan is determined by the below factors:

- Total Income of the business and other income of the business
- Age of the applicant
- Details of the assets and liabilities
- Qualification and professional qualification
- Value of the collateral
- Dependants of the applicants
- Current bank balances and other savings details of the applicants
- Applicant's creditworthiness and repayment capability

### Documents Required for Loan Application

- ✓ Last 2 years ITR (Income Tax Return)
- ✓ KYC Documents (Driving Licence, Voters' Identity Card, Aadhar Card, Passport)
- ✓ PAN Card / Form 60 for all applicant / Co-applicant / Guarantor
- ✓ Audit Report

### Additional Documents Required:

- ❖ Proof of the business establishment, which can be obtained by Shop and Business establishment certificate / GST Certificate / Service Tax Certificate
- ❖ Acknowledged Income Tax returns, along with duly signed certified copies of the profit and loss account, as well as balance sheet.



- ❖ If there are any existing loans outstanding for the business, the loan sanction letter and bank statement will also have to be provided to check the repayment track record.
- ❖ Project report or profile of the business will also have to be provided on the company letterhead.
- ❖ Copies of Government issued identity and address documents as per current KYC norms. Along with documentary evidences, cheque for processing fee.

### **MSME and Corporate Finance**

a) Axis Bank offers Corporate Loans to enterprises with annual Turnover more than Rs. 250 crore

Types of Corporate Loans that can be availed include Working Capital Loans, Structure Finance and Term Loans

b) SME Loans are offered to Small and Medium Enterprises with annual Turnover up to Rs. 250 crore

c) Under Small Business Banking, Axis Bank offers loans to enterprises with annual Turnover up to Rs. 15 crore

Types of loans offered under Small Business Banking are as follows:

- Cash Credit and Overdraft
- Merchant Loan Overdraft
- Business Loan
- Secured Term Loan

d) Start-up Banking or Loans for Startups

Types: Term Loan, Structured Loan and Supply Chain Finance

**Start-up Banking Toll Free: 1800-209-5577, 1800-103-5577**

**Email: [startupbanking@axisbank.com](mailto:startupbanking@axisbank.com)**

Overseas Transactions like Letter of Credit, Buyers' and Suppliers' Credit, Acquisition Financing, Loan underwriting and syndication, External Commercial Borrowings, etc. are offered to customers from Axis Bank's Singapore bank branch.

## Small Business Banking

Loan Type	Cash Credit & Overdraft	Merchant Loan Overdraft	Business Loan	Secured Term Loan	Unsecured Dropline
Loan Amount	Min. Rs. 10 lakh & Max. Rs. 3 crore	Min. Rs. 5 lakh & Max. Rs. 2.5 crore	Min. Rs. 50,000 & Max. Rs. 50 lakh	Min. Rs. 5 lakh & Max. Rs. 5 crore	Min. Rs. 3 lakh & Max. Rs. 5 crore
Renewal/Repayment Tenure	Facility renewal at end of 12 months	Facility renewal at end of 12 months & availed for max. Up to 36 months	From 12 months up to 36 months	From 12 months up to 15 years	Availed for a tenure of 24 months up to 60 months

Note: Both, Business loans and Unsecured dropline facility are Collateral Free

### Customized Credit Services to Customers

At times even after careful planning and financial management, there may be unforeseen and unexpected financial commitments that come up. This might put the entire business at risk by putting unexpected strain on the available business resources. Axis Bank business loan eases all these risks and pitches in to help the business in various ways.

#### 1. Working Capital Finance:

For seamless operation of the business, finances should be readily available at all levels of business decision-making and execution, there are some fund-based facilities like cash credit & overdraft facilities that can cover the short term needs of the business like purchase of raw materials and finished goods as well as meeting any and all recurring business expenses.

#### 2. Trade Finance (Bill Discounting):

Invoice or Bill discounting is the short term working capital finance for the seller of the goods on credit. Even when the buyer is within the country or outside the country, payment terms can be long and hard to manage. In such cases, the process of bill discounting can help out to a great extent. A business loan helps sellers recover the invoiced amount from the financial intermediaries before the invoiced date charged against the service, which ensures business liquidity is available.

#### 3. Export Finance:

This is a specific and customized facility offered to export establishments in order to meet the cash flow of the business. This financing option is offered in either local or the respective country's currency for the pre & post shipment finance of international trade. This Axis Bank business loan is tailored to suit the financial demands of companies so that they can easily expand their business overseas. The basic criteria of funding, apart from the business performance is the quality of the debtor rather than credit worthiness of the country and the level of the economy.

4. Lease Rental Discounting:

If the business has owned the property and rented the property out, future rent earning from this property can be used to finance the short term business expenditures. Lease rental discounting is a term loan offered against future expected rental receipts derived from lease contracts.

5. Term Loans:

Apart from the regular expenditure, term loan facility is available for capital expenditure, acquisition of fixed assets as well as research and development costs and upgrade activities. Term loans usually feature tenure between one and ten years. In some cases, it can extend over a longer time period.

6. Construction Finance:

Real estate industry is booming and has as huge scope for further development. This industry needs a constant stream of capital till the handover stage. Prior to handover there is little or no inflow of cash in case of construction projects. For such businesses, Axis Bank offers long term loans which have a minimum tenure of 5 years.

7. Project Finance:

Project finance loans are obtained mainly for long term projects of infrastructure and industrial projects. These are financed on the basis of the projected cash flow of the organization. Start-ups often require additional capital for ambitious projects that are either new or include those related to expansion, diversification, modernization, etc.

Apart from the regular and conventional financing, there are fast track products which are introduced by the Axis Bank from time to time. These are designed to provide swift credit delivery to the individual which is subjected to the fulfilment of the eligibility criteria for these unique loan products.



**Axis Bank Customer Care**

<b>Toll Free Numbers for Indians</b>	
Retail Phone Banking	1860-419-5555, 1860-500-5555
Agri and Rural	1860-103-5577

Toll Free Numbers for NRIs	
USA	1855 205 5577
UK	0808 178 5040
Singapore	800 1206 355
Canada	1855 436 0726
Australia	1800 153 861
Saudi Arabia	800 850 0000
UAE	8000 3570 3218
Qatar	00 800 100 348
Bahrain	800 11 300

With the help of these Toll Free numbers you can reach banks' customer care professionals from anywhere, anytime to raise any query, report an issue or discuss any concern.

### Axis Bank Corporate Office Address

Axis Bank Limited, 'Axis House',  
C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025

+91-22-24252525/43252525, +91-79-66306161

### Axis Bank Registered Office Address

Axis Bank Limited, 'Trishul',  
3rd Floor, Opp. Samartheshwar Temple, Near Law Garden, Ellisbridge, Ahmedabad – 380 006



### FAQs on Loan from Banks

**?.** What is the Axis bank business loan interest rate?

The business loan interest rate offered by Axis Bank starts from 15.5% per annum.

? What is the turnaround time for Axis Bank business loan disbursement?

The turnaround time varies from case to case and majorly depends on the applicant's loan amount, business requirements and other related factors.

? Does Axis Bank offer business loan balance transfer?

Yes, Axis Bank does offer business loan balance transfer features.

? How can I check Axis Bank business loan status?

To check loan status you will have to visit the official website or click on the below link and fill in all the details to get the loan application status.  
<https://www.axisbiconnect.co.in/axisbankloanstatusenquiry/web/retail/getloanaccountnumber.aspx>

? Are there any extra charges if I don't pay EMI on time?

Yes, there are additional 2% of penal charges on the amount of overdue instalment.

? What does zero foreclosure charges for Axis Bank business loan mean?

Foreclosure means if you want to close the loan by paying the full outstanding amount at one go to avoid further EMIs, Axis Bank does not charge any additional charge for this activity.

### **Personal Loans**

Bandhan Bank offers personal loans up to Rs. 5 lakh that applicants can use to meet various personal financial requirements including medical, vacation, home renovation expenses, etc. Bandhan Bank personal loan interest rate starts at 15% p.a. The bank's personal loans can be easily availed online, involve minimal documentation and repaid over a tenure extending up to 36 months. Key aspects associated with Bandhan Bank personal loans such as key features, eligibility criteria, documents required to avail the loan, fees and other charges, etc. are discussed below:



### **Features of Bandhan Bank Personal Loan**

Some salient features of Bandhan Bank Personal Loan are given below:

- ❖ Loan amount:  
You can avail a personal loan ranging between Rs. 1 lakh and up to Rs. 5 lakh to meet various personal financial requirements.
- ❖ Flexible repayment tenure: The loans come with a flexible repayment tenure ranging between 12 to 36 months which customers can choose as per their own convenience.
- ❖ Quick disbursement: Bandhan Bank has an easy application process and a rapid loan approval process. Also, once all the relevant documents are received and verified the loan amount is disbursed into your account within 2 working days.
- ❖ Minimal documentation and eligibility criteria: Minimal documentation is required to avail a personal loan from Bandhan Bank. Also, eligibility can be established both online and offline (by visiting the nearest bank branch).

- ❖ Attractive interest rate: The bank's personal loan rates are at par with the banking industry standards. Bandhan Bank offers personal loans at an attractive interest rate starting as low as 15% p.a.

### **Bandhan Bank Personal Loan Interest Rates**

Bandhan Bank personal loan interest rate starts at 15% p.a. However, specific interest rate applicable to an applicant varies with several factors including the applicant's credit score, loan amount and tenure desired, etc.

### **Eligibility Criteria**

The eligibility criteria required to avail a personal loan from Bandhan Bank is given below:

- Applicants must be between 21 – 60 years of age.
- Should be either salaried or self-employed.
- Should have a relationship with Bandhan Bank for a minimum period of 6 months.
- In case an individual holds an account with the bank, his account should be active with minimum 1 credit and 1 debit entry per month.
- Must be with the current employer for the last six months.
- Should be in the possession of valid documents required to avail the loan.
- Documents Required for Bandhan Bank Personal Loan
- The following documents are needed to avail a Bandhan Bank Personal Loan:

### **Common Documents:**

- ✓ Duly-filled personal loan application form.
- ✓ Proof of Identity: Passport/Voter ID card/PAN card/Aadhar/Driving license
- ✓ Proof of Address: Passport/Voter ID card/PAN card/Aadhar/Driving license
- ✓ Signature Proof: PAN card/ Passport
- ✓ A Photograph

#### For Salaried Individuals:

Salary slip for the last 3 months and Form -16 for 1 year

#### For Self-employed Individuals:

Previous 2 years ITR with computation of Income, Balance Sheet and Profit & Loss account

### **Check Bandhan Bank Personal Loan Application Status**

- You can check the status of your personal loan application via any of the following means given below:
- You can check the status of your personal loan application by logging into your Netbanking account.

- You can also call on the bank's 24x7 toll-free customer care number 1800-258-8181 or send an email at [customercare@bandhanbank.com](mailto:customercare@bandhanbank.com) to know the status of your personal loan application.

## Fees and other Charges

Service	Charge
Loan Processing Charges	1% of the loan amount
Cheque Bouncing or Failed SI Charges	Rs. 500
Overdue Charges/Late Payment	2%/month on EMI outstanding
Part Payment Charges	NA
Foreclosure statement	Rs. 100
Foreclosure charges on Fixed rate	<ul style="list-style-type: none"> <li>2% of Principal,</li> <li>In case less than 12 months then 4% of Principal</li> </ul>
Stamp duty and other statutory charges	In accordance with the law of the state
Duplicate Statement of Account	Rs. 100
Document Retrieval charges	Rs. 500
Duplicate NOC	Rs. 300

Note: The borrower will also be required to pay taxes as applicable on the above charges.

## How to Login on Bandhan Bank Bank Portal

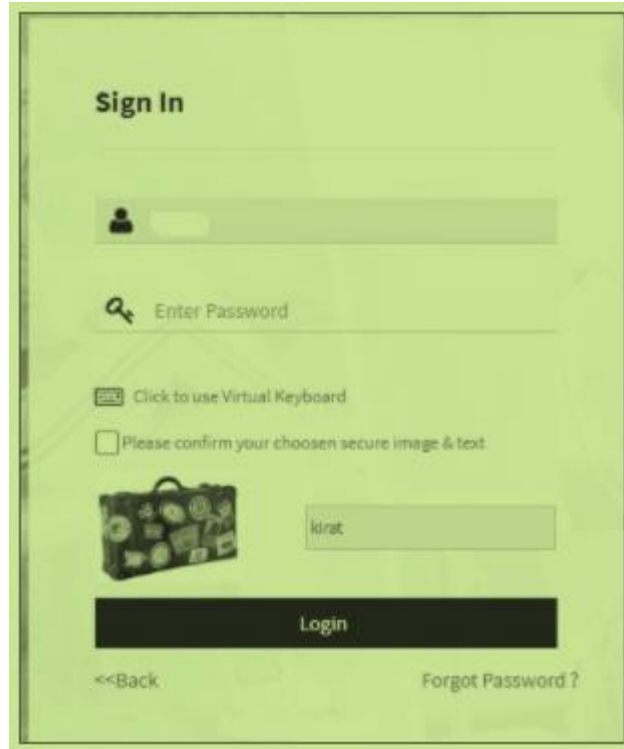
The login process involves the following steps:

- Visit the official website of Bandhan Bank.
- Click on 'Online Banking' and select 'Personal'.



- Click on 'Continue to Login' and enter your login credentials and the captcha code to login to your account.





### **Bandhan Bank Bank Personal Loan Statement**

You can avail the statement of your Bandhan Bank personal loan via any of the following means given below:

#### Online:

You can avail your personal loan statement by logging into the bank’s net banking portal using your login credentials.

#### Offline:

If you wish to secure a physical copy of your personal loan statement, you can visit the nearest branch office or call up the customer care.

### **Bandhan Bank Personal Loan EMI Calculation**

Bandhan Bank personal loan interest rate starts at 15% p.a. The following table gives a sample of loan amounts against varying interest rates and loan tenures along with monthly EMIs.

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)		
	1-year loan tenure	2-year loan tenure	3-year loan tenure
1 lakh @ 15% p.a.	9,026	4,849	3,467
3 lakh @ 15.50% p.a.	27,148	14,617	10,473
5 lakh @ 16% p.a.	45,365	24,482	17,579

### **Comparison of Bandhan Bank Personal Loan vs. Other Lenders**

A comparison of the key features of a personal loan from Bandhan Bank with other top lenders in India is given below:

Particulars	Bandhan Bank	ICICI Bank	HDFC Bank	Axis Bank	Citi Bank
Interest Rate	Starting from 15%	11.25% onwards	10.75% onwards	12% onwards	Starting from 9.99%
Tenure	12 to 36 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Upto Rs. 5 lakh	Upto Rs. 20 lakh	Upto Rs. 15 lakh	Rs. 50,000 to Rs. 15 lakh	Upto Rs. 30 lakh
Processing Fee	1% of the loan amount	Upto 2.25% of loan amount plus GST	Upto 2.50% of the loan amount	2% of loan amount plus GST	Upto 3% of the loan amount

### Bandhan Bank Bank Customer Care

You can contact the bank's customer care via any of the following means given below:



#### By Phone:

You can call the customer care helpline at 1800-258-8181 (toll-free)

#### Email:

You can also contact the bank's customer care via email. The email address for the same is [customercare@bandhanbank.com](mailto:customercare@bandhanbank.com)

#### Branch Visit:

You can visit the nearest bank branch to get your queries resolved. To locate the nearest branch

#### Call Back Facility:

You can also request for a call back by filling up the call back request form available on the bank's website.

#### Write to the Company:

You can also write to the company at its registered address-  
DN 32, Sector V, Salt Lake City, Kolkata 700091

### Important Aspects

- To get the best deal, compare different interest rates and charges before actually applying for a personal loan.
- Avoid applying for a personal loan with multiple lenders simultaneously. It may lead to an increase in the number of hard inquiries for your credit report and may adversely affect the chances of your loan approval.
- Evaluate the complete cost of the loan. Interest is not the only cost that you need to pay. While finalizing upon a particular personal loan, other charges like processing fee, prepayment fee, late payment fee, etc. should also be considered.
- Borrow only what you need and can repay. Don't borrow simply because you are eligible to borrow a higher amount.

- Check your credit score before applying for a personal loan. It is one of the primary things that lenders consider before lending money to a person. Low credit score can result in the applicant being charged a higher rate of interest by the lender or to an outright rejection of the loan application.



## FAQs on Loan from Banks

**?** What is the minimum and maximum loan amount that I can avail on a personal loan from Bandhan Bank?

Bandhan Bank offers personal loans ranging between Rs. 1 lakh to Rs. 5 lakh to meet various personal financial needs.

**?** What are the tenure options available on Bandhan Bank Personal Loan?

Bandhan Bank personal loans come with a repayment tenure ranging between 12 to 36 months, which borrowers can choose as per their own convenience.

**?** How do I apply for a Bandhan Bank personal loan?

You can apply for a personal loan from Bandhan Bank through any of the following means given below:

Apply online on the bank's website.

Visit the nearest branch office and submit the loan application form along with the relevant documents.

Call up the bank's 24x7 customer care toll-free number 1800-258-8181.

**?** I am expecting to receive PF from my last employer. Does the bank permit prepayment of the loan?

Yes, the bank allows the customer to opt for prepayment but only after the 6th EMI.

**?** I am looking for a personal loan to support my son's higher education. Time is a challenge. How soon, the personal loan can be availed?

The personal loan can be obtained within two working days, provided the applicant has provided all the required information and documents.

**?** My company doesn't provide salary slips, I get a salary in the form of Cheque. Can I seek a personal loan?

Yes, against the salary slip, you can provide the bank statement of the last three months. For any query, connect with the bank.

? Do I need to provide a collateral or security to avail a personal loan from Bandhan Bank?

No collateral or security is required to avail a personal loan from Bandhan Bank.

? What are different means through which I can pay my Bandhan Bank personal loan EMIs?

You can make EMI payments using post-dated cheques, standing instructions or by using the ECS facility.

## Business Loans

Bandhan bank is one of the leading banking institutions that offer financial and banking products and services to customers living in urban, semi-urban and rural areas. The bank offers various types of business loans to individuals, business owners, entrepreneurs, start-up enterprises, MSMEs and large enterprises. The business loan interest rate offered by banks starts from 11.90% onwards per annum. Further, mentioned below are the types of MSME loans offered by Bandhan bank:

### Types of Bandhan Bank MSME Loans

Bandhan Bank MSME Loan – 2020			
Loan Type/Categories	Working Capital Loan	Term Loan	Small Enterprise Loan
Interest Rate	11.96% onwards	11.96% onwards	16% onwards
Loan Amount	Based on documents submitted	Based on documents submitted	From Rs. 1 lakh – Rs. 10 lakh
Processing Fees	Min. 1% + service tax	Min. 1% + service tax	Min. 2% + service tax
Repayment Tenure	Repayable on demand	Max. 7 years, including moratorium period of 3 months	Term loan – Max. 3 years Working capital – Repayable on demand
Margin	Min. 25%	25% Flat	NA
Insurance	All assets financed to be insured with bank clause	All assets financed to be insured with bank clause	NA

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges

Bandhan Bank offers MSME loans to small enterprises and MSMEs, through Small Enterprise Loans and Samridhi Business Loans, for working capital / asset creation / liquidity enhancement, etc. The tenure of the loan and interest rates depend on the type of loan applied. Below are the various types of business loans offered by Bandhan Bank

### 1. Small Enterprise Loan

The Small Enterprise Loans are composite loans given for a period of 3 years, to self-employed professionals and non-professionals, with minimum 2 years of experience in the same line of business. The minimum age to apply for this loan is 23 years and the maximum age of the applicant at the time of loan maturity should be less than 60 years.

Quantum of Loan: Minimum Rs. 1 lakh and Maximum Rs. 10 lakh

Rate of Interest: The Rate of interest ranges from 16% to 20% per annum

#### **Documents Required:**

- KYC documents
- PAN Card
- Copy of Trade License/ Business Registration Document
- Proof of business vintage and residential stability
- Balance sheet/ Profit & Loss statement/ ITR/ GSTR
- Last 1 year's Primary Bank Account Statement
- GST Registration and GST Return (for loans above Rs. 3 lakh)

### 2. MSME Working Capital Loan

The MSME Working Capital Loans are designed to let the businesses improve their liquidity and creating income-generating assets. The loan is extended to existing profit making MSMEs only.

Quantum of Loan: Depends on the assessment of business and documents submitted by the applicant

Rate of Interest: The Rate of Interest varies from 11.96% to 16.49% per annum

#### *Documents Required:*

- Filled application form
- 3 passport sized photographs of individual borrower
- 2 passport sized photographs of guarantor, if required
- KYC documents
- Last 3 year's financial statement
- Ownership documents of security
- Copy of Partnership Deed / AoA & MoA / other related documents of company / partnership firms
- Trade License or other regulatory license applicable to the nature of business
- Last 6 month's statement of existing bank account

### 3. MSME Term Loan

The MSME Term Loans are extended to individuals/ companies to start a new business or expand the existing businesses. The tenure of the loan is up to 7 years with a moratorium period of 3 months. The business can apply for this type of loan for their capital investment requirements. For individuals, proprietorship and partnership the minimum age to apply for this loan is 23 years and the maximum age should not exceed 60 years at the time of loan maturity. For non-individuals, at least 2 years of track-record is required in the same business however, new entrepreneurs, who are eligible, may also be considered.

Quantum of Loan: Depending on the assessment of the business and documents submitted by the applicant

Rate of Interest: The Rate of Interest varies from 11.96% to 16.49% per annum

Documents Required:

- Filled application form
- 3 passport sized photographs of individual borrower/Partners/Directors
- 2 passport sized photographs of guarantor, if required
- KYC documents
- Last 3 year's financial statement
- Ownership documents of security
- Copy of Partnership Deed / AoA & MoA / other related documents of company / partnership firms
- Trade License or other regulatory license applicable to the nature of business
- Last 6 month's statement of existing bank account



### **FAQs on Loan from Banks**

**?.** What is the interest rate offered by Bandhan Bank?

The interest rate offered by Bandhan Bank starts from 11.96% onwards.

**?.** What is the minimum and maximum loan amount offered by Bandhan Bank?

The minimum loan amount offered is Rs. 1 lakh and maximum is Rs. 10 lakh.

**?.** What is the processing fee of MSME loans offered by Bandhan Bank?

The processing fee varies from loan to loan wherein it ranges from 1% – 2% of the loan amount plus service tax.

? What are the loan tenure options?

The repayment tenure of MSME loans offered by Bandhan Bank varies from 1 year to maximum 7 years.

? How can I apply for Bandhan Bank Business Loans?

To apply for a business loan from Bandhan Bank, the applicant needs to visit the nearest branch of Bandhan Bank and submit the duly filled loan application form along with all the required documents. Based on the scrutiny of the documents, the bank may approve the application and grant a business loan. Individual can apply it online as well by visiting bank's official website.

? How much time does it take for loan processing?

The Bandhan Bank requires at least 7 working days after the submission of the loan application form and necessary documents. The bank officials shall intimate the applicant about sanction/ rejection of their application within this time-frame. If the application is approved, bank shall complete the post-sanction formalities and remit the funds at the earliest.

## BANKS

### Bank of Baroda

Bank of Baroda offers personal loans to individuals to deal with various expenses like home renovation, wedding, vacation, higher education, medical emergency, purchase of consumer durables like washing machine, television, refrigerator, etc. A Bank of Baroda personal loan can be availed for amounts up to Rs. 10 lakh and is offered to both salaried professionals as well as self-employed individuals.



#### Features of Bank of Baroda Personal Loan

**Loan amount:** You can avail a personal loan up to Rs. 10 lakh from Bank of Baroda to meet various personal financial requirements. However, the loan amount offered to an individual depends upon where he lives (rural or urban area). People residing in urban areas and metros can avail a loan ranging between Rs. 1 lakh to Rs. 10 lakh. For rural and semi-urban areas the loan amount can start at Rs. 50,000 and can go up to Rs. 5 lakh

**Flexible tenure:** You can repay your Bank of Baroda personal loan within a flexible repayment tenure ranging up to 60 months

**Online processing:** You can apply for Bank of Baroda Personal Loan online from the comfort of your home or office and thus save a significant amount of time and effort

**Quick disbursement:** Once the loan is approved, the amount is disbursed to your account within a few days

#### Bank of Baroda Personal Loan Interest Rates

As per guidelines issued by RBI, Bank of Baroda has introduced BRLLR (Baroda Repo Linked Lending Rate) for all lending products including personal loans. The following are the BoB personal loan interest rates for different categories of borrowers:



Type of Personal Loan	Interest Rate (p.a.)
Bank of Baroda Personal Loan for Salary account holders	Starting at 10.50% p.a.
Bank of Baroda Personal Loan for other account holders	
Bank of Baroda Personal Loan for other applicants (no prior BoB relationship)	Starting at 12.10% p.a.

### Eligibility Criteria

To avail Bank of Baroda personal loan, the following eligibility criteria need to be considered:

- Minimum 6 months' banking relationship with BoB or other bank if personal loan amount is up to Rs. 2 lakh
- Fixed Obligation to Income Ratio (Repayment Capacity) – Max 40% of GMI for those with GMI less than Rs. 75,000. For GMI Rs. 75,000 and above but less than Rs.2 lakh, FOIR equal to 50% of GMI allowed. FOIR equal to 60% of GMI allowed if GMI greater than Rs. 2 lakh.

### For Salaried Applicant

- Age between 21 years and 60
- Minimum 1 year of continuous service
- Fixed Obligation to Income Ratio (FOIR) – Max. 60% of Gross Monthly Income (GMI) payable towards FOIR for employees of Central/State Government, Autonomous Bodies, Public/Joint Sector Undertakings & Educational Institutions- with minimum continuous service for 1 year and having salary account with the Bank. For other salaried applicants, FOIR requirements are as follows:
  - 40% of GMI: If GMI less than Rs. 75,000
  - 50% of GMI: If GMI Rs. 75,000 and above but less than Rs.2,00,000
  - 60% of GMI: If GMI Rs. 2,00,000 and above
- For government employees and salaried applicants working with public/joint sectors, autonomous bodies, etc. with BoB salary account, previous month's salary must have been credited in salary account
- For other salaried applicant having salary account with Bank of Baroda and applying for Bank of Baroda personal loan over Rs. 2 lakh, salary account must have been maintained for past 6 months

### For Self Employed Applicant:

- Age between 21 years to 65 years
- Minimum 1 year of continuous business existence/ 2 years in case of insurance agents
- For those applying for a personal loan over Rs. 2 lakh with Bank of Baroda, minimum tenure of prior relationship with the bank is 6 months

- In case of insurance agent applicant, agent commissions for at least the past 6 months needs to have been credited to a Bank of Baroda account

### **Documents required for loan application**

The following are common documents needed to avail Bank of Baroda Personal Loan:

- Photo Identity Proof: A copy of your Passport / Voter ID / Aadhaar Card/ Driving License, etc. (Any one)
- Address Proof: A copy of your Electricity Bill / Ration Card / Passport
- Salary slips for last 3 months
- Income Proof: Latest 3 months' bank statement of salary account
- Employment Certificate: A certificate stating one year of continuous employment
- 2 passport size photographs

### **Specific Documents Required for Salaried:**

- Salary slips for last 3 months
- Latest 3 months' bank statement of salary account
- Employment Certificate stating one year of continuous employment
- Specific Documents Required for Self-Employed:
- Certified P&L for past 2 years
- Acknowledged Income Tax Return for at least the past 2 years
- Proof of business registration and business continuity of at least 1 year

### **Check Bank of Baroda Personal Loan Application Status**

While Bank of Baroda does not provide a separate platform for checking the status of your personal loan application, you can use the following methods to perform this task:

- Bank of Baroda Internet Banking
- Contacting Bank of Baroda Customer Care
- In-Person visit to a nearby BoB branch.

### **Fees and other Charges**

Various charges are applicable to a Bank of Baroda personal loan in addition to the interest payable. Some of the charges in this respect are as follows\*:

Penal Interest	2% on overdue amount
Processing Fees	2% of loan amount
Prepayment/Foreclosure Charges	Nil
Cheque/ECS bounce charges	Rs. 100 each time for savings account cheque or ECS / Rs. 200 each time for current account cheque or ECS

\*GST will be additional to the above mentioned fees and charges.

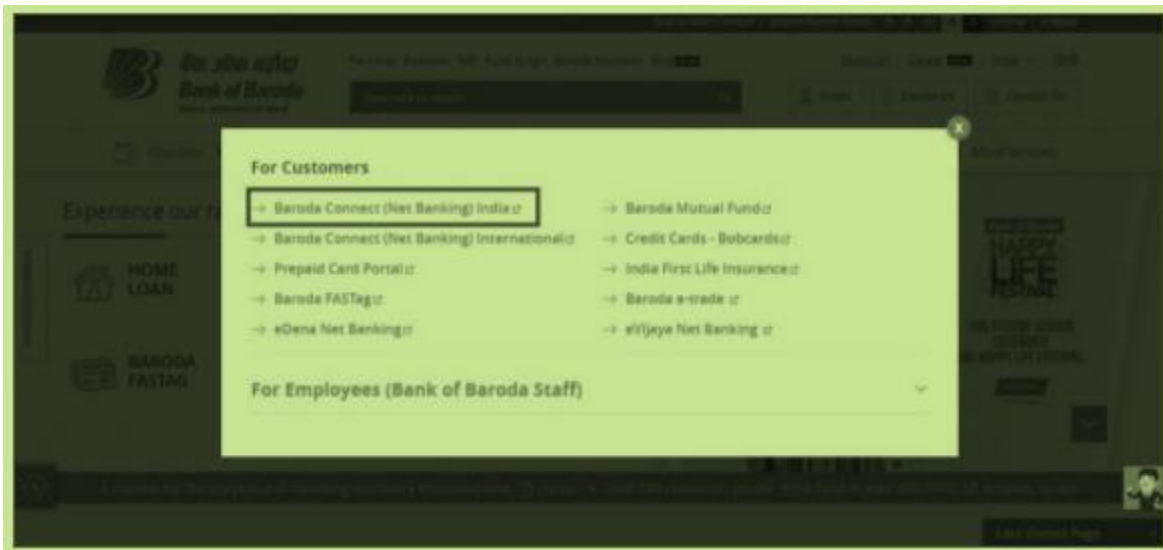
### How to Login on Bank of Baroda Portal

The login process for Bank of Baroda Connect, the secured e-banking platform of Bank of Baroda is as follows:

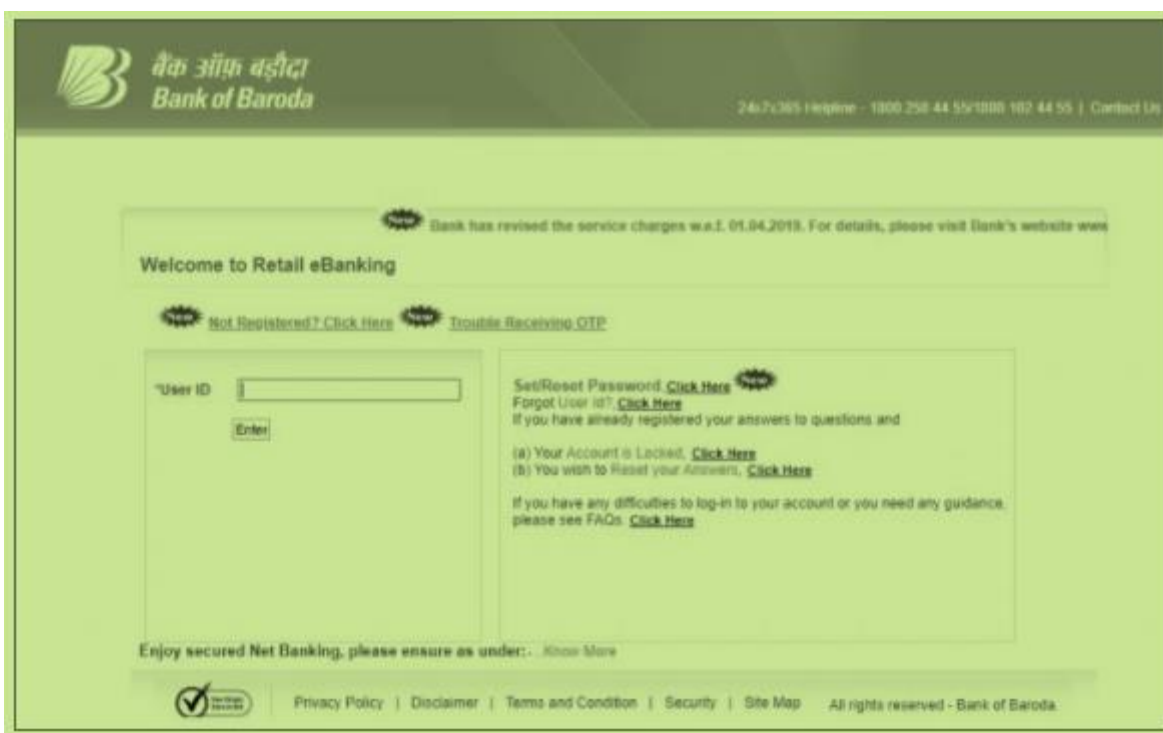
Visit the official website of Bank of Baroda and click on login



Under 'For Customers' choose the relevant option and login using your credentials.



Use your customer ID and password to log into Baroda Connect – the e-banking platform of BoB.



## Bank of Baroda Personal Loan Statement

You can easily use either the online/offline route to check your BoB Personal Loan statement.

- If you have a prior banking relationship with Bank of Baroda, you can view and download your personal loan statement by logging into the Bank of Baroda online portal.
- Alternately, you can visit your nearest BoB branch in person and request a physical copy of your personal loan statement. Do note there may be charges involved in case you opt for a physical copy.

## EMI Calculation

When availing a personal loan, it is necessary to know how much EMI you would be paying each month to repay the personal loan. The table below shows a sample of EMIs payable against different loan amounts, tenures and interest rates.

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
2 lakh @ 11.4% p.a.	Rs. 17,714	Rs. 9,359	Rs. 6,586	Rs. 5,208	Rs. 4,388
5 lakh @ 14% p.a.	Rs. 44,894	Rs. 24,006	Rs. 17,089	Rs. 13,663	Rs. 11,634
10 lakh @ 16% p.a.	Rs. 90,731	Rs. 48,963	Rs. 35,157	Rs. 28,340	Rs. 24,318

## Comparison of Bank of Baroda PL vs. Other Lenders

The following table provides a comparison of the personal loan offering from Bank of Baroda against various other personal loan providers against some key criteria:

Particulars	Bank of Baroda	ICICI Bank	Citi Bank	Axis Bank	HDFC Bank	Bajaj Finserv
Interest Rate	Starting from 10.50%	Starting from 11.25%	Starting from 9.99%	12% to 24%	10.75% to 21.30%	Starting from 12.99%
Tenure	Up to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Up to 10 lakh	Up to Rs. 20 lakh	Up to Rs. 30 lakh	Rs. 50,000 to Rs. 15 lakh	Up to Rs. 15 lakh	Up to Rs. 37 lakh
Processing Fee	2% of Loan amount plus GST	Up to 2.25% of loan amount plus GST	Up to 3% of the loan amount	Up to 2% of loan amount plus GST	Up to 2.50% of the loan amount	Up to 4.13% of the loan amount

## Bank of Baroda Customer Care

Customers can contact the Bank of Baroda customer using any of the following means:

### By Phone:

You can call Bank of Baroda on 1800-258-4455 and 1800-102-4455 (toll-free)

### Branch Visit:

You can visit the nearby Bank of Baroda branch to get your queries answered



## Important Aspects

- Before actually applying for a personal loan, different interest rates and charges should be compared online to avail the best deal
- Evaluate the complete cost of the loan. Interest is not the only cost that you need to pay. Other charges like processing fee, late payment fee, prepayment fee, etc. might also be considered while deciding upon a particular personal loan
- Avoid applying for a personal loan with multiple lenders simultaneously. It may lead to an increase in the number of hard inquiries for your credit report and may negatively affect the chances of your loan approval
- Check your credit score before applying for a loan. It is one of the first things that lenders consider before lending money to a person. Low credit score might lead to the rejection of your loan application or an increase in the interest rate charged by the bank
- Borrow according to your need and repayment ability. Don't borrow simply because you are eligible to borrow a higher amount



## FAQs on Loan from Banks

**?.** I live in a semi-urban area and am self-employed. Can I avail a personal loan from Bank of Baroda?

Yes, you can avail a personal loan of up to Rs. 5 lakh as long as you meet the applicable eligibility criteria specified by Bank of Baroda.

**?.** When should I start repaying my personal loan?

You must start loan repayment to Bank of Baroda from the month subsequent to the month of loan disbursement.

**?.** What is the interest rate charged by Bank of Baroda on its personal loans?

At present, the bank offers personal loans at an interest rate starting at 10.50% p.a. However, the exact interest rate offered to an applicant by Bank of Baroda may vary based on the applicant's credit score, repayment history, loan amount, tenure desired, etc.

**?.** How long does it take for a Bank of Baroda personal loan to get disbursed?

Once all the documents are verified and the loan is approved by Bank of Baroda, it is usually disbursed within 48 hours. However, this turnaround time may vary depending on the loan amount and other criteria.

**?.** What is the minimum and maximum loan amount available on Bank of Baroda Personal Loans?

Bank of Baroda offers personal loans up to Rs. 10 lakh. Besides other factors, the loan amount offered to an individual also depends upon where he lives (rural or urban area). People living in the metros and urban areas can avail a personal loan ranging from Rs. 1 lakh to Rs. 10 lakh from the bank. However, the loan amount can range between Rs. 50,000 to Rs. 5 lakh for applicants residing in rural and semi-urban areas.

**?.** What are the tenure options available for personal loans offered by Bank of Baroda(BoB)?

The tenure for personal loans sanctioned by BoB can range between 12 months to 60 months.

**?.** Are only Bank of Baroda customers eligible for a personal loan from the bank?

Though Bank of Baroda customers might have an advantage while negotiating the Personal Loan terms, anyone can apply for a personal loan from Bank of Baroda provided that they meet the personal loan eligibility criteria.

? Can I apply for a personal loan from Bank of Baroda with a co-applicant?

No, you cannot apply to Bank of Baroda for a personal loan with a co-applicant. Each loan application is considered only on an individual basis.

? Is there a processing fee charged by the bank on personal loans?

Yes, Bank of Baroda levies a 2% processing fee on the personal loan amount disbursed plus applicable taxes. The minimum processing fee charged by Bank of Baroda for a personal loan is Rs. 1,000 and the maximum is Rs. 10,000.

? How can I utilise the funding availed through a personal loan from Bank of Baroda?

Personal loans offered by Bank of Baroda feature flexible end usage and thus can be used to meet any personal financial need such as wedding expenses, home renovation, debt consolidation, etc.

## Business Loan

Bank of Baroda (BOB) is a well-known public sector bank that offers business loans to self-employed professionals, MSMEs (Micro, Small and Medium Enterprises), corporates and businesses. Customized products are also offered by the bank to meet the requirements of the customers. A few different types of business loans offered by the Bank of Baroda are Working Capital, Export Finance, Bill finance, Bridge Loans, Short-term Corporate Loan, Term Finance and so on.

## BOB Business Loan Schemes – 2020

Bank of Baroda offers various business loan schemes to its customers. The details of some of them are given in the table below:

Loan Type	Loan Amount	Loan Tenure	Interest Rates
Baroda Vidyasthali Loan (For Educational Institutes)	Up to 15 crores	Up to 7 years (including moratorium period of 2 year)	8.35% + SP onwards
Loan Against Rent Receivables	Up to 200 crores	Up to 10 years	For Landlords of BOB Branch Premises: 7.60% + Strategic Premium + 1.25% For others: 7.60%+ Strategic Premium+3.25%
Baroda Professionals	Up to 5 crores	Up to 7 years	As per standard applicable rates
Commercial Vehicle Finance	Up to 30 crores	Up to 5 years	For Transporters: 7.60 + Spread ranging from 0.55% to 1.20%

Note: The figures given in the table are indicative and are subject to change at the banks' or RBI's discretion without prior information.

### **Eligibility Criteria of Bank of Baroda Business Loan**

Your eligibility for Bank of Baroda business loan depends on the two most basic and important aspects, your loan repayment ability and your repayment history which is assessed by the following parameters:

#### Age:

Age is of significant importance as it determines your repayment capacity. As per the eligibility criteria of your business loan scheme if your age does not qualify, you cannot apply for business loan.

#### Credit score/CIBIL score:

To get business loan approval, your CIBIL score or credit score must be more than 750. Your entire CIBIL report i.e. past repayment history, loans, etc. will be taken into consideration while determining your eligibility for a business loan.

#### Business sturdiness

If your business is stable and has potential to grow only then you will be able to give the money back. To assess your businesses' sturdiness, the bank looks into the growth in your business's sales. To increase your chances of getting your loan approved, you must display an increase in sales and future work.

### **Documents Required**

Bank of Baroda realises that not all businesses are same and thus they have different fund requirements. To cater to these varied requirements, the bank offers different business loan schemes to its customers. Since this business loan schemes differ from each other, their eligibility criteria and document requirement too varies. However, a few common documents that you will have to submit if you were to apply for Bank of Baroda Business Loans are:

- Identity proof- Aadhaar card, PAN card, voter's ID, passport.
- Address proof- Aadhaar card, PAN card, passport, bank statement, agreement of rent, etc.
- Business proof- PAN card, sales tax, service tax, registration documents, a copy of partnership deed, registration certificate by RBI, SEBI, etc.
- A copy of 2 years income tax returns.
- 2 photographs.
- Project reports.
- Last 6 months bank statement.

Depending on your business loan type and credit profile, you might be required to submit additional documents.

### **Bank of Baroda Business Loan Application Form**



The Bank of Baroda business loan application form requires the following details:

- ❖ Applicant's name
- ❖ Workplace address
- ❖ Loan amount
- ❖ Residential address of the proprietor
- ❖ Date of business commencement
- ❖ Contact details
- ❖ Business nature
- ❖ Proprietors details and address
- ❖ Banking details
- ❖ Security/collateral details
- ❖ The requirement of working capital

The application form is available at all Bank of Baroda branches. You can fill it accurately and submit it to any bank branch to apply for Bank of Baroda business loan.

### Steps to Check Bank of Baroda Business Loan Application Status Online

To check the loan application status from Bank of Baroda, you can follow these simple steps:

- ☛ Step 1: Enter your 'Proposal Acknowledgement ID' that you received after form submission
- ☛ Step 2: Enter the captcha text below
- ☛ Step 3: Click on 'Track Application' to check the status of your loan application



The screenshot shows the 'Loan Application Status Tracker' interface. At the top left is the Bank of Baroda logo with the text 'वैक ऑफ बड़ौदा Bank of Baroda India's International Bank'. The main heading is 'Loan Application Status Tracker'. The form contains the following elements:

- A text input field labeled 'Proposal Acknowledgement ID\*'
- A text input field labeled 'Enter Text Shown Below' with a captcha image showing the number '819559' and a mouse cursor.
- A 'Track Application' button.

At the bottom, the footer text reads: 'Site Designed & Developed by IT Department, 257 Mumbai ©2014 Bank Of Baroda. All rights reserved'.

## **Factors that affect BOB's Business Loan Interest Rate**

The interest rate on the Bank of Baroda business loan will depend upon many factors. Some of them are elaborated as follows:

### Credit score:

If your credit score or CIBIL score is high, you will be at advantage when negotiating the business loan interest rates. Otherwise, you will get the loan at a higher interest rate. Due to poor credit score, your loan application might also get rejected. To increase your chances of business loan approval, keep your credit score more than 700.

### Loan amount:

You might get business loan at a lower interest rate if you apply for a higher loan amount. This, in turn, leads to lower EMI's too.

### Business stability:

Your business must be stable and must have significant business experience and exposure to make profits to receive a lower rate of interest from the bank.

## **Benefits of Availing Bank of Baroda Business Loan**

The benefits of applying for Bank of Baroda Business Loan are:

Competitive Interest Rates – The bank offers business loans at competitive interest rates.

Loans for Different Business Sectors – Keeping in mind different needs of different businesses, the bank offers business loans broadly to MSMEs, Corporates and Businesses that trade internationally.

Different Schemes for Different Businesses – Not every business is same and to cater each one's monetary requirements, the bank offers different business loan schemes.

Quick Loan Application Process – The bank understands that businesses are time sensitive, and thus, have quick business loan application process.

Fast Loan Disbursal – Since the bank has quick loan application process and also minimal documentation, it takes no time to get loan approval and disbursed in your bank accounts.

## **Bank of Baroda Customer Care Number**

Toll Free Number: 1800 180 MSME or 1800 180 6763



In conclusion, a Bank of Baroda business loan will only assist you in establishing your business and making your dream come true. Bank of Baroda

offers attractive interest rates and multiple business loan schemes to choose from. The bank not only provides a hassle-free business loan process but also has no hidden charges, easy documentation process and quick disbursal process.

## BANKS

### Bank of India

Bank of India offers various types of personal loans that are designed to fulfill the diverse needs of different groups of applicants. From salaried professionals and physically challenged individuals to pensioners and students, various types of applicants can avail a personal loan from Bank of India for amounts up to Rs. 10 lakh.



#### Features of Bank of India Personal Loan

**Loan amount:** The loan amount offered by Bank of India starts from as low as Rs. 10,000 and goes up to Rs. 10 lakh. The loan amount offered to an individual depends on the applicant category he/she belongs to

**Flexible tenure:** Repayment tenure of Bank of India (BoI) personal loan is flexible as the repayment period varies from 12 to 60 months and can be selected by an individual as per his/her repayment ability

**Flexible end use:** Bank of India offers various types of personal loans like BOI Star Personal Loan, Star Mitra Personal Loan, BOI Star Pensioner Loan Scheme, BOI Star Doctor Plus and Star Holiday Loan Scheme. These loans can be availed by different individuals to fulfil various personal needs

**Easy application:** All types of personal loans offered by Bank of India can easily be applied online and these require minimal documentation

<b>Bank of India Personal Loan Highlights</b>	
Interest rate	9.35% p. a. onwards
Loan Amount	Up to Rs. 10 lakh
Loan Tenure	Up to 60 months
Processing Fees	Up to 2% of loan sanctioned
Types of Loans	Star Personal Loan, Star Mitra Personal Loan, BOI Star Pensioner Loan Scheme. BOI Star Doctor- Plus and Star Holiday Loan Scheme

## Bank of India Personal Loan Interest Rates

The following are the interest rates of various types of personal loans offered by Bank of India:

Type of Personal Loan	Interest Rate
Star Personal Loan	11.50% onwards
Star Mitra Personal Loan	9.35% onwards
BOI Star Pensioner Loan Scheme	10.50% onwards
BOI Star Doctor- Plus	11.00% onwards
Star Holiday Loan Scheme	13.50% onwards

## Types of Bank of India Personal Loan Products

### 1. BOI Star Personal Loan

Bol Star Personal Loan can be availed to deal with a variety of expenses like getting married, paying medical bills, opting for higher studies, renovating your home and more.

- The loan amount offered starts from Rs. 10,000 (available in only select centres) and goes up to Rs. 10 lakh.
- The maximum tenure allowed for this loan is 60 months.

Type of Applicant	Eligible Loan Amount
Salaried Employees	10 times of monthly net take home pay or 20 times of monthly gross pay
Professionals/individuals of high net worth	50 % of Gross Annual Income as per last Income Tax Returns or 100 % of Gross Average Annual Income as per last three years Income Tax Returns

The following are the interest rates applicable to different types of Star Personal Loan offered by Bol:

Type of Star Personal Loan	Interest Rate
Fully Secured	12.50% p.a.
Clean/Unsecured	13.50% p.a.
For senior Citizens aged 60 years and above & for loans up to Rs. 50,000	11.50% p.a.
Financing Secured under tie-up arrangements	12.50% p.a.

### 2. Star Mitra Personal Loan

Star Mitra Personal Loan is offered with an aim to help physically challenged individuals with funds so that they can live independently.

The loan amount can be used to purchase durable appliances/aids that may help them in day to day life.

The maximum loan amount offered under Bank of India's Star Mitra Personal Loan is Rs. 1 lakh.

The interest rate for this Bank of India personal loan starts at 10.50%

Eligible Loan Amount	
Salaried Employees	10 times of net salary for salaried persons
Self-employed individuals	50% of net annual income as per latest Income Tax Return

Note: Net take home of an individual should not be less than 40% after he has availed the loan amount. Also, in case of minors, income of parents/guardian would determine the eligibility)

### 3. BOI Star Pensioner Loan Scheme

This loan is offered to pensioners so that they can live independently and can pay their own medical bills or arrange for other expenses by themselves.

- Maximum loan amount offered to pensioner and family pensioners is 15 times of monthly pension up to Rs. 5 lakh max.
- The maximum limit of BOI Star Pensioner Loan Scheme for individuals over 75 years is Rs. 1 lakh.
- Interest rate offered in case of this scheme starts at 10.50% p.a.

### 4. BOI Star Doctor- Plus

BOI Star Doctor- Plus loan is offered to qualified registered medical practitioners for any approved purpose. The maximum loan amount that can be availed is Rs. 20 lakh.

Eligible Loan Amount	
For salaried	24 times of gross monthly salary
For others	Two times of Gross Annual Income as per Income Tax Return Depreciation (as per audited financial statements)

The following are the interest rates applicable to various types of Doctor-Plus loans from Bank of India:

Type of Bol Star Doctor-Plus Loan	Interest rate
Fully Secured	10.00% p.a. onwards
Clean/Unsecured	11.00% p.a. onwards

### 5. Star Holiday Loan Scheme

Star Holiday Loan Scheme is offered to meet expenses related to a vacation like train/bus/airfare charges, accommodation, sightseeing, shopping, etc. The minimum loan amount offered is Rs. 10,000.

Eligible Loan Amount	
In case liquid collateral security is offered like TDRs, NSCs, IVPs, KVPs, LIC Policy (Surrender Value) etc. at least equal to 50% of loan amount sanctioned	Up to Rs. 5 lakh
In case liquid collateral security is offered like TDRs, NSCs, IVPs, KVPs, LIC Policy (Surrender Value) etc. at least equal to 100% of loan amount sanctioned	Up to Rs. 10 lakh
Pensioners	Up to Rs. 1 lakh

The following are the interest rates of various types of holiday loans offered by Bank of India:

Type of Holiday Loan	Interest Rate
Fully Secured	12.50% p.a.
Clean/Unsecured	13.50% p.a.

### Eligibility Criteria

#### 1. BOI Star Personal Loan

The Bank of India Star Personal Loan is offered to

- Salaried employees
- Professionals and individuals with high net worth
- Regular pensioners or family pensioners drawing regular monthly pension through a Bol Branch,
- Bol Staff members
- Retired Bol employees (other than those dismissed/compulsorily retired)

#### 2. Star Mitra Personal Loan

All physically challenged individuals who are either salaried professionals or self-employed individuals and parents/guardians of all minors (physically challenged) can avail this loan.

#### 3. BOI Star Pensioner Loan Scheme

This pension loan from Bol is available to the following groups of individuals:

- Regular or family pensioners who are drawing monthly pension through the branch or retired employees (other than dismissed/compulsorily retired) are eligible for this loan
- The maximum age of regular pensioner/family pensioner at the end of repayment period should be maximum 75 years

#### 4. BOI Star Doctor- Plus

The following are key eligibility criteria for the Doctor-Plus personal loan from Bol:

- You should be a qualified registered medical practitioner with min. 3 years' experience in a branch of medicine recognized by DCI/MCI/other statutory/regulatory authorities to practice in India
- You should be at least 25 years old and your maximum age at the time of completing repayment should be 75 years

#### 5. Star Holiday Loan Scheme

The holiday loan scheme from Bank of India can be availed by:

- Salaried employee
- Self-employed individuals and professionals
- Individuals with high net worth
- Agriculturists
- Pensioners
- Bol Staff members

#### **Documents Required for Bank of India Personal Loan**

The documents required to opt for Bank of India Personal Loan can vary as per the type of personal loan you opt for. However, some key documents required to avail this loan is as follows:

- Identity proof: Passport, PAN, Voter Identity Card, Driving License, Aadhaar
- Address proof: Ration Card, Bank Account Statement, Passport, Driving License, Electricity Bill, Telephone Bill, Sale Deed/Property purchase agreement (for self-owned properties), Aadhaar, etc.
- Income proof: Bank Account Statement, Salary Slips

#### **Check Bank of India Personal Loan Application Status**

The following is a step-by-step guide to check the personal loan application status on the Bol website:



- Step 1. Go to the Bank of India personal loan status tracking page
- Step 2. Enter your application number and mobile number then click on 'Submit' to view your personal loan application status.

### Fees and Other Charges

The following are the various fees and charges apart from interest charges that are applicable to a Bank of India personal loan:

Types of Personal Loan	Processing Fees
Star Personal Loan	One time :2.00% of loan amount Min. Rs.1,000 Max. Rs.10,000
	Senior Citizen (60 years & above): No Processing Charges
Star Mitra Personal Loan	Waived
BOI Star Pensioner Loan Scheme	One time 2.00% of loan amount Min. Rs. 500 Max.Rs.2,000
	No Processing Charges for senior citizens (60 years & above)
BOI Star Doctor- Plus	50% concession in processing fees as compared to members of public seeking personal loan. No waiver of processing charges under festive offer for Doctors (Individuals).
Star Holiday Loan Scheme	One time processing charge 2.00% of loan amount – Min. Rs.1,000 / Max. Rs.10,000
	Senior Citizen (60 years & above): No Processing Charges

## How to Login on Bank of India Portal?

Go to the Bank of India Internet Banking Portal

Enter your User ID and Password, then click on 'Submit'

## Bank of India Personal Loan Statement

You can check your personal loan statement from Bank of India in one of 2 ways:

### Online Method:

Log into your BoI Internet banking account as discussed earlier. After logging in you will be able to view/download your personal loan account statement online.

### Offline Route:

In order to request a copy of your personal loan account statement online, you can either make an in-person visit to your nearby Bank of India branch or call up BoI customer care on their registered customer care numbers.

## Bank of India Personal Loan EMI Calculation

The following personal loan EMI calculation is an illustration of how the monthly EMI of a Bank of India PL changes based on loan tenure, loan principal and interest rate.

Loan principal @ interest	Tenure				
	1 year	2 years	3 years	4 years	5 years
3 lakh @ 10%	Rs. 26,374	Rs. 13,843	Rs. 9,680	Rs. 7,608	Rs. 6,543
5 lakh @ 11%	Rs. 53,028	Rs. 27,964	Rs. 19,643	Rs. 15,507	Rs. 13,045
10 lakh @ 11.25%	Rs. 88,498	Rs. 46,723	Rs. 32,857	Rs. 25,967	Rs. 21,867
15 lakh @ 12%	Rs. 1,33,097	Rs. 70,435	Rs. 49,642	Rs. 39,316	Rs. 33,177

## Comparison of Bank of India PL VS Other Lenders

Particulars	Bank of India	HDFC Bank	Citi Bank	Axis Bank	ICICI Bank	Bajaj Finserv
Interest Rate	Starting from 10%	11.25% to 21.50%	Starting from 10.99%	11.49% to 17.49%	11.50% to 19.25%	Starting from 12.99%
Tenure	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Upto Rs. 20 lakh	Upto Rs. 40 lakh	Upto Rs. 30 lakh	Rs. 50,000 to Rs. 15 lakh	Up to Rs. 20 lakh	Upto Rs. 25 lakh
Processing Fee	Upto 2% of the loan amount	Upto 2.50% of the loan amount	Upto 3% of the loan amount	Upto 2% of loan amount sanctioned	Upto 2.25% of loan amount sanctioned	Upto 3.99% of the loan sanctioned

### Bank of India Customer Care

You can call on 1800 220 229 / 1800 103 1906 / 022-4091 9191

You can visit the nearest Bank of India branch

You can write a letter to Bank Of India, Star House, C – 5, “G” Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051



### Important Aspects

Decide a reasonable loan amount: You need a personal loan maybe due to a financial emergency or to fulfil a dream. But how do you decide how much to borrow?

Use Personal Loan EMI Calculators to know about the EMIs that you would be paying during the tenure and borrow an amount as per your repayment ability.

#### Credit score:

This 3 digit number is a reflection of your past repayments and is considered by all the lenders to know your credit worthiness. If you have a high credit score, you have higher chances of being approved for a personal loan

#### Choose tenure wisely:

While a longer tenure can decrease individual EMI payouts, a shorter tenure would lead to lower overall interest payout. You need to find a balance between the higher EMI payout and longer tenure to find the combination that is most suitable for you

#### Compare all the options:

Different lenders offer different interest rates on a personal loan. You must compare all the offers by various lenders and ideally choose a loan with lowest interest rate as this would result in lower overall interest payout



## FAQs on Loan from Banks

**?.** How do I apply for Bank of India personal loan offline?

You can visit the nearest branch of Bank of India to apply for a personal loan offline.

**?.** How is my personal loan interest rate decided?

The interest offered by Bank of India to an individual is influenced by multiple factors such as his credit score, loan amount, age, repayment history, etc.

**?.** Can I reapply for Bank of India personal loan if my loan application gets rejected?

You will have to call the customer care at 1800 220 229 / 1800 103 1906 / 022-4091 9191 to check if it is possible for to reapply for the personal loan.

**?.** How do I pay Bol personal loan EMI?

The personal loan EMI offered by Bol may be paid using the following methods:

- Standing instruction on Bol account
- ECS mandate drawn on a bank other than Bol
- Draft/Cheque deposit
- NEFT/RTGS transfer from other bank

**?.** What if I miss a Bank of India personal loan EMI?

If you miss an EMI, you also be charged a penal interest and your credit score will also be adversely affected.

**?.** Can I prepay a Bank of India personal loan?

Yes. It is usually possible to prepay your Bank of India personal loan subject to payment of prepayment penalties and associated charges that may be applicable.

**?.** Can I get a top-up personal loan from Bank of India?

Existing personal loan borrowers may be eligible for a top-up personal loan from Bank of India. However, the rates at which these loans are offered as well as the tenure and quantum of the loan are decided by the bank on a case-by-case basis.

**?.** Does Bank of India offer special rates on personal loans to senior citizens?

Yes. In case pensioners are drawing their pension from Bank of India these applicants may be eligible for pension loans starting at as low at 10.50% p.a. However, the actual rate applicable to the personal loan may vary from one applicant to another

## Business Loan

Bank of India is one of the leading commercial banks that have expanded its presence substantially in the last few years, nationally as well as internationally. Bank of India provides a range of banking and financial products to its customers that include various types of MSME loans to individuals, proprietors, firms and companies.

### Types of MSME Loans from Bank of India – 2020

Loan Types / Categories	Star Laghu Udyami Samekat Loan	Star SME Liquid Plus	Star SME Contractor Credit Line
Min. Loan Amount	Rs. 5 lakh	Rs. 10 lakh	Rs. 10 lakh
Max. Loan Amount	Rs. 1 crore	Rs. 5 crore	Rs. 5 crore
Interest Rate	10.20% onwards	As per applicant's profile	As per applicant's profile
Repayment period	Max. up to 5 years	Max. up to 7 years	As per loan amount

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges

The enterprises / business owners who wish to get financial assistance from Bank of India can apply for its business loans. These loans can be utilized for business expansion purposes and meeting working capital requirements. Depending on the type of loan, various documents need to be furnished with the bank for assessment of the business and eligibility criteria. After verification of documents, Bank of India may sanction business loans to applicants.

### Loan Schemes from Bank of India

Below mentioned are the key loan products offered by Bank of India:

#### 1. Star Laghu Udyami Samekat Loan

The Star Laghu Udyami Samekat Loan is offered to Micro and Small Enterprises, for a maximum repayment period of 5 years, with a moratorium of 3-6 months. The loan is a Composite Loan in the form of Demand/ Term Loan, given for investment and working capital requirements of the small businesses.

Quantum of Loan:

- Rural Area: Maximum Amount – Rs. 5 lakh
- Semi-urban Area: Maximum Amount – Rs. 10 lakh
- Urban Area: Maximum Amount – Rs. 5 lakh
- Metro Area: Maximum Amount – Rs. 1 crore

Rate of Interest:

- Upto Rs. 50,000: 10.20% onwards
- From Rs. 50,000 to Rs. 5 lakh: 11.20% onwards
- From Rs. 5 lakh to Rs. 10 lakh: 12.20% onwards
- From Rs. 10 lakh to Rs. 1 crore: 12.95% onwards

Documents Required:

- KYC documents
- Deed of Hypothecation CH1/ CH2
- Demand Promissory Note
- Installment letter
- Equitable Mortgage as Primary Security
- Other documents required for demand loans

2. Star SME Liquid Plus

Star SME Liquid Plus loan is a term loan, given to proprietorship / partnership firm which qualifies to be a SME. The firms need to be doing business for at least 3 years and should be making profit for last 2 years to apply for this loan. The businesses must have entry level credit rating of SBS 5. The loan needs to be repaid through 84 installments, within 7 years with a moratorium of up to 12 months.

Quantum of Loan: Minimum Rs. 10 lakh and Maximum Rs. 5 crore

Rate of Interest: Depends on the prevailing structure of the bank

Documents Required:

- Identity and residence proof along with borrower's photograph
- Balance sheet/ Profit & Loss statement of last 3 years
- Partnership letter if the applicant is a partnership firm
- MoA and AoA of the company
- Certificate of Incorporation and Commencement of Business
- Copy of Board Resolution for availing loan, if the applicant is a limited company
- Deed of Guarantee No. OD – 194 (if applicable)

- Term Loan Agreement cum Hypothecation Agreement No. IFD – 1 / IFD – 10 / L – 516 (Whichever applicable)

### 3. Star SME Contractor Credit Line

The Star SME Contractor Credit Line loan is a line of credit given for meeting the working capital needs of civil contractors, mining contractors, engineering contractors, transport contractors, etc. This line of credit is offered to established proprietorship firms, partnership firms, limited companies, etc. The applicant company must be engaged in doing business for the last 3 years and should have the entry level credit rating of SBS 5.

Quantum of Loan: Minimum Rs. 10 lakh and Maximum Rs. 5 crore

Rate of Interest: Depends on the applicant's profile and loan amount

Documents Required:

- Identity and residence proof along with the borrower's photograph
- Balance sheet/ Profit & Loss statement of last 3 years
- Partnership letter, if the applicant is a partnership firm
- Certificate of Incorporation and Commencement of Business
- Copy of Board Resolution for availing loan if the applicant is a limited company
- P Note LG – 12 Application for Documentary Credit
- Bearer letter LG – 13
- L – 516; LG – 15 Counter Guarantee
- For Fund based; For BG; For LC: IFD – 10
- OD – 194 (if applicable)

### **Bank Of India Customer Care Number**

Toll-Free Numbers: 1800-220-229 / 1800-103-1906

Landline Number (For customers within India) – (022) 40919191



### **Additional MSME Loans**

Apart from these loans, the Bank of India also offers different loans for specific purposes that are as follows:

#### SME Auto Express:

To SMEs run by individuals/ companies/ societies/ trusts/ firms for purchasing new vehicles

#### Star SME Education Plus:

To Educational institutions for construction/ repair of the infrastructure and purchase of equipment/ fixtures

BOI Star Doctor Plus:

To qualified individuals, as well as healthcare firms/ companies/ trusts with 51% shareholding of qualified practitioners

Star Start-up Scheme:

To the eligible start-ups for funding innovation/ development/ deployment/ commercialization of new product/ process/ services

Star MSME E-Rickshaw Finance:

To the transport operator individuals/ firms for purchase of new e-rickshaws and battery replacement

Bank of India also offers loans under various Government sponsored schemes, such as PMMY, Stand up India, PMEGP, Pradhan Mantri Credit Scheme, Weavers Mudra Scheme, Cluster Financing, etc.



## FAQs on Loan from Banks

**?.** How do I apply for a Bank of India business loan offline?

To apply for Business loan from Bank of India, you personally as an applicant need to visit the bank branch with duly filled application form, business plan and along with all the required documents. After submitting the application form and documents, one of the banks' representatives shall proceed with the loan formalities.

**?.** Can I re-apply for a Bank of India business loan, if my loan application gets rejected?

This totally depends on the sole discretion of the bank and shall vary from case to case.

**?.** How can I check my loan status in BOI?

To check your loan application status you can click on the below link and fill in the loan application number, along with a registered mobile number.

[https://www.bankofindia.co.in/Dynamic/Loan\\_Tracking](https://www.bankofindia.co.in/Dynamic/Loan_Tracking)



**Personal Loan**

Bank of Maharashtra offers personal loans to various categories of applicants through key schemes such as Mahabank Personal Loan, Consumer Loan Scheme, Salary Gain Scheme, etc. These loans are ideal for meeting a range of personal expenses ranging from planned ones such as a wedding or home renovation to emergency ones such as medical expenses. In the following sections we will discuss key aspects of the major unsecured loan schemes offered by the Bank of Maharashtra.

**Features of Bank of Maharashtra Personal Loan****Loan amount:**

The loan amount for Bank of Maharashtra personal loan goes up to Rs. 10 lakh and is sanctioned as per your age, credit score, employer, etc.

**Flexible tenure:**

You can repay your Bank of Maharashtra personal loan maximum within a 60 month period and can choose the desired tenure as per your convenience

**Fast processing:**

Bank of Maharashtra ensures fast processing of a personal loan by asking for minimum documentation and online application

**Attractive interest rate:** The interest rates offered by Bank of Maharashtra on a personal loan are very nominal and ensures affordable EMIs

<b>Bank of Maharashtra Personal Loan Highlights</b>	
Interest rate	Starting at 9.55% p.a.
Loan Amount	Up to Rs. 10 lakh
Loan Tenure	Up to 60 months
Processing Fees	1% of loan sanctioned
Types of Loans	Mahabank Personal Loan Scheme, Salary Gain Scheme, Consumer Loan Scheme, Scheme for Solar Water Heating Systems and Scheme for Solar Lightning Systems

### Bank of Maharashtra Personal Loan Interest Rates

Types of Personal Loan	Interest Rate (p.a.)
Mahabank Personal Loan Scheme	9.55% onwards
Salary Gain Scheme	11.25% onwards
Consumer Loan Scheme	12.00% onwards
Scheme for Solar Water Heating Systems	12.25% onwards
Scheme for Solar Lightning Systems	12.25% onwards

### Eligibility Criteria

The following are the key eligibility criteria applicable to various type of personal loans offered by Mahabank:

#### Mahabank Personal Loan Scheme

- Minimum age limit of 21 years and maximum age limit of 60 years
- All employees of central/state government, reputed PSUs/Joint stock companies, Govt. & Govt. aided educational institutions, reputed corporates/public or private limited companies /MNCs
- Eligible loan amount is 10 times of gross monthly income or as per maximum quantum of finance, whichever is less
- Minimum annual income should be Rs.3 lakh (in the previous year)
- The loan amount is sanctioned according to the following criteria:

Gross Annual Income Range	Maximum Loan
Rs.3 lakh to Rs.7.5 lakh	Rs.5 lakh
Rs.7.5 lakh to Rs.10 lakh	Rs.7.5 lakh
Above Rs.10 lakh	Rs.10 lakh

### Salary Gain Scheme

Following are the key eligibility criteria for the Salary Gain Scheme of Bank of Maharashtra:

- Customer should be salary account holder with the Bank of Maharashtra
- The customer should have been in permanent employment for minimum 1 year with current corporate concern of repute, Central Government / State Govt. Department / undertakings (including Government and Government-aided Educational Institutions)/Co-operative Societies
- Quantum of loan is 3 times of the monthly take home salary or Rs.3 lakh, whichever is lower

### Consumer Loan Scheme

Following are key eligibility criteria for the Mahabank consumer loan:

#### Existing Housing Loan

- Borrowers /Corporate Salary Account holders (Minimum 2 years of total employment with 1 year in the current organization) having existing relationship of minimum 1 year with the bank
- Age limit should be minimum of 21 years and maximum age allowed at the time of application is 60 years
- Quantum of finance stands with minimum of Rs.50, 000 and maximum of Rs.1.5 lakh

#### Scheme for Solar Water Heating Systems

- All customers of the bank with proof of income to ensure repayment capacity to the satisfaction of sanctioning authority
- Amount of loan stands with 80% of the benchmark cost approved by MNRE or the actual cost of the unit, whichever is less

#### Scheme for Solar Lightning Systems

As part of the priority lending requirements, Bank of Maharashtra offers its Solar Lighting Systems scheme with the following eligibility criteria:

All customers of Bank of Maharashtra with proof of income to ensure repayment capacity to the satisfaction of sanctioning authority are allowed to apply. Limited companies/corporates not allowed

Amount of loan granted is up to 80% of the benchmark cost approved by Ministry of New and Renewable Energy or the actual cost of the unit, whichever is less

#### **Documents required for loan application**

The following are common documents needed to avail Bank of Maharashtra Personal Loan:

- Photo Identity Proof: A copy of your Passport / Voter ID / Aadhaar Card/ Driving License, etc. (Any one)
- Address Proof: A copy of your Electricity Bill / Ration Card / Passport
- Salary slips for last 3 months
- Income Proof: Latest 3 months' bank statement of salary account
- Employment Certificate: A certificate stating one year of continuous employment
- 2 passport size photographs

### Fees and other Charges

The table below contains details of some key charges other than the interest cost that are applicable to your personal loan:

Key Charges	Mahabank Personal Loan Scheme	Salary Gain Scheme	Consumer Loan Scheme
Processing Fees	1% of the loan amount + GST (Minimum of Rs. 1,000)	0.5% of the OD amount per annum, subject to minimum of Rs.500	As per loan agreement
Documentation Charges	0.20% of the loan amount + GST	–	–
CIBIL Charges	Rs. 50 per CIBIL report + GST	–	–

### How to Login on Bank of Maharashtra Portal

Mentioned below are the steps required to login on Bank of Maharashtra portal:

Step 1: Visit the official internet banking portal of Bank of Maharashtra and click on “Internet Banking” under the “Digital Banking” menu:



Step 2: Enter your Internet Banking Credentials to log in:



Step 3: Once you are logged in, you can check loan status, apply for new loan and perform other banking related services.

### EMI Calculation

The following personal loan EMI calculation using the reducing balance method is an illustration of how the monthly EMI of Bank of Maharashtra personal loans change based on loan tenure, loan principal and interest rate:

Loan principal @ interest	Tenure				
	1 year	2 years	3 years	4 years	5 years
1 lakh @ 10.85%	Rs. 8,831	Rs. 4,654	Rs. 3,267	Rs. 2,577	Rs. 2,167
2 lakh @ 11.25%	Rs. 17,700	Rs. 9,345	Rs. 6,571	Rs. 5,193	Rs. 4,373
4 lakh @ 13.25%	Rs. 35,773	Rs. 19,063	Rs. 13,525	Rs. 10,780	Rs. 9,152
6 lakh @ 13.75%	Rs. 53,801	Rs. 28,736	Rs. 20,433	Rs. 16,320	Rs. 13,883

### Comparison of Bank of Maharashtra PL vs. Other Lenders

The subsequent table compares key features of Bank of Maharashtra personal loan to that of other leading lenders across India:\

Comparison Criteria	Bank of Maharashtra	Bajaj Finserv	Axis Bank	HDFC Bank	Citi Bank	ICICI Bank
Interest Rate	Starting from 10.85%	Starting from 12.99%	12% to 24%	11.25% to 21.50%	Starting from 10.99%	11.50% to 19.25%
Tenure	Up to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Up to Rs. 10 lakh	Upto Rs. 25 lakh	Rs. 50,000 to Rs. 15 lakh	Upto Rs. 40 lakh	Upto Rs. 30 lakh	Upto Rs. 20 lakh
Processing Fee	Up to 1% of the loan amount	Up to 3.99% of the loan amount	Upto 2% of loan amount	Upto 2.50% of the loan amount	Upto 3% of the loan amount	Upto 2.25% of loan amount

### Bank of Maharashtra Customer Care

You can call on toll-free numbers 1800-233-4526 / 1800-102-2636

You can visit the head office at Lokmangal, 1501, Shivajinagar Pune-411005



### Important Aspects

- Check your credit score before applying for a personal loan. A credit score of 750 or above is usually considered ideal and this can help in availing a personal loan easily
- It is important to know all the fees and charges associated with personal loan. Ensure that you compare the loan features of multiple prospective lenders to get the best deal
- Check your ability to repay personal loan through EMI calculator. This helps you know your monthly EMI pay outs so that you can plan your expenses ahead of time
- Avoid applying for a personal loan with multiple lenders. This may affect your chances of loan approval



### FAQs on Loan from Banks

**?** Is it possible to apply for Bank of Maharashtra personal loan offline?

Yes, you can apply for a Bank of Maharashtra personal loan offline by visiting your nearby branch. However, the entire process can currently be completed online too.

? Do I need to provide any guarantor to avail Bank of Maharashtra personal loan?  
Yes, you may have to provide guarantor in certain cases as per the bank's criteria.  
This is subject to the following criteria:

Guarantor must have salary equal to or greater than applicant

Another employee of same organization as the applicant may serve as guarantor

? Can I avail Bank of Maharashtra personal loan to bear the expenses of a family function?

Yes, you can avail Bank of Maharashtra personal loan to meet any personal requirement. All you need to do is meet the eligibility criteria and submit necessary documents.

? I have availed the Salary Gain Scheme already. Can I avail the Mahabank personal loan scheme now?

Bank of Maharashtra does not currently allow you to opt for both loan schemes at the same time. You can opt for the Mahabank personal loan scheme only after you have paid off the loan availed under the Salary Gain Scheme.

? I have a CIBIL Score of 825. Am I eligible for any discounted interest rate on Bank of Maharashtra personal loan?

Yes you may be eligible for a preferential lower interest rate on a Mahabank personal loan subject to qualifying for the other eligibility criteria. Currently Bank of Maharashtra personal loan for applicants with CIBIL score higher than 750 starts at 10.85%, while those with CIBIL score between 650 and 749 have to pay interest starting from 11.35% p.a

## **Business Loan**

Bank of Maharashtra is a public sector bank that offers banking and financial products at competitive rate of interest to its customers. In addition to various lending products and MSME loans, the Bank of Maharashtra also offers loan schemes under the Pradhan Mantri Mudra Yojana (PMMY) and Stand-Up India in association with the Government of India.

The Bank of Maharashtra offers a variety of business loans for self-employed and entrepreneurs who might require urgent funding. Some of the prime features, interest rate and eligibility of various loan schemes are mentioned below:

## Features & Eligibility – 2020

### Types of Business Loans

Loan Products	Loan Amount / Repayment Tenure	Eligibility
Pradhan Mantri Mudra Yojana	MSE Loans up to INR 10 lakh	
Maha MSME Project Loan Scheme	– Under CGTMSE – No collateral security for loans up to Rs. 50 lakh	Security of Purchased or Created assets
	– Maximum repayment period of 10 years inclusive of moratorium period of 2 years	– Collateral security not provided for loans up to INR 2 crore
		– 25% margin
Maha MSME Cash Credit Scheme	– Term loan facility is fund based	-Current Assets under Primary Security – Up to 3 months period for inventory and receivables
		– Margin 25%
Maha MSE Collateral Free Term Loan Scheme	– Term loan facility up to INR 1 crore	Current assets under Primary Security
	– Maximum repayment period of 7 years inclusive of moratorium period	– Up to 3 months period for inventory and receivables
		- 25% margin
Maha MSE Collateral Free Cash Credit Scheme	– Term loan up to INR 1 crore	CGTMSE conditions applicable on assets of borrower
		Security Collateral not provided
		– Under CGTMSE
		-25% margin
Mahabank Vehicle Loan Scheme for Small Road Transport Operator	– Term loan up to INR 2 crore	Purchased vehicle is hypothecated
	-Maximum repayment period of 7 years inclusive of moratorium period	– No collateral for loans up to Rs. 1 crore
		-15% margin
Mahabank Loan Scheme for Doctors, CAs, Engineers and Architects	– Loan Limit for Doctors (composite)	Created assets Security from bank finance
	- Loan limit for CA, engineers and architects – Up to INR 2 crore	-For loans up to INR 2 crore, no collateral security
	- Maximum repayment period of 7 years inclusive of moratorium period	-15-25% margin
	- For doctors who want to buy a or construct a building, a repayment period of up to 12 years can be considered	



Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

Every business requires working capital for expansion or buying new equipment. At times, the company's project/work halts due to shortfall in the budget. So to continue with the work, the firms often opt for business loans that come with reasonable interest rates and flexible repayment tenure.

### **Documents Required for Loan Application**

To apply for a business loan at Bank of Maharashtra, the following documentation is required:

- Proof of Identity – To apply for a business loan at the Bank of Maharashtra, you will need to submit any one identity proof from your PAN card, voter's ID card, driving license or valid passport. Along with a proof of identity, you will also need to submit a passport-size photograph along with filled application form
- Proof of Address – You will also need to submit one proof of address such as utility bills, rent agreement and a proof of sales or ownership
- Proofs of Continuation – You will need to submit proofs of continuation such as trade license or your sales tax certificate.
- Financial Documents for Sole Proprietorships and Self-Employed Professionals – ITR of the last 2 years, balance sheets, profit & loss accounts, 6 months' bank statements, professional qualification certificate and/or your degree certificate.
- Financial Documents for Partnership Firms – Partnership firms need to submit documents, such as partnership deeds, authority letters, and certificates of incorporation or records of stocks held by their company.

Business loans can be a boon, if you are starting a new business or expanding your existing business. Bank of Maharashtra business loans can be applied via online, as well as offline route through the bank's branches.



### **FAQs on Loan from Banks**

**?.** How to repay the Bank of Maharashtra business loan?

The loan can be paid in Equal Monthly Installments (EMIs) through the post-dated cheques. Electronic Clearing System and Standing Instructions are other alternatives for loan repayment.

? How can I check my business loan status?

You can check the status of your business loan either by contacting the customer care or through the official website of Bank of Maharashtra.

? How to apply for a start-up business loan?

The application form for a business loan can be downloaded from the Bank of Maharashtra website. Further, the applicant can contact the customer care or visit the nearest branch of the bank.

? What is the maximum amount of business loan that I can get sanctioned from Bank of Maharashtra?

Bank of Maharashtra provides the maximum amount of Rs 2 crore and also depends on sole discretion of bank and business requirements.

? What is the MSME loan interest rate offered by Bank of Maharashtra?

The MSME loan interest rate offered by Bank of Maharashtra depends on the applicant's profile and business requirements.

**Personal Loan**

Canara Bank offers various personal loan schemes like Canara Budget, Canara Pension, Canara Consumer, Canara Home Improvement etc. to cater to the financial needs of various groups of individuals. The loan amount sanctioned may be up to Rs. 10 lakh that may be used for purposes such as wedding, home renovation, medical expenses, vacation, etc.

**Features of Canara Bank Personal Loan****Loan amount:**

The loan amount offered by Canara Bank on various personal loan schemes goes up to Rs. 10 lakh to fulfil different personal needs

**Flexible tenure:**

The tenure depends upon the type of personal loan scheme that you choose and the maximum tenure on offer is 84 months

**Multiple options:**

Canara Bank offers various loan schemes that are designed for different categories of individual applicants. These schemes are Canara Budget, Canara Pension, Canara Consumer Loan, etc.

**Online application:**

Canara Bank personal loan can be applied online from the comfort of your home or office and ensures less documentation and quick disbursement of loan amount

### Canara Bank Personal Loan Interest Rates

The following are the interest rates applicable to various types of personal loans offered by Canara Bank:

Types of Personal Loan	Interest Rate (p.a.)
Canara Home Improvement	9.40% onwards
Canara Pension	10.20% onwards
Teachers Loan	10.90% onwards
Canara Budget	11.25% onwards
Canara Consumer	12.40% onwards

Types of Canara Bank Personal Loan

#### 1. Canara Home Improvement

This personal loan variant is available only to individuals who own an existing flat or house. Key features of this loan include:

- Loan is to be used specifically for the purchase of home furnishing and appliances such as air conditioners, refrigerator, etc.
- The maximum loan amount disbursed under this scheme is Rs. 2 lakh
- Tenure of this Canara Bank personal loan can be up to 60 months
- Interest rate for this loan starts at 9.40% p.a.

#### 2. Canara Budget

This loan is offered to meet genuine/personal needs other than speculative purpose for salaried as well as self-employed individuals and professionals. Key features include:

- The bank offers Canara Budget scheme loans for amounts up to Rs. 3 lakh
- Loan must be repaid within 60 months.
- Interest rates start from 12.40% and go up to 14.45% p.a. depending on applicant profile

#### 3. Canara Pension

The features of this loan against pension scheme from Canara Bank for the general public as well as retired ex-Canara Bank employees are as follows:

- Canara Pension loan is offered to the pensioners to meet their medical expenses and other genuine personal needs
- Loan amount available is up to Rs. 5 lakh
- Loan repayment tenure of up to 84 months for applicant is aged less than 65 years and 60 months if applicant is aged over 65 years
- Interest rates for Canara Pension loan starts at 10.20%.

#### 4. Canara Teachers Loan

Canara Teachers loan is offered to teachers to fulfil personal/domestic needs and not for speculative purposes. Key features of this Canara Bank personal loan include:

- Loan amount of up to Rs. 3 lakh
- Repayment tenure of up to 48 months
- Interest rate for this loan starts at 12.05% and can go up to 14.10% p.a. depending on individual applicant profile

#### 5. Canara Consumer Loan

This Canara Bank personal loan is offered to individuals so that they can purchase brand new consumer durable goods, computers/laptops, home appliances including furniture, electronic gadgets, etc. Key features of this loan include:

The loan can be repaid over a period of 36 months

Maximum loan amount offered under this category is as follows:

For Salaried Applicants	Lower among: Rs. 1 lakh, 75% of the invoice value or 15 months of applicant's net salary.
For Professionals and other non-salaried individuals	Lower among: 75% of the invoice value, 50% of the applicant's net annual income (as per previous year) or Rs.1 lakh whichever is less.

The interest rate for Canara Consumer loans start at 12.55% and go up to 14.60% p.a.

#### **Eligibility Criteria**

The eligibility criterion of Canara Bank Personal Loan varies as per the category of personal loan that you apply for. Therefore, the different eligibility criterion of various types of personal loans from Canara Bank is as follows:

##### 1. Canara Budget

- Applicant should be a confirmed employee of reputed PSU (Public Sector Unit)/joint stock company, Central/State Government officials, Lecturers / Asst. Professors / Professors of Colleges / Research Institutions and Universities or IT Companies
- You must have a salary account in good standing with Canara Bank
- Your minimum monthly net take home salary should not be lower than Rs. 10,000 or 25% per month after payment of loan installment

##### 2. Canara Pension

The following pensioners who are drawing their pension through Canara Bank are eligible for this loan:

- All State Government Pensioners

- All Central Government Pensioners (viz., Central, Civil, Railways, Defence, Armed Forces, Defence Civilians and Freedom Fighters etc.)
- Pensioners of all Government Department Undertakings
- Pensioners of all Public Sector Undertakings/Corporate Pensioners
- Family Pensioners of all the above categories
- Retired Canara Bank staff pensioners and family pensioners of retired Canara Bank staff can also avail this loan.

### 3. Canara Teachers Loan

- You should be a part of the teaching/non-teaching staff working in a school/college
- You should be drawing salary through Canara Bank
- Undertaking letter from salary disbursing authority at District/Block level also required

### 4. Canara Consumer Loan

- You should be a salaried professional, businessman or self-employed professional
- If you are a salaried individual, your minimum monthly net take home salary should be 40% of gross salary or at least Rs. 6000, after meeting the instalment for the proposed loan.
- Salary must be credited to Canara Bank salary account
- If you are a self-employed individual or professional, your minimum annual net income should be Rs. 1.5 lakh as evidenced by Income Tax Assessment Order (ITAO) / Income Tax Return (ITR)

### **Documents Required for Canara Bank Personal Loan**

Like eligibility criteria, the documents required to apply for various types of Canara Bank personal loan also differ to some extent. Some common documents that may be required for each category are as follows:

- Identity proof: Passport, PAN, Voter Identity Card, Driving License, Aadhaar Card
- Address proof: Ration Card, Bank Account Statement, Passport, Driving License, Electricity Bill, Telephone Bill, Sale Deed/Property purchase agreement(for owned properties), Aadhaar Card
- Income proof: Bank Account Statement, Salary Slips, Form 16, ITR
- Additional documents for Canara Budget
- Stipulated Loan Application with 2 copies of passport size photographs
- Latest Salary Certificate and Form No.16/ITR/ITAO for last 3 years
- Co-obligation

### **Additional documents for Canara Pension**

- Stipulated loan application with 2 copies of passport size photographs
- Co-obligation (unless waived by bank)
- Delivery letter to DPN (Demand Promissory Note)

### **Additional documents for Canara Teachers Loan**

- Stipulated Loan Application with 2 passport size photographs
- Latest Salary Certificate and Form No.16
- Co-obligation where applicable
- Pronote/Pronote Covering Letter
- Undertaking letter from salary disbursing authority at District/Block level

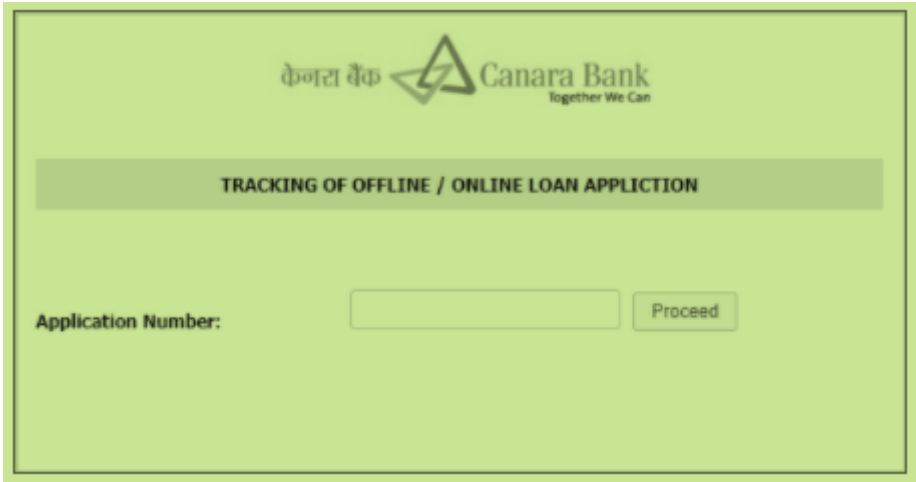
### **Additional documents for Canara Consumer Loan**


- Loan Application with 2 copies of passport size photographs
- Latest Salary Certificate and Form No.16 / ITR/ITAO for last 3 years
- Invoice of the article proposed to be purchased

### **Check Canara Bank Personal Loan Application Status**

The following are the key steps for checking the status of your Canara Bank personal loan application:

- Step1. Go to the Offline/Online loan application tracking page of Canara Bank
- Step2. Enter your application number (generated/provided at the time of loan application submission) and then click on 'Proceed':



केनरा बँक  Canara Bank  
Together We Can

TRACKING OF OFFLINE / ONLINE LOAN APPLICATION

Application Number:

## Fees and Charges

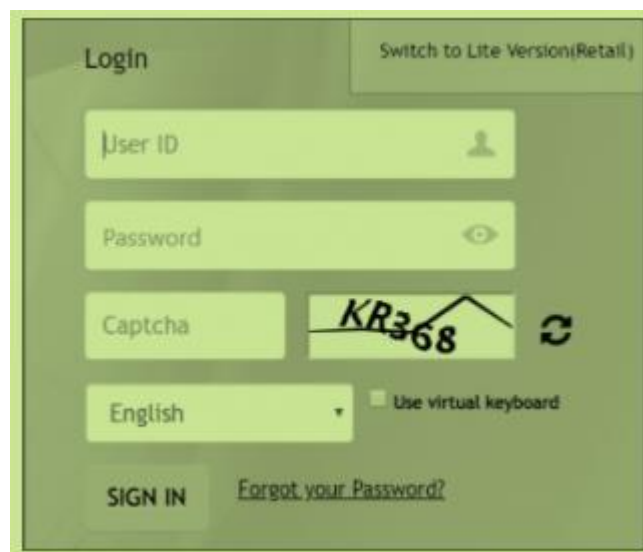
The following are the key fees and charges other than interest charges applicable to a personal loan:

Types of Personal Loan	Processing Fees
Canara Budget	0.5% of the loan amount subject to a minimum of Rs.1000/- and maximum of Rs.5000/-
Canara Pension	Processing charges are waived in respect of the loans under this scheme
Canara Teachers Loan	1% of the loan amount with a minimum of Rs.50/-
Canara Consumer Loan	1% of the loan amount with a minimum of Rs. 250/-

## How to Login on Canara Bank Portal

The following is a step by step guide to log into the Canara Bank Portal:

- Step1. Go to the Canara Bank online banking home page.
- Step2. Login using your User ID and password.



## Canara Bank Personal Loan Statement

You can access the personal loan statement from Canara Bank using the two available methods:

### Online Method:

Log into Canara Bank internet banking to view/download your personal loan account statement.



### Offline Method:

You can visit the nearby Canara Bank branch and request a printed copy of your personal loan statement (charges may be applicable).

### **Canara Bank Personal Loan EMI Calculation**

The following personal loan EMI calculation is an illustration of how the monthly EMI of a Canara Bank PL changes based on loan tenure, loan principal and interest rate

Loan principal @ interest	Tenure				
	1 year	2 years	3 years	4 years	5 years
1 lakh @ 11%	Rs. 8,838	Rs. 4,660	Rs. 3,273	Rs. 2,584	Rs. 2,174
2 lakh @ 11.5%	Rs. 17,723	Rs. 9,368	Rs. 6,595	Rs. 5,217	Rs. 4,398
4 lakh @ 12%	Rs. 35,539	Rs. 18,829	Rs. 13,285	Rs. 10,533	Rs. 8,897
5 lakh @ 12.5%	Rs. 44,541	Rs. 23,653	Rs. 16,726	Rs. 13,289	Rs. 11,248

### **Comparison of Canara Bank PL vs. Other Lenders**

The following is a comparison of key features of Canara Bank personal loan verses other leading lenders:

Particulars	Canara Bank	HDFC Bank	Citi Bank	ICICI Bank	SBI
Interest Rate	Starting from 9.40% p.a.	11.25% to 21.50%	Starting from 10.99%	11.50% to 19.25%	Starting from 10.50%
Tenure	Varies from customer to customer	12 to 60 months	12 to 60 months	12 to 60 months	12 to 72 months
Loan amount	Up to Rs. 10 lakh	Up to Rs. 40 lakh	Up to Rs. 30 lakh	Up to Rs. 20 lakh	Up to Rs. 20 lakh
Processing Fee	Up to 1% of loan amount	Up to 2.50% of the loan amount	Up to 3% of the loan amount	Up to 2.25% of loan amount plus GST	Up to 1% of the loan amount

### **Canara Bank Customer Care**

You can call on 1800-4250-0018 (tollfree, 24x 7 works all the days except on 15th Aug, 2nd Oct & 26th Jan)

You can visit the nearest Canara Bank branch and



### **Important Aspects**

#### Credit score:

This is a reflection of how you have handled credit in the past. Credit score plays an important role when evaluating your personal loan application. Therefore, it is necessary to have a good credit score before you apply for a personal loan otherwise your loan application might be rejected

Repayment ability:

You should never try to borrow more than you can repayment capacity. Evaluate your repayment ability by using Online platforms's Personal Loan EMI Calculator and choose a loan amount, interest rate and tenure that suits your requirement

Know all fees and charges:

There are various fees and charges other than interest rate that you might have to pay if you apply for a personal loan. These includes processing fees, late payment charges, foreclosure charges, part prepayment fees, etc. It is important to know such charges beforehand to avoid any unpleasant surprises in the future

Compare multiple options:

When you compare interest rates and other loan features offered by various lenders on financial platforms you can opt for a personal loan option that suits you unique requirements



## FAQs on Loan from Banks

**?.** What will happen if I miss an EMI?

If you miss a loan EMI of Canara Bank, you may have to pay a late payment fee, penal interest on the due principal amount and your credit score might also get adversely affected.

**?.** I am a salaried professional and wish to opt for a loan to pay my father's medical bills. Which loan scheme should I opt for?

You can opt for the Canara Budget loan scheme to deal with such a situation.

**?.** Which type of personal loan from Canara Bank should I choose if I want to purchase a mobile phone?

You can go for Canara Consumer Loan if you wish to buy a mobile phone.

**?.** How quickly does Canara Bank disburse a personal loan?

The time taken for disbursal of a personal loan by Canara Bank usually varies from one type of personal loan to another. That said, the in-principle approval for a personal loan is usually provided within 2-3 working days after submission of the completed loan application.

**?.** Can I apply for Canara Budget if I am a self- employed professional?

No, currently only salaried individuals can apply for Canara Budget loan.

## Business Loan

Canara Bank is one of the leading public sector banks owned by Government of India. The bank provides lending and financial products with added benefits. Business loan is provided by the bank in form of MSME loans at an affordable interest rates. The offered business loan interest rates depends on various factors, such as loan amount, repayment tenure, probability of the funds to return, function of the firm, enterprise's financial history, credit score, etc.

### Business Loan – Features & Eligibility

Canara Bank Business Loan for MSMEs & Start-ups – 2020	
Age Criteria	Minimum 20 years & Maximum 50 years
Loan Amount	Minimum Rs. 10 lakh & Maximum Rs. 200 lakh
Nature of Loan	Term loan, working capital & Non-fund based limit
Purpose	Working capital requirement & capital expenditure
Repayment Tenure	From 1 year to 7 years
Security	50% of loan amount by way of land/building/securities/bank deposits/
Margin	Minimum 20% – Term Loan Minimum 25% – Working Capital

### Types and Categories of Business Loans

Canara Bank offers business loan in various categories, such as Term Loan, Working Capital Loan and Pradhan Mantri Mudra Yojana (PMMY).

#### 1. Term Loan

Term Loan is offered for purchase of any land, building, machine or vehicles with working capital finance, as one of the elements of the term loans. These loans are offered to industrial and non-industrial lenders for activities that they carry under manufacturing, processing, or repairing any part of their function of the organisation. Along with that the marketing activities are also included in the loan providing activity. The firm is to depict the technical, as well as economic growth while accepting the loan. The loan is prolonged in various ways like rupee loans, foreign currency loans and Deferred Payment Guarantees (DPG). The interest rate offered by Term Loan depends on the elements of the loan, the performance of the activity, risk analysis, reimbursement time and the formulation of the debt remaining to pay. The securities demanded are based on the risk analysis of the loan and the account that the lender holds.

#### Documents required

- KYC: Aadhaar Card, Pan Card, Passport, Driving license.
- Partnership Organisation: Identification proof of the organisation and the Pan Card of organisation; Office Address Proof, Partnership Certification

- Income Documents like the three year ITR document of the borrower and other associated lenders

## 2. Working Capital Finance

Working Capital Finance is offered for the present property like the raw material, shops, semi-finished goods, final products etc. These funds can be used to help in the present functioning of the firm like presenting the salary to the employees, adding to the raw material and the other equipment for the organisation to produce the final products etc. The need of the specific type of loan is analysed by different methods like, Turnover Method, Maximum Permissible Bank Finance (MPBF) System, Cash Budget System as per the function of the organisation. The security that the bank needs for the amount being lent depends on the purpose of the activity of borrowing money. Risk assessment is also a key factor in deciding the security. The interest rate in a similar manner depends on the risk assessment, pending debts, element of the loan, and the functions of the firm.

### Documents required

- KYC: Pan Card, Passport, Aadhaar Card, Driving license, etc.
- Partnership Firm: Identification proof of organisation's pan card and the office address proof with the partnership Certificate of the Partnership Firm
- Documents of the income that is earned by the firm with debtors and creditors certification and GST return and CA certificate. Past three years ITR documents are also required by any kind of organisation
- Pradhan Mantri Mudra Yojana (PMMY)

The Yojana is developed for helping the MSMEs to grow in producing, trading and in the service sectors. The loan amount offered under this yojana is minimum Rs. 50,000 and maximum up to Rs. 10 lakh. The eligibility criterion that comes under this scheme is the past 2 year's documents of the financial status of the lender and the organisation capacity. For the new consumers it basically depends on the feedback of the market and the response that the target consumers will deliver. The reimbursement of the amount can take place between 5-7 years with the monthly instalments or as per the borrower's convenience. Security required for this loan are the collaterals belonging to the borrower only and collateral is to be mobile or immobile with the current organisational material too that fills in the loan amount. The interest rate for the same depends on the loans that fall under MSME category.

Toll Free Number: 1800-425-0018

Must Read: Top Government Loan Schemes for Small Businesses in India





## FAQs on Loan from Banks

? What are the interest rates offered by Canara Bank?

Interest rates offered by Canara Bank under MSME loan category depends on business requirements and applicant's profile.

? : What are different categories of loans offered?

Canara Bank offers three major categories of loans: 1. Term Loan, 2. Working Capital Finance and 3. Pradhan Mantri Mudra Yojna (PMMY).

? What are the documents required for these loans?

Documents required are the basic documents like identification proof of the individual and the proof of the firm with its address and other regular bills and documents to prove the time period of operation of the firm.

? What is the maximum loan amount offered by Canara Bank for Start-ups?

The maximum loan amount offered by Canara Bank for start-up is Rs. 200 lakh.

? What is the repayment period of the business loan for MSMEs and Start-ups?

The maximum repayment period for Start-ups and MSMEs is up to 7 years.

## BANKS

### Catholic Syrian Bank

The Catholic Syrian Bank is a fabulous option for people looking for personal loans at competitive interest rates. It considers the customers' repayment capability before offering the loans. If the client is found to have defaulted payments in the past credit records, the bank considers the same in their CIBIL score. However, it favourably offers personal loans to permanent employees of reputed companies without hassles. Being favourable to employees of well-known institutions, it expects the employees to have a minimum of 3-year experience. The loan can further be availed for a tenure of 60 months.



#### **Key points to get personal loans**

##### Loan approval

The loan gets sanctioned at the Catholic Syrian Bank within 4 working days.

##### Employment

People who are permanent employees of any reputed organisation can avail the loan.

##### Income

The employees should have been working for at least three years in the organisation. It is the minimum work experience required continued from the same organisation.

### Personal needs

The loan amount can be utilised to meet any financial requirement. No particular reason is necessary to be given to the bank.

### Loan amount

The loan can be availed up to a value equal to 10 times the gross monthly salary of the borrower.

### Guarantee

The applicant requires providing a personal guarantor who should also be an employee with at least five years of experience in a reputed organisation. The guarantor is also not allowed to guarantee loans for more than two borrowers.

### Loan period

The loans are provided for a period, not more than 60 months.

### Breakup of the loan value

As per the Catholic Syrian Bank's policy, in any case, the deductions or the instalments should be more than 50% of the gross salary of the borrower.

### Pre-closure fee

A fee of 1% of the outstanding balance amount is charged in case of pre-closure of the availed loan.

### Catholic Syrian personal loans for self-employed

For the self-employed, the loan value allowed is Rs 50,000 to Rs 25 lakh.

The bank offers loans only for legal purposes.

In order to fulfil the documentation requirements, the person has to submit his IT return of the past three years. The spouse's income can be considered if he or she becomes the guarantor of the loan.

The loan can be availed for an amount up to Rs 10 lakh. The applicant has to submit 50% of the house plot or building as a guarantee.

For any loan amount availed over Rs 10 lakh, 50% of the commercial property with building needs to be kept as security.

At least one guarantor, mostly the spouse of the applicant, is necessary.

The tenure of the loan is maximum up to five years.

### **Fees and Charges**

Schedule of charges	Fee
Documentation fee	
Up to Rs.1 lakh:	Rs.100
Between Rs.1 lakh and Rs.10 lakh:	Rs.300
Above Rs.10 lakh:	Rs.500
Service charge	Rs.10 to Rs.175

## Documents Required to avail a personal loan

The documents that you will need to submit at the time of applying for a personal loan are as follows:

- Proof of identity
- Proof of address
- Recent salary slip or salary certificate
- Bank statements of the last 6 months
- Undertaking from the employer
- Proof of having served one's present employer

## Benefits of Catholic Syrian Bank

Catholic Syrian Bank is a leading private sector bank that has a strong presence in both urban and rural parts of the country. The lender offers multiple loan solutions with attractive terms to cater to the financial requirements of its diverse customer base. In this article, let us look at the details of Catholic Syrian Bank's personal loan.

### Flexible Repayment:

You can opt for a loan repayment tenure of up to 60 months, based on your convenience.

### No Restrictions

Applicable on the Usage of the Loan Amount: You can avail a personal loan from Catholic Syrian Bank in case of a personal necessity. The lender does not specify any restrictions on how the loan amount can be used.

### Minimal Documentation

You only need to submit minimal documents to the lender when applying for a personal loan.

## Compare Catholic Syrian Bank personal loan with other lenders

Particulars	Catholic Syrian Bank	Citibank	ICICI Bank	Axis Bank
<b>Interest Rate</b>	As per the lender's terms and conditions	10.99% p.a. onwards	11.25% p.a. onwards	15.75% p.a. to 24% p.a.
<b>Loan Amount</b>	Up to 10 times the applicant's gross monthly salary	Up to Rs.30 lakh	Up to Rs.20 lakh	Up to Rs.15 lakh
<b>Loan Tenure</b>	Up to 5 years	Up to 5 years	Up to 5 years	Up to 5 years





## FAQs on Loan from Banks

**?.** Can I apply for a personal loan through Catholic Syrian Bank's website?  
No, the lender currently does not accept online applications. You will need to visit the lender's branch to apply for a personal loan.

**?.** Are personal loan applicants required to have a guarantor?  
Yes, you should have at least 1 guarantor. The guarantor should be a permanent employee in an organisation.

**?.** What are the various channels through which I can contact Catholic Syrian Bank's customer service team?

You can contact the lender through the below-mentioned helpline numbers:

1800 266 9090 (toll-free number)

0422 – 2228422

0422 – 6612300

+91 – 422 6612300 (ISD charges are applicable)

You can also send an email to [branchservice@csb.co.in](mailto:branchservice@csb.co.in)

**?.** Will Catholic Syrian Bank check my credit score when I apply for a personal loan?

Yes, the lender will check your credit score. If you have a good credit score, it is likely that you will be charged a more reasonable rate of interest on your loan.

**?.** How do I repay the loan?

You will have to repay your loan amount via EMIs or Equated Monthly Installments (EMIs) over the course of the loan repayment term.

**?.** How do I check the status of my personal loan availed from Catholic Syrian Bank?

If you wish to check the status of your personal loan from Catholic Syrian Bank, you can visit its nearest branch. The officials of the bank will find out the status of your personal loan application and let you know of the same after you provide them with your application reference number and mobile number.

**?.** Whom do I contact if I have a query on Catholic Syrian Bank personal loan?

For any banking or loan related queries, you can call Catholic Syrian Bank personal loan customer care toll-free number of at 1800-266-9090. Alternatively, you can also

call the numbers 0422-2228422 and 0422-6612300 but there will be charges applicable.

A GST rate of 18% will be applicable on banking services and products from 01 July, 2017.

## Business Loan

CSB Bank, formerly known as 'The Catholic Syrian Bank Ltd.' is one of the traditional private sector banks that offers banking services to retail, SME and NRI customers. CSB bank specialises in providing financial and lending services to Small and Medium Enterprises (SMEs) across the nation. The interest rate offered for its unsecured loans starts from 12% onwards. CSB Bank has developed itself into a trusted financial institution across South India, mainly in Kerala and Tamil Nadu.

CSB Bank Business Loan – 2020

Interest Rate: 12% onwards

Loan Amount: Depends on applicant's profile

## Processing Fees

Funded Facilities – General	Processing Fees
Up to Rs 25,000	Nil
Above Rs 25,000	For new or existing loans: 1.00% of loan amount/ limit sanctioned subject to minimum Rs. 250
Above Rs 25,000	For renewal of existing loans: 0.50% of limit sanctioned, subject to minimum Rs. 250

## Documentation Charges

Range	Charges
Above Rs. 10,000 up to Rs. 1 lakh	Rs. 100
Above Rs. 1 lakh up to Rs. 10 lakh	Rs. 300
Above Rs. 10 lakh	Rs. 500

## Rate of Service Charges (Rs. per account per annum)

Credit Limit	Service Charge (In Rupees)
Up to Rs. 25,000	10
Above Rs. 25000 to Rs. 2 lakh	25
Above Rs. 2 lakh to Rs. 3 lakh	75
Above Rs. 3 lakh to Rs. 5 lakh	125
Above Rs. 5 lakh to Rs. 10 lakh	175
Above Rs. 10 lakh to Rs. 25 lakh	250
Above Rs. 25 lakh to Rs. 50 lakh	500
Above Rs. 50 lakh to Rs. 75 lakh	750
Above Rs. 75 lakh to Rs. 1 crore	1000
Above Rs. 1 crore	2000

Note: The above mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

## CSB Bank's Letter of Credit Backed Bill Discounting (LCBD) – 2020

Tenor – Days	Interest Rate
Up to and including 90 days	10.50% onwards
91 days to 120 days	10.55% onwards
121 day – 180 days	10.60% onwards
Above 180 days	10.70% onwards

Note: The above mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

## Types of Business Loans offered by CSB Bank

### Buyers'/Suppliers' Credit:

CSB Bank arranges buyers'/suppliers' credit with the help of overseas banks that support in reducing the cost for importers

### Commercial Vehicle Loans:

Commercial vehicle loans are offered for purchasing and upgrading commercial vehicles and transportation of SME customers

### Export Finance:

Export finance can be availed in foreign or Indian currency for the procurement of raw materials, manufacturing/processing, packaging and shipping goods

### Import Finance:

Import finance can be availed to import goods and commodities, such as raw materials and capital goods

### Letter of Credit:

Bank provides a variety of non-fund based facilities that include Letter of Credit, Bank Guarantee (BG), etc. The repayment tenure offered ranges from 3-6 months depending upon the trade cycle

### Overdraft:

Overdraft is a credit limit assigned by the bank in which the borrower needs to pay only for the used amount from the assigned limit

### Term Loans:

Term loans whether short-term or long-term are mostly secured against the fixed assets, inventory, stock, raw materials against suitable collateral security wherever required

### TReDs Bill Discounting:

The Trade Receivables Discounting System (TReDS) supports MSMEs to convert their trade receivables into funding. TReDs also enable MSMEs to discount invoices, as well as bills of exchange in return for early payment

Working Capital Loans: Working capital loans are offered to meet the day-to-day business requirements, purchasing raw materials, buying equipment or to manage cash flow. This type of business loan is offered in the form of cash credit/ overdraft.



## **FAQs on Loan from Banks**

? What is the business loan interest rate offered by CSB Bank?

The unsecured loan interest rate is offered from 12% to 15.75% per annum.

? What is the loan amount offered by CSB Bank?

The loan amount depends on the business requirements and applicant's profile.

? What are the type of SME loans offered by CSB bank?

The SME loans include working capital loan, overdraft, term loan, commercial vehicle finance, import/export finance, letter of credit, bill discounting, etc.

? From where I can download the banking and lending products' application form?

You can simply visit the official website of bank or to download application form, you can click here and download <https://www.csb.co.in/application-forms>

? How can I contact or connect with CSB bank?

You can reach CSB bank by visiting their head office or by dialling below mentioned numbers:

CSB Bank Ltd.

CSB Bhavan, P.O Box No.502,

St. Mary's College Road,

Thrissur – 680020, Kerala, India

Toll Free No: 1800-266-9090

0422-2228422 (charges applicable)

0422-6612300 (charges applicable)

Outside India: +91-422-6612300 (ISD charges applicable)



**Personal Loan**

Available to salaried corporate and government employees as well as self-employed individuals/professionals, the Central Bank of India Personal Loan provides customised solutions designed to fulfil various personal financial needs. The bank currently offers unsecured personal loans of up to Rs. 10 lakh and ensures that the loan amount is sanctioned with minimal formalities and hassle. The personal loans offered by Central Bank of India can help an individual deal with various situations like a medical emergencies, home renovation, marriage expenses, vacation expenditures, etc.

**Features of Central Bank of India Personal Loan****Loan amount:**

Central Bank of India offers a maximum personal loan amount of Rs. 10 lakh. Maximum loan amount offered to an individual may however change based on salary, credit score, repayment history, employer, applicant's age, etc.

**Flexible tenure:**

The loan can be repaid with flexible repayment options. Central Bank of India personal loan tenure can range from 36 to 60 months depending on the type of scheme availed.

**Fast processing:**

Central Bank of India Personal Loan can be applied from the comfort of your home or office and ensures fast processing if you meet the eligibility criteria and submit all the necessary documents.

**Various schemes:**

There are multiple schemes offered under the Central Bank of India Personal Loan category that are customised to cater to different needs of different types of applicants

<b>Central Bank of India Personal Loan Highlights</b>	
Interest rate	Starting at 8.45% p.a.
Loan Amount	Up to Rs. 20 lakh
Loan Tenure	Up to 60 months
Processing Fees	Rs. 500
Types of Loans	Cent Personal Loan Scheme, Cent Liquid Scheme and Personal Loan to Pensioners

### Central Bank of India Personal Loan Interest Rates

The following are the interest rates applicable to various personal loans offered by the Central Bank of India:

Type of Central Bank of India Personal Loan	Interest Rate (p.a)
Cent Personal Loan Scheme	11.00% onwards
Cent OD Facility to Pensioners	9.50% onwards
Cent Pension Loan Scheme	10.00% onwards
Cent Liquid Scheme	12.00% onwards

### Eligibility Criteria

#### 1. Cent Personal Loan Scheme

You should be a permanent employee of government institutions, railways, central and state government, hospitals, schools, municipal bodies, hospitals, etc. and should have completed 1 year of service.

Or

You should be a permanent employee of a Multinational/Indian company and should have completed at least 3 years of service.

#### 2. Cent OD Facility to Pensioners

Pensioners / family pensioners drawing pension through Central Bank of India branches including Ex-staff of Central Bank of India can avail this loan

#### 3. Cent Pensioners

Pensioners / Family Pensioners drawing pension through our Bank's branches.

The Pensioners who are getting their pension disbursed through Treasury/DPDO (Defence Pension

Disbursing Office) directly to the credit of their saving accounts with Central Bank of India branches are also eligible.

Pensioners/Family Pensioners of Central Bank of India.

#### 4. Cent Liquid Scheme

Individuals who are the bonafide owners of the shares / debentures and are maintaining DEMAT account with Depository Participant are eligible for the Cent Liquid Scheme.

## Documents Required for Loan Application

Central Bank of India provides different schemes under the personal loan category and the documents for each scheme may vary from each other. However, the basic documents required for each type of personal loan scheme are as follows:

### Identity proof:

Passport, PAN Card, Voter ID Card, Driving License, Aadhaar

Address proof: Ration Card, Bank Account Statement, Passport, Driving License, Electricity Bill, Telephone Bill, Sale Deed/Property purchase agreement(for owned properties), Aadhaar Card

### Income proof:

Bank Account Statement, Salary Slips

## Check Central Bank of India Personal Loan Application Status

If you have applied for personal for Central Bank of India, you can check your loan application status online. You are required to enter Reference Number and Mobile Number (as on the loan application). Enter the OTP received on your registered mobile number to get the latest status of your personal loan application



## Fees and Other Charges

Given below table is the fee and other charges associated with Central Bank of India Personal Loan.

Particulars	Charges
Processing Charges	Rs.500 to Rs.15,000
Pre-payment Charges	Up to 2% of the loan principal prepaid

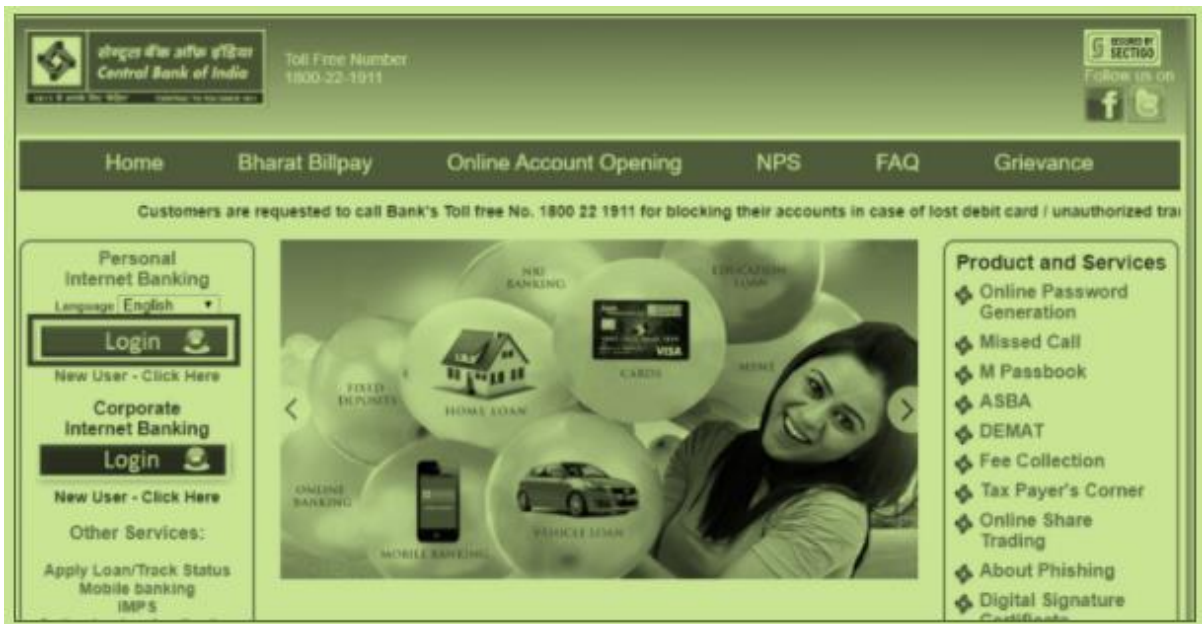
\*Above figures excluding applicable GST



## How to login on Central Bank of India Portal

Mentioned below are the steps required to login on Central Bank of India portal:

- ☛ Step 1: Visit the official website of Central Bank of India.
- ☛ Step 2: Click 'Online Banking'.
- ☛ Step 3: Click 'Internet Banking'.



- ☛ Step 4: Enter your Central Bank of India Internet Banking credentials to log in.





Step 5: After successful login, you can check your account balance, apply for new loan, and check loan application status, transfer funds and also perform other banking activities.

### Central Bank of India Personal Loan Statement

You can check your personal loan statement either online or offline.

If you have a prior relationship with the Central Bank of India, you can view or download the personal loan statement directly by logging into the Central Bank of India portal.

Alternatively, you can visit the nearest branch of Central Bank of India and request for a physical copy of the personal loan statement (charges may be applicable).

### EMI Calculation

The rate of interest for Central Bank of India Personal Loan varies between 9.55% to 12.05% p.a. The table shows how monthly EMIs vary based on different loan amounts, tenures and interest rates:

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
5 lakh @ 9.55% p.a.	Rs. 43,853	Rs. 22,969	Rs. 16,028	Rs. 12,574	Rs. 10,513
10 lakh @ 11% p.a.	Rs. 88,382	Rs. 46,608	Rs. 32,739	Rs. 25,846	Rs. 21,742
20 lakh @ 11.25% p.a.	Rs. 1.76 lakh	Rs. 93,448	Rs. 65,715	Rs. 51,935	Rs. 43,735

### Comparison of Central Bank of India PL vs. Other Lenders

The following is a comparison of Central Bank of India personal loans vs. PL offers from other top lender in India:

Comparison Criteria	Central Bank of India	ICICI Bank	Axis Bank	HDFC Bank	Citi Bank
Interest Rate	9.55% to 12.05%	11.50% to 19.25%	12% to 24%	11.25% to 21.50%	Starting from 10.99%
Tenure	12 months to 48 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Up to Rs.20 lakh	Up to Rs.20 lakh	Rs.50,000 to Rs.15 lakh	Up to Rs.40 lakh	Up to Rs.30 lakh
Processing Fee	Up to Rs.500 plus GST	Up to 2.25% of loan amount plus GST	Up to 2% of loan amount plus GST	Up to 2.50% of the loan amount + GST	Up to 3% of the loan amount + GST

## Central Bank of India Customer Care

You can call on

1800-22-1911 (toll free) to get assistance over the phone

You can visit the nearby Central Bank of India branch in-person for assistance



## Important Aspects

Here are some of the important aspects you need to consider before availing personal loan:

- Before you apply for personal loan, interest rates and charges should be compared online to get the best deal
- Check your credit score or CIBIL score before applying for personal. Low credit score may lead to rejection of your loan application status
- Borrow as per your need only and not just because it is easily available.
- Always evaluate the complete cost of the loan



## FAQs on Loan from Banks

**?.** What is the maximum tenure of a personal loan offered by Central Bank of India? Personal loans offered by Central Bank of India currently have a maximum tenure of 48 months.

**?.** What would be my tenure?

Currently you can apply for a personal loan with the bank to meet any personal/domestic expenses.

**?.** Can I reapply for Central Bank of India personal loan if my application gets rejected?

You will have to contact the bank to check the same. However, it is usually advisable that you wait for 6 months after rejection of the previous application before reapplying with the same bank.

**?.** Can I apply for Central Bank of India personal loan offline?

Yes, you can visit the nearest branch of Central Bank of India to apply for a personal loan.

? Do I get a special low interest rate if I have a high CIBIL Score?

If you have a high CIBIL score of 750 or more, you may be designated as a lower risk borrower which may make you eligible for a lower interest rate personal loan. However, you do need to contact Central Bank of India for details regarding the personal loan interest rate that may be applicable to you.

## **Business Loan**

Central Bank of India is a government-owned entity that offers a diverse range of business loan options to Micro, Small and Medium Enterprises (MSMEs). These loans are provided to manufacturing and trading sectors for expanding operation, purchasing equipment and inventory and for getting more working capital.

- Business Loan Interest Rates 2020 offered by Central Bank of India starts from 8.55% onwards.
- 1 year MCLR (Marginal Cost Lending Rate): 8.05%, As on 15 Feb 2020

Central Bank of India Business Loans for MSMEs

The business loan schemes offered by the Central Bank of India are as follows:

### A) Cent-Business Gold Loan

Available for new and existing customers for business requirements. Loan is given to proprietorship and partnership firms and also to individuals between the age of 18 and 60 years.

- Loan Amount: 10,000 to 20,00,000
- Interest Rate: Rs. 10,000 to Rs. 10,00,000 — 8.55%
- 10 Lakhs to Rs. 20 Lakhs – 9.05%
- Tenure: 12 to 36 Months

### B) Cent-Construction Equipment Finance Scheme

– Companies, contractors or firms involved in construction activity are eligible for this loan to procure new equipment, machinery or vehicles related to construction. Loans up to 5 crores Rs. for 1 to 5 years.

- Interest Rate: Up to Rs. 10 Lakh – 8.55%
- Above Rs. 10 Lakhs to 1 Crore – 9.05%
- Above Rs. 1 Crore – Based on credit rating

### C) Cent-Contractor

Loans for Civil and construction contractors and subcontractors with good reputation and rating, and who work for Central and State Governments, PWD, PSU and renowned organizations in private sectors.

- Maximum loan of 5 Crores for 1 to 5 years.
- Interest Rate: Up to Rs. 10 Lakh – 8.55%
- Above Rs. 10 Lakhs to Rs. 1 Crore – 9.05%

- Above Rs. 1 Crore – Varies between MCLR (8.05%) + 2.00% to MCLR (8.05%) + 4.00%
- Processing Fee: 1% of the loan amount with maximum Rs. 2 lakh
- Collateral Security: Up to Rs. 1 cr equitable mortgage immovable property having 100% of the limit sanctioned.

#### D) Cent-Doctor

Loan for medical professionals that include doctors, dentists, radiologists and physiotherapists with recognised educational degree to set up clinic/ X-Ray lab/ Pathology lab, Nursing home, purchase equipment, ambulance, computers for hospital/ clinic, working capital for stock up of medicines/ medical supplies. Cent Doctors are offered to individuals / partnerships / Companies / Trusts

- Loan amount varies between 1 lakh to 5 crores Rupees depending on the purpose of the loan and the business location.
- Tenure could be up to 10 years.
- Interest rate varies from applicant to applicant
- Margin: 25% against the construction of Nursing Home / Clinic
- 15% against equipment

#### E) Cent-Professional

Loan for established professionals like doctors, consultant architects and engineers, chartered accountants, tax consultants, company secretaries, management consultants, freelance cameraman/ journalists/ caterers. All professionals should have required degrees in the related fields and should be individuals/ joint partnership/ Joint stock companies.

- Loan Amount: 1 lakh to 1 crore (individuals), 1 Lakh to 5 Crores (Entity)
- Above 1 Crore – Based on credit rating
- Tenure: 12 to 120 Months
- Processing Fee: Nil up to Rs. 5 lakh

#### F) Cent-Food Processing Plus

- Term loans or financing for Various mills like daal, rice, suji, oil mills and agro-based food processing units.
- Need-based financing with tenure of 1 to 7 years.
- Interest rate is 8.55% for up to 1 crore rupees and above that it depends on collateral security.

#### G) Cent-Mortgage

Given for personal and business requirements. The loan amount for Cent Mortgage is from 1 lakh to 10 crores based on location and usage. Loan is offered to Traders, businessmen, partnership firms, companies, NRIs, professionals and self-employed.

- Maximum tenure of 120 months.
- Loan Amount: Rs. 1 lakh for property located in rural areas and up to Rs. 10 cr for other locations

- Interest rate: 11.55%
- Processing Fee: 0.50% of the loan amount, maximum Rs. 20000

#### H) Cent-Mortgage-Educational Institution

Loan given against mortgage of institution buildings and other immovable properties located in semi-urban, urban and metro cities. The private institutions should be either Society or trust and in existence for 5 years minimum and at least 2 batches of students passed out from the institution with recognised board/ university.

- Loan amount is 1 lakh to 5 Crores with a maximum tenure of 120 months.
- Interest rate is: 12.55%
- Processing Fee: 0.50% of the loan amount, maximum Rs. 20000

#### I) Cent-Kalyani

Loan for women entrepreneurs and self-employed for funding and expanding business. Doctors, CA, engineers, beauticians, dietitians, tailors, Art and craft business, small canteens, mobile restaurant, day creches, typing, STD & Xerox booths, transport operators and so on. Maximum loan amount is 1 crore rupees with variable tenure.

- Interest Rate: Up to 10 Lakhs – 8.30%
- 10 Lakhs to 1 Crore – 8.55%

Cent-Trade — Loan for all kinds of traders like retailers, distributors, commission-based agents, arthiyas and dealers of major companies.

- Maximum loan of 5 crores with interest rate: 11.05%

Cent-Warehouse Receipt Scheme – Financing against warehouses and cold storage receipts for farmers, traders, commission agents and food and agro product processing units.

- Need base financing with maximum tenure of 12 months.
- Up to Rs. 10 lakh for agriculture loan
- Margin: 35% on Market Price/Value as per Warehouse Receipt

Cent-Artisans Credit Card – For artisans involved in handicrafts production and manufacturing. Loans offered to artisans involved in production or manufacturing process

- Credit limit of 2 lakh rupees with 3 years validity.

Cent-Weaver Credit Card – Loans for Weavers and workers involved in weaving-related activities.

- Maximum loan of 2 lakhs, payable within 1-3 years.
- Interest Rate: 8.65%

Cent-Laghu Udyami Credit Card – For people in manufacturing and services that come under MSMED Act, 2006.

- Loan validity for 3 years with 10 lakhs rupees limit.
- Interest rate: Base Rate 8.65%

Cent-Prosperity — For minority community and loan detail and availability is based on bank's discretion

Small road-transport operators — Loan detail and availability are based on bank's discretion.

### **Documents Required for Loan Application**

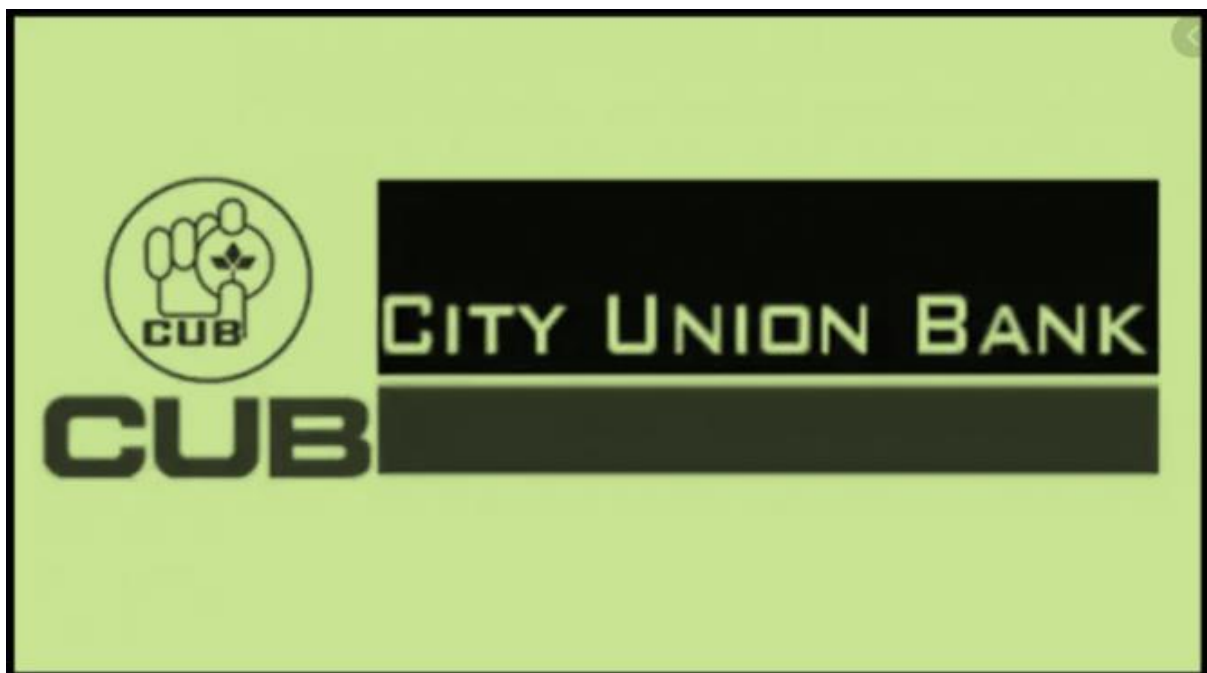
- Application form
- Identity Proof – Voter's ID / Driving License / Passport / PAN Card / Signature Identification by the present banker for Proprietor / Partner/ Director (if Company)
- Residence Proof – Recent Telephone / Electricity Bills, Voter ID, Passport, Property Tax receipt
- Business Address proof
- Applicant(s) should never have defaulted with any Bank or Financial Institution
- For loans above Rupees 2 lakhs, need to furnish balance sheets for last three years along with Sales Tax/ Income Tax returns. For loans below Rupees 25 lakhs, in case of unavailability of audited balance sheets, unaudited version will do with instruction from the bank
- Copy of VAT/ Sales Tax/ other tax registration
- Memorandum / Articles of Association (For Company) and /or Partnership Deed of the partners
- Assets-Liabilities Statements of guarantors / Promoters plus most recent Income Tax return
- In case business is in rented premises, rental agreement needed.
- Clearance required from Pollution Control Board (if applicable)
- Registration with SSI / MSME (if applicable)
- Projected Balance sheet for next 2 years (for loan over Rupees 2 lakhs)
- Photocopies of title deeds / lease deeds of all properties offered as collaterals
- Account position from existing bankers
- Sanction letters of facilities for takeover of advances

Central Bank of India Business Loan is extended to self-employed individuals, proprietorship, partnership, private limited companies. These loans cannot be taken for any speculative activities. The loan amount, repayment period, interest rate, margin, processing charge, collateral requirement, and other related features vary depending on the type of Central Bank of India business loan that an individual requires.

## BANKS

### City Union Bank Ltd

City Union Bank, earlier known as The Kumbakonam Bank Limited, was incorporated as a limited company on 31 October 1904. The bank played the role of regional bank in Thanjavur District Tamil Nadu, its main purpose is to help deposit holders to get financial help, against their deposit in a time of need for medical expenses, family urgencies, expansion of business etc. City Union Bank or CUB provides personal loans to many of their deposit holders.



You are eligible for a personal loan from City Union Bank Personal Loan if you meet the below mentioned criteria:

- Age: The applicant must be above 21 years of age and less than 58 years of age.
- Deposit: Must be an account and deposit holder in the City Union Bank
- Credit score: Must have a relatively good credit score so that City Union Bank has the confidence you'll repay the loan in a timely manner.

Documentation that will be required to be submitted as well for City Union Bank Personal Loan, if there's any discrepancy with these documents then the loan eligibility also is questioned.



- Signed application with photograph
- Copy of ID proof such as driver's license, voter's ID, passport.
- Cheque for the processing fee.
- Last 3 months bank statement/ 6 months passbook.
- Documents for salaried applicants: Latest salary slip, current salary certificate with Form 16
- Documents for self - employed applicants: Latest bank statement, latest ITR and Form 16

### **Factors affecting City Union Bank Personal Loan Eligibility**

#### Income:

the salary earned in a month is a vital factor to determine your loan eligibility, this shows that you're capable of repaying the loan.

#### Employment history:

if you are employed with a firm, with confirmed service of minimum 3 years it increases the stability factor and your chances

#### Repayment history:

payments made towards your previous loans, credit cards, mortgages, vehicle loans, etc. regularly helps increase your eligibility of a personal loan since the bank is sure that you're regular and timely with your payments.

#### Credit history and CIBIL:

your credit history and CIBIL score are an extremely important factor to determine your loan eligibility. All banks review your track records of previous loans taken, EMIs and payments etc. It establishes a loan pattern of your credit and repaying capabilities. Allowing the bank to trust that you will make payments regularly.

### **How CIBIL Score affects your City Union Bank Personal Loan Eligibility?**

When an applicant applies for a personal loan with City Union Bank, the bank starts a credit check on the applicant to ensure the applicant can repay the loan applied for . If the CIBIL Score is above the required score, the bank will then consider the application and will take a look at the applicant's credit report as well. The bank also takes into consideration the loans the previous loans applied and taken by the applicant. The bank will consider the repayment time and tenure to ensure that payments are done in a timely manner. It also considers the types of loans that the applicant has taken, if it is a good mix of unsecured or secured. If an applicant has settled a previous loan because he/she has any financial constraints, then it gets recorded in the credit report. This record is maintained for a period of 6 years. These settlements are considered a negative mark in your CIBIL report, and can also have City Union Bank question your ability to repay the loan and can even refrain from offering you a personal loan.

## How to increase City Union Bank Personal Loan Eligibility

### Good credit history:

Make sure that you have a good and clean repayment record, with no defaults or late payments will have a big impact on your CIBIL score and credit history. And will enhancing your chances rather that hamper it.

### Prepayment of loans:

Prepaying your existing loans, and showing you have more funds available on a monthly basis, will help your credit score and CIBIL report.

### Few loans at a time:

Applying for multiple loans with various banks at a time can affect your chances of getting a personal loan. All the banks run a credit check to ensure your repaying capabilities and each application gets recorded in your credit report. Your credit score thereby gets affected.

### Tenure of loan:

The loan tenure also affects your credit history, financial experts believe that increasing your loan tenure, makes it easy on the pocket on a monthly basis. Making it easier to pay and not defaulting or paying late. And eventually helps you with your eligibility.



## FAQs on Loan from Banks

**?** What's the maximum loan eligible for deposit holders?

The maximum amount of the loan against deposit is 80% of the balance in the deposit, if the deposit is in the name of the minor, the guardian can raise the loan on behalf of the minor.

**?** What is the minimum and maximum age limits for an applicant of a personal loan with City Union Bank?

The minimum age should be 21 years and maximum of 58 years. In case of a minor, the guardian can apply on their behalf.

## Business Loans

City Union Bank is an Indian public-sector bank, offering financial services to its customers. The bank offers various types of MSME loans that include Working Capital Loans, Cash Credit, Letter of Credit, Bills Finance and business loans for its

customers. The business loan offered by City Union Bank is termed as Easy Business Loan that offers funding at an interest rate of 12.50% onwards.

### City Union Bank Business Loan Interest Rate – 2020

City Union Bank Business Loan 2020	
Interest Rate	12.50% onwards
Min. Loan Amount	Rs. 15 lakh
Max. Loan Amount	Rs. 75 lakh
Repayment Tenure	24-60 months (Demand/Term Loan)
Margin	20%
Collateral	Not required

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges

Primarily, Easy Business Loan is offered to small traders and shop keepers and for trading, micro and small enterprises.

### Types of MSME Loans

Loan Type/Category	Cash Credit	Working Capital Loan	Letter of Credit	Bills Finance
Availability	CC, OD, Drop Line OD	Loan with EMI & Non EMI for working capital purpose	In form of guarantee to their customers, for business purposes	In the form of Bill Purchase and Bill Discount
Margin	25%	25%	NA	25%
Moveable and Immoveable securities	Yes	Yes	Yes	NA

### Documents Required

You need to produce the following documents along with the application for business loan:

- PAN Card – For Company/Firm/Individual
- A copy of any of the following documents as identity and address proof:
  - Aadhaar Card
  - Valid Passport
  - Voter's ID Card
  - Driving License
- Utility Bills (Water, Electricity)
- Bank statement of last 6 months

- Business Address proof
- Rent agreement/Sale Deed
- Income Proof
- Latest ITR along with computation of income, Balance Sheet and Profit & Loss account for the previous 2 years, after being CA Certified/Audited

#### **Additional Documents**

- Sole Proprietorship Declaration or Certified Copy of Partnership Deed, Certified true copy of MoA & AoA
- Proof of continuation (ITR/Trade license/Establishment/Sales Tax Certificate)

#### **How to Apply for Business loan in City Union Bank?**

There are two ways through which one can apply for a business loan:

##### Online:

One can visit the official website of the Citi Union Bank to apply for Business loan. Customers simply need to visit the website and apply online.

##### Visit the nearest branch:

An individual can directly visit nearest bank branch to apply for a business loan. Here again, an application should be filled and the important documents should be submitted.

##### Check and compare:

Customers can visit the Fintech Company's online portals to check and compare from numerous loan options available in the market under one roof. Pick the desired loan offer and it will redirect the applicant to the bank's official website. Apply for the chosen offer and get the loan approved and disbursed by the respective lender.



#### **FAQs on Loan from Banks**

**?.** What is the City Union Bank business loan interest rate in 2020?

The City Union Bank Business loan is offered at 12.50% onwards.

**?.** What is the loan amount offered for City Union Bank business loan?

The minimum loan amount offered is Rs. 15 lakh and maximum loan amount goes up to Rs. 75 lakh.

**?.** What is the maximum repayment period of business loan?

The maximum repayment period of business loan is 5 years.

**?.** Do I need to deposit collateral in any form with the bank?

No, collateral is not required by City Union Bank.

### ? How to check City Union Bank business loan status?

You can check the City Union Bank business credit status by reaching the client care number or in the event that you as of now have a record can login to your record and check the status there. You can likewise check with your account manager in the event that you have been designated one.

## Business Loan

City Union Bank is an Indian public-sector bank, offering financial services to its customers. The bank offers various types of MSME loans that include Working Capital Loans, Cash Credit, Letter of Credit, Bills Finance and business loans for its customers. The business loan offered by City Union Bank is termed as Easy Business Loan that offers funding at an interest rate of 12.50% onwards.

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Margin	20%
Collateral	Not required

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## Types of MSME Loans

Loan Type/Category	Cash Credit	Working Capital Loan	Letter of Credit	Bills Finance
Availability	CC, OD, Drop Line OD	Loan with EMI & Non EMI for working capital purpose	In form of guarantee to their customers, for business purposes	In the form of Bill Purchase and Bill Discount
Margin	25%	25%	NA	25%
Moveable and Immoveable securities	Yes	Yes	Yes	NA

## Documents Required

You need to produce the following documents along with the application for business loan:

- PAN Card – For Company/Firm/Individual
- A copy of any of the following documents as identity and address proof:
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## Additional Documents

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Online: One can visit the official website of the Citi Union Bank to apply for Business loan. Customers simply need to visit the website and apply online.

Visit the nearest branch: An individual can directly visit nearest bank branch to apply for a business loan. Here again, an application should be filled and the important documents should be submitted.

Check and compare: Customers can visit the Fintech Company's online portals to check and compare from numerous loan options available in the market under one roof. Pick the desired loan offer and it will redirect the applicant to the bank's official website. Apply for the chosen offer and get the loan approved and disbursed by the respective lender.



## FAQs on Loan from Banks

? What is the City Union Bank business loan interest rate in 2020?

The City Union Bank Business loan is offered at 12.50% onwards.

? What is the loan amount offered for City Union Bank business loan?

The minimum loan amount offered is Rs. 15 lakh and maximum loan amount goes up to Rs. 75 lakh.

? What is the maximum repayment period of business loan?

The maximum repayment period of business loan is 5 years.

? Do I need to deposit collateral in any form with the bank?

No, collateral is not required by City Union Bank.

? How to check City Union Bank business loan status?

You can check the City Union Bank business credit status by reaching the client care number or in the event that you as of now have a record can login to your record and check the status there. You can likewise check with your account manager in the event that you have been designated one.

**Personal Loans\**

DCB Bank offers personal loans up to Rs. 5 lakh to salaried individuals in Greater Mumbai, Delhi NCR and Hyderabad regions. The loan amount can be used for a variety of needs, such as to meet expenses for debt consolidation, vacation, medical treatment and wedding. Read this article to know various key aspects of a DCB Bank personal loan.

**DCB Bank Personal Loan Highlights**

Interest rate	As per Applicant Profile
Loan Amount	Up to Rs. 5 lakh
Eligible Applicant Category	Salaried Individuals
Eligible Applicant Age	25 years to 60 years
Processing Fees	Up to 3% of loan sanctioned
Loan Tenure	Up to 60 months



## Features of DCB Bank Personal Loan

The following are some key features of a DCB Bank personal loan

Loan Amount	Minimum: Rs. 1 lakh Maximum: Rs. 5 lakh
Repayment Tenure	1 year to 5 years
Collateral	Not Required
Mode of Repayment	You can pay the loan EMIs via Electronic Clearance System (ECS), Standing Instruction (SI), National Automated Clearing House (NACH) or Post Dated Cheques (PDC)s.

## DCB Bank Personal Loan Interest Rates

DCB Bank offers competitive personal loan interest rates that vary from applicant to applicant depending on the profile and the desired loan parameters. Key factors which may affect the interest rate applicable to a personal loan are:

- Monthly income,
- Repayment history and credit score,
- Amount of monthly fixed obligations, and
- Credit utilization ratio.

## Eligibility Criteria for DCB Bank Personal Loan

- You should be a salaried employee of a private/ public limited company, government entity, multinational corporation (MNC), or a reputed partnership firm.
- You should be at least 25 years old at the time of loan application and not more than 60 years old at the time of loan maturity.
- You should have an employment track record of at least past 3 years.
- You need to provide 2 references to get a personal loan from DCB Bank. These references can come from colleagues or friends, but not from blood relatives or residents at the same address.

NOTE: Currently, DCB Bank offers personal loans only in Delhi NCR, Hyderabad and Greater Mumbai will be soon extended to other parts of India.

## Documents Required for Personal Loan Application

Following is the list of key documents generally required when applying for a personal loan:

- Proof of Identity: Aadhaar Card, Voter ID, Driving License, Passport, etc.
- Proof of Address: Latest Utility Bill (Electricity/ Telephone bill), Bank Passbook, etc.
- Proof of Income: Salary Slips, Bank Account Statement, Form 16, etc.

## How to Apply for DCB Bank Personal Loan?

Fill out the online personal loan application form on the Online platforms.com to compare and choose among personal loan offers from 30+ lenders. Once you have completed and submitted the loan application online, you will receive conditional e-approval and your application will be forwarded to your chosen lender.

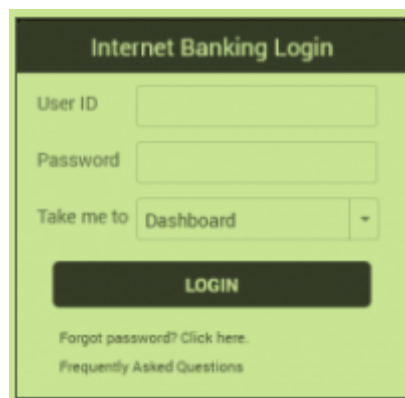
## Fees and Other Charges

The following are key fees and charges associated with a personal loan from DCB Bank:

Particulars	Charges*
Processing Fee (Non Refundable)	Up to 3% of the personal loan amount.
Prepayment Charges	Up to 5% of the principal outstanding.
Collection Charges (Applicable in cases of default)	Rs. 100 per call and Rs. 250 per visit made to recover the loan dues.
Penal Interest	3% per month of the overdue amount on account of delay in payment of interest/ principal.
Cheque /ECS Swap Charge	Rs. 500 per event.
Cheque Bounce Charge	Rs. 500 per event.

## How to Login DCB Bank Online Portal?

- Step 1: Visit the DCB Bank internet banking portal and click “Login Now”.



- Step 2: Enter your user ID, password and click “Login”. After you are logged in, you can access a wide range of online banking services on offer.

## DCB Bank Personal Loan Statement

You can register for environment-friendly e-statements of your personal loan account with DCB Bank free of cost. The following steps are involved when signing up for DCB Bank personal loan e-statements.



Step 1: Visit the e-statement request portal of DCB Bank.



Step 2: Enter your details and select the frequency at which you want to receive the personal loan e-statements.



Step 3: Check the box to accept the “Terms and Conditions” and finally click “Submit”.

### EMI Calculation

The following table shows the results of EMI calculation using the personal loan EMI calculator for different DCB personal loan principal amount, interest rate and tenure:

Loan Amount (Rs.) and Interest Rate	EMI Amount (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
1 lakh @ 14%	8,978	4,801	3,417	2,732	2,326
3 lakh @ 12%	26,654	14,122	9,964	7,900	6,673
5 lakh @ 15%	45,129	24,243	17,332	13,915	11,894

### Comparison of DCB Bank Personal Loan v/s Other Lenders

The following table compares personal loan offer from DCB Bank to similar unsecured loans offered by top lenders in India:

Comparison Criteria	DCB Bank	HSBC Bank	HDFC Bank	Citibank	ICICI Bank
Interest Rate	Varies on applicant to applicant basis.	10.50% onwards	10.75-21.30%	9.99% onwards	11.25% onwards
Tenure	Up to 5 years.	Up to 5 years	Up to 5 years	Up to 5 years	Up to 5 years
Loan amount	Up to Rs. 5 lakh.	Up to Rs. 30 lakh	Up to Rs. 15 lakh	Up to Rs. 30 lakh	Up to Rs. 50 lakh
Processing Fee	Up to 3% of the loan amount.	Up to 1% of the loan amount	Up to 2.50% of the loan amount	Up to 3% of the loan amount	Up to 2.25% of loan amount + GST

## Business Loans

Development Credit Bank (DCB) is a scheduled commercial bank that works closely with retail, agriculture and commodities sectors, MSMEs, SMEs and Mid-Corporate enterprises, NBFCs, and Indian, Public and Co-operative Banks. The interest rate for DCB Bank Business loan depends on the applicant's profile and bank's guidelines. Loan details are mentioned below for reference:

DCB Business Loan – 2020	
Loan Amount	Depends on the bank's guidelines and applicant's profile
Interest Rate	As per the bank's guidelines, loan amount, submitted documents
Repayment Tenure	Maximum 15 Years
Loan-to-Value (LTV) Ratio	Up to 100% of the property value
Co-applicant/Guarantor	Required (spouse, children or parents)

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

DCB helps its customers in meeting various requirements like business expansion, or working capital deficit. It also helps in meeting several personal requirements related to medical, marriage, education, travel, etc. Its types of loans include business loan, micro business loan, working capital loan, term loan and trade finance.

### Features of DCB Bank Business loan

The business loans depend on many factors such as age of the applicant and age of the mortgage property at the time of loan maturity. The bank offers business loans only in those cities where their branches are located.

### Loan Amount

Depends on the assessment of the requirements, as well as the applicant's financial stability and documentation, DCB Bank approves the maximum loan amount.

### LTV Proposition

The Loan-to-Value (LTV) ratio is very high as compared to other financial institutions which go up to 100% of the property value as the loan amount.

### Lease Rental Discounting

DCB Bank offers term loans against the rental receipts of lease contracts with your corporate tenants. The rent is considered to be collateral for availing a business loan.

### Balance Transfer

The DCB Bank offers the facility of balance transfer to the customers. The customers can transfer their outstanding principal amount from another bank to DCB bank easily.

### Insurance Plan

In the event of untimely death or illness, DCB Bank's comprehensive insurance plan will cover your loan amount, at very reasonable insurance premium rates.

## **Documents Required**

- ☛ A duly filled application form signed by all the applicants and Annexure R denoting the beneficial owner
- ☛ Latest passport size photographs for all the applicants
- ☛ Identity proof, address proof and age proof of all applicants
- ☛ In the case of Sole Proprietary Firms – registration certificate/ license issued under shops and establishment act/ tax returns/ Importer – Exporter Code certificate/ utility bills/ etc.
- ☛ In the case of Partnership Firms – registration certificate, copy of partnership deed, identification information as per Section 15 regarding the power of attorney
- ☛ In the case of Companies – certificate of incorporation, MOA & AOA, board resolution authorising the signatory to sign on behalf of the company for loan purposes, identification information as per Section 15 regarding the power of attorney
- ☛ Last one year's bank statement of all the business accounts and other accounts from which EMI's are being deducted
- ☛ Last 3 years' ITR with computation of income and financials
- ☛ 2 latest GST returns (if applicable)

- ☛ Copy of trade licenses/ statutory licenses/ other documents showcasing business stability
- ☛ Details of all the existing loan accounts – statement and repayment record
- ☛ Copy of all the property documents of the property to be mortgaged
- ☛ Documents showing previous chain of agreements
- ☛ Documents required for the balance transfer from existing financier and foreclosure statement of existing loan

### DCB Bank Customer Care

The following are the different ways you can contact the customer care department of DCB Bank:

For Resident Indians

Toll-free Customer Care Numbers: 1800 123 5363 / 1800 209 5363

Email for Loan account queries : [loans@dcbbank.com](mailto:loans@dcbbank.com)

For NRIs

Customer Care Number: 91 22 61271000

Toll-free Numbers (India): 1800 123 5363 / 1800 209 5363

Email: [nri@dcbbank.com](mailto:nri@dcbbank.com)

Alternatively, you can write to DCB Bank at the following address:

DCB Bank Limited,  
P.O. Box No. 7643,  
Malad (West),  
Mumbai 400064, India.



### FAQs on Loan from Banks

**?** What is the turnaround time for DCB Bank personal loan?

Ans. DCB Bank generally takes 3-4 working days from the receipt of application form and documents to disburse the loan amount.

? What are the minimum and maximum personal loan amounts offered by DCB Bank?

Ans. DCB Bank offers a minimum of Rs. 1 lakh and a maximum of Rs. 5 lakh as a personal loan.

? How much does DCB Bank charge as processing fee on personal loans?

Ans. DCB Bank charges 2-3% of the personal loan amount as processing fee. The exact processing fee is communicated to the applicant through the personal loan agreement.

? Can I foreclose my personal loan account with DCB Bank?

Ans. Yes, you can foreclose your personal loan account with DCB Bank after completing payment of at least 12 EMIs. Foreclosure charges at the applicable rate as mentioned in the loan agreement will be applicable.

? What is the maximum repayment tenure offered on DCB Bank personal loan?

Ans. DCB Bank allows a maximum of 5-year repayment tenure on personal loans.

? Q6. What is the interest rate for DCB Bank personal loan?

Ans. The interest rate on DCB Bank personal loan is not fixed, and depends on your profile and bank's discretion.

? Q7. What are the prepayment charges for DCB Bank personal loan?

Ans. The prepayment charges on DCB Bank personal loan correspond to 5% of the outstanding principal.

? Q8. How can I calculate the EMIs for my personal loan taken from DCB Bank?

Ans. You can use Online platforms personal loan EMI calculator to know the EMIs of your personal loan taken from DCB Bank.

? Q9. What is the toll-free customer care number of DCB Bank?

Ans. The toll-free customer care numbers of DCB Bank are 1800-123-5363 and 1800-209-5363.

? Q10. Do I need collateral to avail a personal loan from DCB Bank?

Ans. No, you don't need to pledge any collateral or security to avail a personal loan from DCB Bank.

? What is the maximum tenure of DCB Bank business loan?

The DCB Bank offers business loans for the maximum tenure of 15 years and it also depends on the age of the applicant by the time of loan maturity.

? Is loan pre-payment allowed for DCB Bank business loan?

Yes, pre-payment for business loans are allowed but they are allowed after the first 12 months. The DCB Bank also offers flexible part pre-payment options.

? What kinds of properties are not accepted as collateral?

Any industrial or vacant commercial properties are not accepted as collateral for business loans by DCB Bank.

? Can I get more than one loan from DCB bank?

The DCB Bank offers top up loans to the customers who have good repayment history and who meet the minimum eligibility criteria.

? Does DCB Bank give business loans on fixed rate or floating rate?

DCB Bank gives business loans on both fixed rate and floating rate. Short-term loans are usually offered on fixed rate and long-term loans on floating rate.



## BANKS

### Dhanlekshmi Bank

Dhanlaxmi Bank personal loan is the perfect option to fulfil diverse financial needs including home renovation, medical emergency, vacation, wedding, etc. Suitable for those seeking to borrow up to Rs. 15 lakh, this unsecured loan from Dhanlaxmi Bank can be repaid conveniently with a flexible tenure ranging from 12 to 60 months.



#### Features of Dhanlaxmi Bank Personal Loan

Loan amount: If you are a salaried professional, you can avail a loan amount starting from Rs. 1 lakh to Rs. 15 lakh and if you are a self-employed individual, you can avail a loan amount starting from Rs. 3 lakh to Rs. 15 lakh

- Flexible tenure: The flexible tenure offered by Dhanlaxmi Bank on a personal loan ranges from 12 to 60 months and can be decided by an individual as per his/her repayment ability
- Minimum documentation: Dhanlaxmi Bank personal loans are processed with simplified documentation and allows quick approval if all the documents are verified
- Instant disbursal: Once the loan is approved, the loan amount gets disbursed to your account within 3 to 5 working days

<b>Dhanlaxmi Personal Loan Highlights</b>	
Interest rate	12.70% p.a. onwards
Loan Amount	Up to Rs. 15 lakh
Loan Tenure	Up to 60 months
Processing Fees	Up to 2.5% of loan sanctioned
Eligibility Age	21 years to 60 years

### Dhanlaxmi Bank Personal Loan Interest Rate

Starting from 12.70%, Dhanlaxmi Bank's interest rate varies from one individual to another depending on a person's credit score, age, loan amount, repayment history, etc.

### Eligibility Criteria

The eligibility criteria for Dhanlaxmi Bank personal loan varies slightly based on whether the applicant is salaried or self-employed. Key eligibility criteria specified by the bank are as follows:

#### For Salaried:

You should be at least 23 years old at the time of loan application

Your minimum monthly income should be at least Rs. 35,000 per month

You should be working as a permanent employee with a central or state government institution or a reputed organisation or a profit making company

You should have a total work experience of at least 2 years

#### For Self- Employed Professional/Non-Professionals:

You should be at least 23 years old at the time of loan application

Your annual income should be at least Rs. 1.8 lakh

You should either be a self- employed professional or a self- employed non-professional with a profit making proprietorship business/partnership firm/private limited company

If you are a self- employed professional, you should have a working experience of at least 3 years and if you are a self- employed non- professional, you should have a total work experience of 5 years of which at least 4 years is with current venture

#### Documents Required for Loan Application

While many of the key documents that need to be submitted as part of the loan application process are same of all applicants, a few documents differ based on whether you are self-employed or salaried. The following is list of documents that need to be submitted by all Dhanlaxmi personal loan applicants:

Proof of Identity (any one)	
PAN Card	Driving license
Voter ID card	Defence ID
Bank pass book with attested customer photograph and signature (only from scheduled commercial Banks)	Employee ID card issues by defence/ govt. /public sector undertaking/reputed MNCs/public limited co.

Proof of Age (any one)	
Birth certificate	LIC policy (minimum 12 months in force)
School leaving certificate	PAN Card
College certificate	Passport
Driving license	

Proof of Age (any one)	
Birth certificate	LIC policy (minimum 12 months in force)
School leaving certificate	PAN Card
College certificate	Passport
Driving license	

Residential proof (any one)	
Indian passport (valid only if address on passport is same as per the communication address)	Life insurance premium receipt of any insurer (policy should be at least 12 months in force)
Voter ID card	Telephone bill (not older than 3 months)
Post-paid piped gas connection bill showing consumption and complete address	Bank passbook or latest bank account statement
Electricity bill having complete address of the account holder (not older than 3 months)	Original post- paid mobile bill showing complete residence address of the applicant as per the application form

For Salaried Professionals:

The following are some of the key documents that only salaried applicants need to submit with their Dhanlaxmi Bank personal loan application:

Continuity proof (any one)	
Form 16/ letter from HR authorised signatory	Appointment letter

Income proof	
3 latest pay slips with 6 months bank statement of salary account	

Proof of legal existence and registered office address (any one)	
VAT service tax registered certificate	Latest bank account statement in the name of the entity with full address mentioned
Shop and establishment certificate	Sales tax registration certificate
Factory registration certificate	SSI registration certificate
Importer- exporter code certificate	

Proof of operating address (any one):	
Leave and License agreement in the name of the entity if the entity is operating its business	Latest Bank Account Statement in the name of the Entity with full address mentioned which matches with the entity's address as per the application form along with Banker's verification of the Authorized Signatory of the entity
Telephone bill/electricity bill in the name of the entity	IT assessment order
PAN intimation letter	Acknowledged ITR of the entity
In case of self-proprietorship concerns	
Proof of the operating address could be taken in the individual's name with the office FI being positive at the address from where the individual is operating his business (this should match with the office address given by the individual)	

Signature verification (SV) of the authorized signatory of the entity (any one)	
Bankers verification of the entity's authorized signatory from where the PDCs are issues	Documents which would have been submitted to banker at time of account opening by an entity stating the authorized signatories of the bank account (these documents should be certified by the Branch Manager or Operations Head with their name and designation)
ECS mandate with the signature of authorized signatories along with the stamp of entity	

For SENP / SEP (All Mandatory)

The following documents have to be mandatorily submitted by all Self Employed Non-Professionals and Self-Employed Professionals:

Last 2 years' filed ITR along with computation of income, Profit & Loss schedules, Balance Sheet	Bank statement (latest 12 months)
Certificate of incorporate in case of proprietorship and academic and professional qualification in case of professionals	Bank verification form

## Check Dhanlaxmi Bank Personal Loan Application Status

To know the status of Dhanlaxmi Bank personal loan application status:

You can call on 0487 – 6613000

You can send an email on [customercare@dhanbank.co.in](mailto:customercare@dhanbank.co.in)

### Fees and other Charges

The following are some of the key fees and charges apart from interest charges applicable to a personal loan from Dhanlaxmi Bank:

	Salaried	Self Employed
Loan processing fees	Up to 2.5% of the loan amount (min. Rs. 1250)	Up to 2.5% of the Loan amount (min. Rs. 1250)
Prepayment charges (before repayment of at least 12 EMIs)	2% + GST of the outstanding principal	2% + GST of the outstanding principal
Prepayment charges (after repayment of 12 EMIs)	2% + GST of the outstanding principal	2% + GST of the outstanding principal
No Due Certificate / No Objection Certificate (NOC)	Rs. 250	Rs. 250
Duplicate no due certificate / NOC	Rs. 250	Rs. 250
Solvency certificate	Not applicable	Not applicable
Late payment Charges of EMI	@ 36 % p.a on amount outstanding from due date onwards	@ 36 % p.a on amount outstanding from due date onwards
Stamp duty & other statutory charges	As per applicable laws of the state	As per applicable laws of the state
Cheque swapping charges	Rs. 500 + GST per event	Rs 500 + GST per event
Cheque bounce charges	Rs. 500 + GST per cheque	Rs. 500 + GST per cheque
Legal /incidental charge	At actuals	At actuals
EMI cycle change	Rs. 200 per instance	Rs. 200 per instance
Loan cancellation charges	Rs. 1000 + GST	Rs. 1000 + GST
Foreclosure statement charges	Rs.200 + GST	Rs.200 + GST
Premium of PLRTA	As Applicable	As Applicable
Insurance Fees	Rs. 500 + GST	Rs. 500 + GST

### How to Login on Dhanlaxmi Bank Portal?

The following steps can be followed to log on to the Internet Banking Portal of Dhanlaxmi Bank:

Go to the Dhanlaxmi Bank home page and click on the Internet banking “Login” button as shown below:



On the subsequent page, enter your Internet Banking ID and click on login.

Enter your Dhanlaxmi Bank Internet login password to complete the log on process.

Dhanlaxmi Bank Personal Loan Statement

You can access your personal loan statement in one of 3 ways:

Online via the bank's Internet Banking portal

By requesting a copy over the phone with the bank's customer service department

An in-person visit to the nearby Dhanlaxmi Bank branch

EMI Calculation

The following are examples of EMI payable for different Dhanlaxmi Bank personal loan amounts, interest rates and tenures:

Loan principal @ interest	Tenure				
	1 year	2 years	3 years	4 years	5 years
3 lakh @ 12.70%	Rs. 26,752	Rs. 14,220	Rs. 10,064	Rs. 8,003	Rs. 6,779
5 lakh @ 13%	Rs. 44,658	Rs. 23,770	Rs. 16,846	Rs. 13,413	Rs. 11,376
7 lakh @ 13.5%	Rs. 62,686	Rs. 33,443	Rs. 23,754	Rs. 18,953	Rs. 16,106
10 lakh @ 13.75%	Rs. 89,669	Rs. 47,894	Rs. 34,056	Rs. 27,201	Rs. 23,138

### Comparison of Dhanlaxmi Bank PL vs Other Lenders

Particulars	Dhanlaxmi Bank	HDFC Bank	Citi Bank	Axis Bank	ICICI Bank	Bajaj Finserv
Interest Rate	Starting from 12.70%	10.75% to 21.30%	10.50% to 18.99%	12% to 24%	Starting from 11.25%	Starting from 12.99%
Tenure	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Up to Rs. 15 lakh	Up to Rs. 40 lakh	Up to Rs. 30 lakh	Up to Rs. 15 lakh	Up to Rs. 20 lakh	Up to Rs. 25 lakh
Processing Fee	Up to 2.5% of the loan (Min. Rs. 1250)	Up to 2.50% of the loan amount	Up to 3% of the loan amount	Up to 2% of loan amount	Up to 2.25% of loan amount	Up to 3.99% of the loan amount

### Dhanlaxmi Bank Customer Care

In case you are facing issues regarding your personal loan with Dhanlaxmi Bank, you can contact them in the following ways:

You can call on 048-7661-3000 (charges applicable)

You can send an email to – [customercare@dhanbank.co.in](mailto:customercare@dhanbank.co.in) with details of your issue

You can visit the nearest branch of Dhanlaxmi Bank

You can visit the following regional head offices also to seek a redress/resolution of your issue:

Mumbai	Thirumalai House, Ground Floor, Near Sion Hill Fort, Road No. 29,  Sion (E), Mumbai – 400022
Thrissur	Dhanalakshmi Buildings Punkunnam, Thrissur – 680 002
Kochi	Dhanalakshmi Buildings Near A R Camp Office  Marine Drive  Kochi – 682 031
Bangalore	No.58/A, Vishnupriya Arcade, 18th Main, 6th Block,  Koramangala, Bangalore – 560 095
Chennai	104 & 107, Om Sakthi Towers Anna Salai  Chennai – 600 002

### Important Aspects

**Compare before you apply:** Before you apply for a personal loan, ensure that you compare interest rates and other fees/charges and then avail the best one as per your repayment ability and requirement

**Check your credit score:** A credit score that usually ranges from 300 to 800 is a reflection of your past repayments and therefore a good credit score helps you in getting a personal loan with low interest rate

**Evaluate your repayment ability:** Just because a lender is offering a higher personal loan amount does not mean that you should borrow in excess of what you actually need. Go through your monthly expenses, know the EMIs you would be paying and then borrow as per your repayment ability

**Avoid applying with multiple lenders simultaneously:** Applying with many lenders simultaneously might lead to multiple hard inquiries in your credit report and hence the lender will consider you to be a credit hungry individual and might hesitate in offering you a personal loan

### FAQs

**Q1. Do I have to pay a processing fee for initiating Dhanlaxmi Bank personal loan?**

Yes, a processing fee of up to 2.5% of the loan amount subject to a minimum of Rs. 1250 is charged for processing the personal loan application.

**Q2. I am working as a teacher in a government school. Can I avail Dhanlaxmi Bank personal loan?**



Yes, you can avail Dhanlaxmi Bank personal loan if you meet the eligibility criteria. The bank offers its loan to both salaried and self-employed individuals.

Q3. How do I calculate the EMI for Dhanlaxmi Bank personal loan?

You can calculate the EMI for Dhanlaxmi Bank personal loan using the online personal loan EMI calculator on our website. This can help you evaluate your repayment ability even before applying for the loan.

Q4. How do I repay Dhanlaxmi Bank personal loan?

You can pay the Dhanlaxmi Bank personal loan EMI offline through DD/cheque submitted at your nearby branch or online using the Internet Banking portal of Dhanlaxmi Bank.

## Business Loan

Dhanlaxmi Bank is one of the oldest private sector banks that offers banking and financial services to its customers. The bank specialises in providing lending products that include credit cards, personal loan, home loan, gold loan, etc. Dhanlaxmi bank focuses in providing short business loans at an interest rate starting from 10.10% onwards. However, its Dhanam Business loan is offered at 10.70% onwards. Further mentioned are the types, features, eligibility and fees and charges of business loans offered by Dhanlaxmi Bank.

Dhanlaxmi Bank Business Loan – 2020

Features and Eligibility	
Interest Rate	10.70% onwards
Loan Amount	Min. Rs. 10 lakh & Max. Rs. 5 crore
Repayment Tenure	From 12 months – 60 months
Age Criteria	Min. 23 years of age
Profiles Covered	Retailers, Service Providers, Contractors, Manufacturers, Traders and Wholesalers
Work Experience	Min. 5 years with 4 years in current business
Financial Norms	Should be Positive After Tax (PAT)

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

## Types of Business Loans offered by Dhanlaxmi Bank

Loan Type	Interest Rate – Annual
Construction Finance	10.70% onwards
Working Capital Loan – Cash Credit	10.50% onwards
Working Capital Loan – Packing Credit – Export	10.30% onwards
Term Loans	10.60% onwards
Short Term Loans	10.10% onwards
Overdraft	10.50% onwards

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

Dhanlaxmi Bank's range of SME Banking products includes the following:

Working Capital Facilities

Bill / Invoice Discounting

Capacity Expansion

Cash Credit

Overdraft

Supply Chain Finance

Working Capital Loan

Dhanlaxmi bank serves SME segment by offering enterprises engaged in manufacturer, whole sale and retail trader and services sectors.

Trade Facilities offered by Dhanlaxmi Bank

Bank Guarantee (BG)

Buyers / Suppliers Credit

Collections and Payment Solutions, such as cash or cheque collection, etc.

Export Packing Credit Services

Inward / Outward remittances

Letter of Credit

Payment Gateway Services

Post Shipment Credit

Transactional Banking Services

## Dhanlaxmi Bank Business Loan – Fees & Charges

Category	Fees & Charges
Cheque Bounce Charges	Rs. 350 per instance
PDC Swap Charges	Rs. 500 per instance
EMI Cycle Change	Rs. 500 per instance
Loan Reschedule Charges	0.25% per instance
Switch Charges	3% + GST of the principal outstanding
Loan Cancellation Charges	Rs. 2000 + interest charges from the date of loan disbursement till the loan cancellation request
Loan Statement Charges	Rs. 500
Stamp Duty	As per Actuals
Legal, Repossession and Incidental Charges	As per Actuals
Insurance Premium	As per Actuals
Any Additional Charge	As per sanction letter

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

### Documents Required

Passport-sized Photographs

Duly filled loan application form

Business Plan (Optional)

KYC Documents of owner, partner and co-applicant, if applicable

Audited Financial reports – ITR, Sales Tax Report, P&L report

Applicant's business address proof

Owner's Bank Sanction Letter

Last 12 months' bank Statements

Credit report of business and owner, both

Net-worth Statements of applicant and partner

Dhanlaxmi Microcredit Loan – 2020

Micro Credit Scheme was launched with the help of Micro Finance Institutions in empowering women and providing lending support to poor people living in rural, semi urban and urban areas.

Micro Credit Loan – Interest Rate & Features	
Interest Rate	11.20% onwards
Loan Amount	Depends on business requirements
Repayment Tenure	Up to 3 years
Purpose of loan	Can be used for agriculture and allied activities, consumption, production and other activities

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

#### Eligibility for Micro Lending

Should be registered with the relevant authority as an NBFC, Section 25 Company, NGO, Society, Trust, etc.

Operating for more than 3 years

Should be equipped with suitable system of maintaining accounts/records with regular audit

If cash advances exceed Rs. 2 crore, applicant needs to obtain rating from approved agency or bureau

Permitting provisions shall be available partnership deed, Bye Laws, Memorandum and Articles of Association (Moa) & (AoA), etc.

#### Documents Required

MFI's authorised signatory will provide loan application

Attested True Copy of Registration Certificate of MFI

PAN Card copy of MFI

Last 6 months' bank statement

Last 3 years' audited financials

Last 3 years' Income Tax Returns

Rating report by respective agency or credit bureau

Certified Copies of Trust Deed or Memorandum and Articles of Association (Moa) & (AoA)



#### FAQs on Loan from Banks

? What is the interest rate offered by Dhanlaxmi Bank on their business loans?

The interest rate offered on their short-term business loan is 10.10% onwards, whereas its 10.70% onwards for their regular business loan.

? . What is the loan amount offered by the bank for its business loans?

The minimum loan amount offered is Rs. 10 lakh and the maximum is up to Rs. 5 crore.

What is the repayment tenure of their business loan?

The repayment tenure ranges between 12 months to 60 months.

? . How can I contact the bank for any query or feedback?

You can contact the bank by visiting the below mentioned address or can calling the number. Dhanlaxmi Bank Ltd.

Dhanalakshmi Buildings, Naickanal

Thrissur – 680 001, Kerala

Phone: 91-487-6617000

## BANKS

### The Federal Bank Ltd

Federal Bank offers various types of personal loans designed to meet the needs of various groups of customers. These unsecured loans are easy to avail due to their fast processing times and minimal documentation requirements. Some key types of loans offered by Federal Bank in this category include FedPremia, Federal Easy Cash, Fed-E-Credit and Federal Bon Voyage Loan



#### Features of Federal Bank Personal Loan

**Loan amount:** The maximum loan amount offered by Federal Bank is Rs. 25 lakh. The loan amount differs as per the type of personal loan category you select

**Flexible tenure:** Going up to 72 months, the tenure for Federal Bank Personal Loan is flexible and allows you to choose the desired time period one as per your convenience

**Fast processing:** Federal Bank offers fast processing of personal loans so that funds get disbursed within a few days

**Minimal paperwork:** The minimal paperwork involved in the personal loan process saves a lot of time and allows processing of the loan application further without any inconvenience

<b>Federal Bank Personal Loan Highlights</b>	
Interest rate	10.49% p.a. onwards
Loan Amount	Up to Rs. 25 lakh
Loan Tenure	Up to 72 months
Processing Fees	Up to 3% of loan sanctioned
Types of Loans	FedPremia, Fed-E-Credit, Shubh Yatra Loan and Bon Voyage Loan

## Federal Bank Personal Loan Interest Rates

Types of Personal Loans	Interest rates (p.a.)
FedPremia	10.49% onwards
Fed-E-Credit	
Shubh Yatra Loan	
Bon Voyage Loan	

### Types of Federal Bank Personal Loan Products

#### 1. FedPremia Personal Loan

FedPremia personal loan is offered only to the salaried individuals. Key features include:

The loan can be availed up to Rs. 25 lakh

Maximum repayment period allowed is 48 months

Minimum monthly salary required to apply for this loan is Rs. 25,000

#### 2. Fed-E-Credit

Fed-E-Credit is a completely online personal loan that features flexible end-use. Features of this digital loan include:

Maximum loan amount under this scheme is Rs. 5 lakh

This personal loan can be availed either as a term loan or an overdraft

Maximum repayment tenure is 30 months (for term loan) and 72 months (for overdraft).

#### 3. Federal Shubh Yatra Loan (For Travelling)

Shubh Yatra Loan that is a secured personal loan can be availed to pay for various travel expenses such as accommodation, vehicle/tickets, shopping and food. Noteworthy scheme features are:

Loan sanctioned up to Rs. 3 lakh

Repayment tenure of the loan varies from 12 to 33 months.

Collateral accepted by Federal Bank for granting this personal loan include property (land/building), gold ornaments, NSC (National Savings Certificate)/KVP (Kisan Vikas Patra), LIC (Life Insurance Corporation of India) policy, shares and bank fixed deposits.

#### 4. Federal Bon Voyage Loan (For Relocating to Abroad For Work)

If you are planning to travel overseas for work, Federal Bon Voyage Loan is an ideal choice to make as it is a tailor made loan scheme that helps in meeting the initial expenditure for going abroad. The loan would be sanctioned as per the expenditure

involved in going abroad and maximum loan amount would be Rs. 5 lakh. The expenses covered under this loan are:

One way air fare for journey abroad (if it is to be met by the borrower)  
Incidental charges for obtaining passport and cost of travel in India  
Endorsement of Visa  
Permissible basic travel quota  
Expenses incurred for obtaining medical fitness certificate and other related expenses  
Emigration deposit with government  
Amount payable to sponsoring agency  
Expenses for dress  
Other miscellaneous local expenses  
Eligibility Criteria

#### 1. FedPremia Personal Loan

You should be a salaried individual  
Your minimum monthly salary should be Rs. 25,000  
Your maximum age at the end of loan tenure should not exceed 60 years  
You should be working at your present job for at least the past 3 years

#### 2. Fed-E-Credit Personal Loan

Only available to individuals – residents, non-residents and PIOs (persons of Indian origin)

#### 3. Federal Shubh Yatra Loan (For Travelling)

You should be a resident individual  
You should be a salaried person with a minimum basic pay of Rs. 2000 to qualify  
Provide adequate security acceptable to Federal Bank

#### 4. Federal Bon Voyage Loan (For Relocating to Abroad For Work)

Any individual (Indian) who has a letter of appointment or a letter from a renowned overseas institution or recruitment agent establishing that a firm offer of employment abroad has been secured

Foreign nationals (Persons of Indian origin or other holding foreign passports) are not eligible for the loan

Get to Know more about Federal Bank Personal Loan Eligibility



### Documents Required for Federal Bank Personal Loan

The following documents are common for all individuals applying for a personal loan from Federal Bank:

KYC documents for Personal Loan

- Proof of Identity – Voter ID Card/Passport/ PAN Card/Driving License
- Address Proof – Electricity Bill/Ration Card/Passport/Lease Agreement
- Copy of PAN Card
- Latest Passport size photo (2 copies)

For Salaried:

Income proof documents may include – Latest salary certificate/Last 3 months' salary slip, Form 16/Income Tax Returns(last 2 years), Last 6 months salary account statement, loan application form duly signed

### Documents Specific to Federal Bon Voyage Loan

The following documents are required specifically for the Federal Bon Voyage Loan:

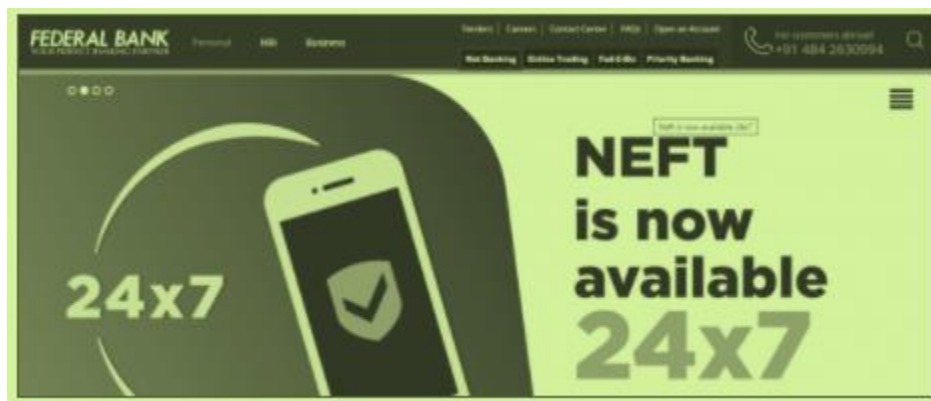
- Proof of Educational Qualifications – Copies of marksheets/certificates, etc.
- Copy of Passport
- Copy of Visa
- Copy of Appointment Letter/Offer Letter from employer
  
- Check Federal Bank Personal Loan Application Status
- Federal Bank does not offer a separate personal loan application status checking portal hence, the following are the key steps that an existing customer can use to check the application status online
- Go to the FedNet Internet Bank and login using your user ID and password
- Once logged in, you can check the status of your personal loan application
- In case you do not have a prior relationship with Federal Bank, you can check the status of the personal loan offline by either calling the bank's customer care department or by making an in-person visit to the nearby Federal Bank branch.

### Fees and Other Charges

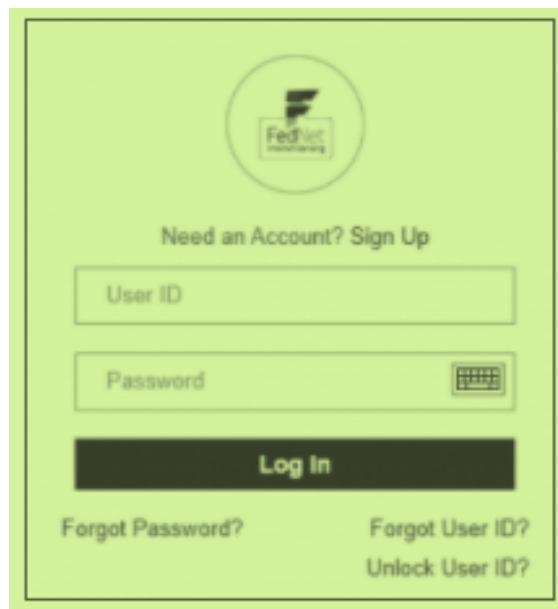
Type of Personal Loan	Fees and Charges
Processing Fees	Up to 3% of amount sanctioned / for Fed-E-Credit – 0.15% of the sanctioned limit
Late Payment Penalty	2% of overdue amount per month (if delayed for more than 30 days)
Prepayment Charges	Up to 3% of principal amount prepaid

How to Login on Federal Bank Portal?

Go to Federal Bank FedNet Internet Banking Portal by clicking on the Net Banking link on the homepage.



Enter your User ID and Password, then click on 'Login'.



Federal Bank Personal Loan Statement

The following is a step-by-step guide to register for Federal Bank personal loan statement so that you can view the details online:

Go to the Customer Portal for e-Statement on the Federal Bank website

Click on 'Activate'

Enter your account number and captcha

Click to receive OTP and complete registration for e-statements

### Federal Bank Personal Loan EMI Calculation

The following is a snapshot of different EMI (equated monthly instalment) amounts calculated for different loan amounts, tenure and interest rates:

Loan principal @ interest	Tenure				
	1 Year	2 Year	3 Year	4 Year	5 Year
2 lakh @ 11.5%	Rs. 17,723	Rs. 9,368	Rs. 6,595	Rs. 5,217	Rs. 4,398
6 lakh @ 12%	Rs. 57,872	Rs. 28,244	Rs. 19,928	Rs. 15,800	Rs. 13,346
8 lakh @ 12.25%	Rs. 71,172	Rs. 37,752	Rs. 26,667	Rs. 21,165	Rs. 17,896
10 lakh @ 12.5%	Rs. 89,082	Rs. 47,307	Rs. 33,453	Rs. 26,579	Rs. 22,497

### Comparison of Federal Bank PL VS Other Lenders

The table shown below compares various features of Federal Bank personal loan against those of other banks:

Particulars	Federal Bank	HDFC Bank	Citi Bank	Axis Bank	ICICI Bank	State Bank of India
Interest Rate	Starting from 11.49%	11.25% to 21.50%	Starting from 10.99%	12% to 24%	11.50% to 22.00%	Starting from 10.50%
Tenure	Upto 72 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Upto Rs. 25 lakh	Upto Rs. 40 lakh	Upto Rs. 30 lakh	Rs. 50,000 to Rs. 15 lakh	Upto Rs. 20 lakh	Upto Rs. 20 lakh
Processing Fee	Up to 3% of loan amount	Upto 2.50% of the loan amount	Upto 3% of the loan amount	2% of loan amount	Upto 2.25% of loan amount	Up to 1% of loan amount

### Federal Bank Customer Care

The following are the phone numbers and email id to contact the customer care department of Federal Bank:

You can call on PAN India toll free number 1800 – 425 – 1199 or 1800 – 420 – 1199

Individuals from abroad can call on 080-61991199  
 You can send an email on [contact@federalbank.co.in](mailto:contact@federalbank.co.in)  
 You can request a call back

### Important Aspects

Maintain a good credit score. In case you have a low credit score, you can improve it over time by paying your loans and credit card bills in a timely manner

Check your eligibility for a personal loan offered by your lender

Do not apply for multiple loans with different lenders at the same time as you might come across as a credit hungry individual which can decrease your chances of loan approval

Check your debt-to-income ratio and ensure that all your current loan/credit card repayment obligations do not account for more than 50% of your monthly salary

### Business Loans

Federal Bank, one of the leading scheduled commercial banks in India, provides business loan at attractive interest rates that starts from 10.35% onwards. The bank majorly focuses on fulfilling the financial needs of Micro, Small and Medium Enterprises (MSMEs). Let us explore the various business loan products offered by Federal Bank along with their features and repayment options.

#### Federal Bank Business Loan Interest Rates – 2020

Type/Category	Interest Rate (Fixed) p.a.	Repayment Tenure
Loans to SMEs – Manufacturer/ Service/ Trader/ Contractor	12.95% onwards	Up to 2 years
Micro Business Loans (Aggregate credit limit up to Rs. 25 Lakh)	12.25% onwards	Up to 2 years
Small Business Loans (Credit limit above Rs. 25 lakh to Rs. 2 crore)	12.35% onwards	Up to 2 years
Commercial Vehicle Loan	10.35% onwards	Up to 2 years

Additional Funding Facilities for loan amount up to Rs. 5 crore

Bills discounted under LC: 11.50% onwards

Micro credit to Kudumbasree and similar schemes: 12.50% onwards

Supply Bills Discounted/Documentary Bills Purchased/Usance Bills Discounting: 14.50%

Swarojgar Credit Card/General Credit Card: 12.80% onwards

Note: The above mentioned interest rates, fees & charges may change and shall depend on the sole discretion of the bank and RBI, GST and service tax are not added in the mentioned charges and will be levied extra.

Repayment Tenure: Up to 120 months

Eligibility Criteria:

The below mentioned entities are eligible to apply for Federal Bank business loans:

- Individuals
- Self-employed professionals
- SMEs/MSMEs
- Private and Public Limited Companies, Sole Proprietorship, Partnership Firms, Limited Liability Partnerships (LLPs)
- Any other legal entity engaged in Trading, Services or Manufacturing sectors
- Note: NBFCs and Companies dealing with Export Credit, Chit Fund and Real estate are not eligible to apply for federal bank business loan

Documents Required for Federal Bank Business Loan

- Passport-sized photographs
- Well drafted and detailed Business Plan
- Identity Proof: Passport, Voters ID card, Driving License, PAN Card
- Address Proof: Utility Bills (Water/Electricity Bills), Passport, Ration Card, Trade License, Lease agreement
- Last 12 months' bank account statement
- Last years' ITR along with copy of Trade license and Establishment and Sales Tax certificate
- Last 2 years' ITR, Sales tax returns
- Last 2 years' audited financials
- Any other required by bank at time of loan submission

Features of Federal Bank Business Loan

Following are the key specifications of Federal Bank Business loan:

The bank provides different loan products for all individuals to SMEs and MNCs which suit the financial requirements of everyone.

Fast process of loan disbursal

The bank also offers low processing fee

Attractive interest rates ranging between 10.35% – 15.40% per annum

Flexible repayment options available

Minimal documents are needed in order to apply for a Business Loan.

Federal Bank – Repayment Options for Business Loan

Federal Bank offers flexible repayment options. The borrower can repay the loan in any of the following form:

- Cheques
- EMIs
- FedNet – Internet Banking

- Mobile Banking
- National Automated Clearing House (NACH)
- Standing Instructions (SI) at nearest bank branch

#### How to Apply for Federal Bank Business Loan

Federal Bank Business Loan offers multiple business loan products that cater to different sections of business aspects. If you are looking for options and want to apply for a business loan, you can visit at Online platforms.com where all the comparisons of banks business loans along with interest rate and features are available.

Toll Free Numbers: 1800-420-1199

### **MUDRA Loans**

Federal bank is one of the leading commercial bank that offers Mudra loans to its customers, besides specialising in providing banking and financial products. Under Pradhan Mantri MUDRA Yojana (PMMY), Government of India launched MUDRA loan to provide funding to banks and NBFCs for them to further lend it to Micro, Small and Medium Enterprises (MSMEs).

Banks that are eligible to provide the Mudra Loan are Commercial Banks, Small Finance Banks, Cooperative Banks, Regional Rural Banks (RRBs), Non-banking Financial Companies (NBFCs) and Micro Finance Institutions (MFIs). Individual willing to avail Mudra Loan can apply to Federal Bank online through the portal. Furthermore, enterprises that are involved in the agricultural or its allied activities can

#### Federal Bank Mudra Loan Categories

Following are the categories offered by the Federal Bank with respect to MUDRA Loan:

- Shishu: Loan is provided up to an amount not exceeding Rs. 50,000 to start up business
- Kishore: Loan exceeding Rs. 50000 and up to Rs. 5 lakh is provided to businesses who have already commenced the business but are seeking for financial aid to establish the business
- Tarun: Loan exceeding Rs. 5 lakh and maximum up to Rs. 10 lakh is provided. This category covers those businesses that are already established but require financial aid for expanding the business

#### Mudra Loan Eligibility for Federal Bank

In order to avail the Mudra Loan of Federal Bank, the below mentioned eligibility must be fulfilled

- The person applying for the Mudra Loan must be an Indian Citizen above 18 years old
- Non-farm enterprises shall be eligible, if they come under Micro Enterprises and Small Enterprises segment
- Agriculture, as well as its allied activities has been categorized to be eligible to avail Mudra Loan under PMMY
- The person applying should be involved in the income generating activities
- The activities that the applicant should engage, should be manufacturing, trading or services
- The credit need required under eligibility is maximum up to Rs. 10 lakh
- The applicant borrowing under Pradhan Mantri Mudra Yojana can be any individual which includes women, partnership firms, proprietorship, limited liability partnerships or association of persons

#### Federal Bank Mudra Loan – Interest Rate

The Federal Bank in particular charge nominal amount of interest rate on Mudra Loan. Moreover, the interest rate so prescribed varies from time to time which is basically linked to bank's Marginal Cost Lending Rate (MCLR).

#### Security/Collateral for Mudra Loan

**Primary Security:** Under primary Security, the security should be the assets that are basically created out of the Bank's finance. In addition to the assets created out of Bank's finance, personal guarantee of promoters, as well as directors must also be provided.

**Collateral Security:** At present there has been no specification mentioned about collateral security. Hence, there is no requirement of collateral security.

**Mudra Loan Tenure:** In terms of cash credit or overdraft, it is repayable on demand which is as per the guidelines of the Bank. Moreover there is no requirement of third party guarantee. The bank may charge fee if the internal guidelines so require. Moreover the processing charges in terms of Shishu loans are waived off mostly by all the banks that are eligible to provide the Pradhan Mantri Mudra Yojana.

#### Documents Required

- Proof of Identity: Voter's ID which should be self-certified or driving license, Aadhar card or passport
- Address Proof: Electricity bill, telephone bill, property tax receipt which should not be older than two months
- Proof of SC/ST/OBC minority, if the applicant falls into that category

- Applicant should not have defaulted in the repayment to any bank or NBFC
- Applicant should also provide proof of identity, as well as copies of registration, relevant licenses and relevant certificates for ownership, identity and address of the business unit
- Statement of accounts of the previous 6 months from the existing banker
- Balance sheets of the previous 2 years with income tax return which is applicable in cases if the amount of loan is 2 Lakh or above as well as projected balance sheet
- Memorandum as well as Articles of Association of the company or partnership deed of partners, etc.



## FAQs on Loan from Banks

? How many business loan products are offered by Federal Bank?

Ans. Federal Bank offers multiple business loan products catering to all the business section of the society.

SME Parameterised Loan Scheme

Business Loans for Professionals

Federal Goldsmiths Loan scheme

General Credit Card Scheme

Loan to Mobile/ DTH/ Other electronic recharge vendors

SME Loan against Property

? What is the mode of repayment in Business Loans?

Ans. One can repay the loan amount either through EMIs, Standing Instruction, Cheque or ECS.

? What is the final interest rate on business loan?

Ans. The interest rate is decided by the bank on the financial profile of the loan applicant. Credit Score plays an important role in finalizing the interest rate along with other credentials.

? For what purposes can business loan be availed?



Ans. Business Loan can be availed for all business related requirements like starting up a new venture, expanding the existing business, to avail extra funds for operational requirements, to start new business related projects etc.

? How can I repay Federal Bank Personal Loan?

- You can repay your Federal Bank personal loan by following methods:
- Standing instruction registration at your branch
- FedNet Internet Banking solution
- Automated Payment through ECS (Electronic Clearing service)
- Fed Mobile Banking App

? What is the maximum loan amount that I can borrow from Federal Bank?

Ans: The maximum loan amount that can be borrowed from Federal Bank is Rs. 25 lakh.

? Is there any processing fee for Federal Bank personal loan?

Ans: Yes, Federal Bank charges a processing fee of up to 3% of the loan amount sanctioned. Lower processing fees may be applicable to specific personal loan variants.

? Are there any prepayment charges on Federal Bank personal loan?

Ans: Yes. Prepayment charges of up to 3% of principal amount prepaid may be applicable to term personal loans offered by Federal Bank. However, no such charges are applicable to overdraft type personal loans.

? What is Federal Bank's turn-around-time for disbursement of personal loans?

Ans: Typically, the bank responds to personal loan applications within 2 days of receiving the application and disbursement typically takes up to 5 working days subsequent to that. That said, a longer or shorter period may be applicable to personal loan disbursement depending on factors such as loan amount and applicant profile.

? Can I get a top-up loan from Federal Bank?

Ans: Existing personal loan customers may get the option of opting for a top-up loan from Federal Bank. However, the limits, rates and tenure of these top-up loans would vary from one applicant to another.

? Can self-employed get personal loan from Federal Bank?

Ans: Currently unsecured personal loans offered by Federal Bank are primarily available to salaried individuals. However, self-employed individuals can opt for secured personal loans or business loans based on their requirement and meeting the applicable qualifying criteria

? Who are eligible to avail the Mudra Loan?

Ans. The main aim of incorporating the Pradhan Mantri Mudra Loan Yojana is to fund the unfunded. Therefore businessmen who are in need of finance aid to establish or expand the business can avail the Mudra Loan.

? Is it necessary to provide the collateral for availing the Mudra loan?

Ans. At present, there is no requirement to provide the collateral for availing the Mudra loan. Hence there is no need to collateral.

## BANKS

HDFC Bank Ltd

HDFC Bank offers personal loan with minimal documentation and speedy approvals, making it easy for individuals to easily access funds due to a financial emergency. You can avail a loan amount of up to Rs. 40 lakh that can be repaid within a tenure which ranges between 12 to 60 months.



### Features of HDFC Bank Personal Loan

- Loan Amount: HDFC Bank offers a personal loan amount starting from Rs. 50,000 up to Rs. 40 lakh.
- Flexible tenure: The tenure for HDFC Bank personal loan ranges from 12 to 60 months and can be selected by an individual as per his/her repayment ability

The infographic features a list of five key features (A-E) on the left and a hand holding a smartphone on the right. The smartphone screen displays the text "HDFC BANK Personal Loan Features".

- A** Interest rates starting from 10.75%
- B** Loan amount up to Rs. 40 lakh
- C** Eligible applicants include:
  - ✓ Salaried doctors or CA
  - ✓ Employee of private limited companies
  - ✓ Employee from public sector undertakings
- D** Eligibility age: 21 years to 60 years at loan maturity
- E** Minimum monthly income required for eligibility: Rs. 15,000

- Minimal Documentation: HDFC Bank's personal loan application is quick and hassle-free as it requires only minimal documentation
- Personal Loan Security: One can secure his personal loan from HDFC Bank with Sarv Suraksha Pro. The benefits are:
  - Credit Shield Cover equal to the outstanding loan amount
  - Accidental Hospitalization Cover of up to Rs 8 Lakh
  - Accidental Death/Permanent Disablement cover of up to Rs 1 Lakh

<b>HDFC Bank Personal Loan Highlights</b>	
Interest rate	10.75% p.a. onwards
Loan Amount	Up to Rs. 40 Lakh
Eligibility Age	<ul style="list-style-type: none"> <li>• Minimum 21 years at time of application</li> <li>• Maximum 60 years at loan maturity</li> </ul>
Eligible Income	<ul style="list-style-type: none"> <li>• Minimum Rs. 15,000 p.m. (Non-Metro Cities)</li> <li>• Minimum Rs. 25,000 p.m. (Metro Cities)</li> </ul>
Processing Fees	Up to 2.5% of loan sanctioned
Loan Tenure	Up to 60 months

- Personal Loan Balance Transfer: Get low and revised interest rates by transferring your existing personal loan to HDFC Bank. With Personal Loan Balance Transfer, one can avail the following benefits:

Avail interest rates as low as 10.75% on the existing loan amount transferred

Avail Flat processing fee of only Rs. 1999

- Get Insured with HDFC Bank Personal Loan: If you have a personal loan with HDFC Bank, you have the option to avail a Personal Accident Cover of up to Rs. 8 lakh and critical illness cover up to Rs. 1 lakh for a nominal premium. The premium of these policies will get deducted from the loan amount at the time of disbursal.

### HDFC Personal Loan Interest Rates

The interest rate offered by HDFC Bank on a personal loan varies from 11.25% to 21.50%. However, the interest rate provided to an individual on a personal loan depends on multiple factors including credit score, age, employment, repayment history, current debt, etc.

### Eligibility Criteria

You should be a salaried doctor, CA, employee of private limited companies, employee from public sector undertakings including central, state and local bodies

You should be at least 21 years and your maximum age should be 60 years

You should have at least 2 years of minimum work experience and you should be working with your current employer for at least a year

Your minimum monthly income should be Rs. 20,000 per month if you are living in Delhi, Mumbai, Bangalore, Hyderabad, Chennai, Pune, Ahmedabad, Kolkata and

Cochin. For residents in other cities, minimum monthly income requirement is Rs. 15,000.

Know More: [HDFC Personal Loan Eligibility](#)

### Documents Required for Loan Application

- Identity proof: Copy of passport/voter ID card/driving license/Aadhaar
  - Address proof: Copy of passport/voter ID card/driving license/Aadhaar
  - Bank statement of previous 3 months (Passbook of previous 6 months)
  - Two latest salary slip/current dated salary certificate with the latest Form 16
- 
- Check HDFC Personal Loan Application Status
  - You can easily check status of your HDFC personal loan application online
  - Enter either application name or reference proposal number
  - Enter either date of birth or mobile number
  - Click on 'Submit'

Now stay updated with the current status of your loan. Simply enter the required details and keep track of it at any stage.

**Note:** This feature is available for Personal Loans, Business Loans, New Car Loans, Used Car Loans, Car-in-Cash Loans, Commercial / Construction Equipment Loans, Two Wheeler Loans and Loan Against Property

Kindly enter the details as provided in the Loan Application Form.

Applicant Name :

OR

Reference / Proposal Number :

Date of Birth :

OR

Mobile Number :

## Fees and Other Charges

Loan processing charges	Up to 2.50% of the loan amount subject to a minimum of Rs. 2,999 & maximum of Rs. 25,000 for salaried customers
Prepayment in Part or full (Refer FAQ section for detailed terms)	Salaried: No pre-payment in part or full permitted until repayment of 12 EMIs Part-payment allowed up to 25% of principal outstanding. This is allowed only once in a financial year and twice during the entire loan tenure.
Pre-payment charges (on principal outstanding) /Part-payment charges [on part-payment amount]	Salaried: 13-24 months – 4% of loan principal outstanding 25-36 months – 3% of loan principal outstanding >36 months – 2% of loan principal outstanding
Overdue EMI interest	2% per month on EMI amount overdue
Floating rate	Not applicable
Charges for changing from floating to fixed rate of interest	Not applicable
Stamp duty & other statutory charges	As per state laws
Cheque swapping charges	Rs. 500 + GST
Amortization schedule charges	Rs. 200 + GST
Loan cancellation charges	NIL (However interest will be charged for the interim period i.e. period from date of loan disbursement to loan cancellation. Loan processing fees will be retained.)
Cheque bounce charges	Rs. 550/cheque bounce + GST
Legal/incidental charges	As per actuals

### How to Login on HDFC Bank Portal?

- Go to the HDFC Netbanking homepage
- Enter your login ID and password
- Click on 'log in'

### HDFC Personal Loan Statement

- Log in to NetBanking
- Choose the Loan Tabs and select 'Register New Loan'
- Enter your details
- Click on 'submit'
- You will get an OTP on your registered phone. Enter it to complete registration

### HDFC Bank Personal Loan Restructuring (COVID-19)

In order to reduce the financial burden on borrowers during the national COVID-19 lockdown, HDFC Bank had introduced the RBI-mandated moratorium which ended in September. As a result, from October 2020 onwards, all borrowers including those with outstanding HDFC personal loans were expected to resume regular EMI payments. However, as many borrowers are still facing financial hardship due to the COVID-19 pandemic, HDFC Bank has now introduced the loan resolution mechanism in accordance with suggestions of the RBI.

This relief mechanism is expected reduce the burden of loan repayment for eligible borrowers for a period of up to 2 years. One must however bear in mind that restructuring would involve payment of additional interest on the outstanding loan as well as change in the status of loan to “restructured” on the borrower’s credit report which may impact the credit score. As a result, you should only opt for loan restructuring as a last resort otherwise continue making your scheduled loan EMI payments if you have the financial means to continue doing so.

### EMI Calculation

Loan principal @ interest	Tenure				
	1 year	2 years	3 years	4 years	5 years
2 lakh @ 11.25%	Rs. 17,699	Rs. 9,344	Rs. 6,571	Rs. 5,193	Rs. 4,373
5 lakh @ 12%	Rs. 44,424	Rs. 23,536	Rs. 16,607	Rs. 13,166	Rs. 11,122
10 lakh @ 12.5%	Rs. 89,082	Rs. 47,307	Rs. 33,453	Rs. 26,579	Rs. 22,497
15 lakh @ 13%	Rs. 1,33,975	Rs. 71,312	Rs. 50,540	Rs. 40,241	Rs. 34,129

### Comparison of HDFC Personal Loan VS Other Lenders

Particulars	HDFC Bank	Bajaj Finserv	Axis Bank	Citi Bank	ICICI Bank
Interest Rate	11.25% to 21.50%	Starting from 12.99%	15.75% to 24%	Starting from 10.99%	11.50% to 19.25%
Tenure	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Upto Rs. 40 lakh	Upto Rs. 25 lakh	Rs. 50,000 to Rs. 15 lakh	Upto Rs. 30 lakh	Upto Rs. 20 lakh
Processing Fee	Upto 2.50% of the loan amount	Up to 3.99% of the loan amount	Upto 2% of loan amount plus GST	Upto 3% of the loan amount	Upto 2.25% of loan amount plus GST

### HDFC Bank Customer Care

You can call on HDFC bank customer care number 1800-258-3838 (toll free number). You can give a call on the following numbers:

Ahmedabad	079-61606161
Bangalore	080-61606161
Chandigarh	0172-6160616
Chennai	044-61606161
Cochin	0484-6160616
Delhi and NCR	011-61606161
Hyderabad	040-61606161
Indore	0731-6160616
Jaipur	0141-6160616
Kolkata	033-61606161
Lucknow	0522-6160616
Mumbai	022-61606161
Pune	020-61606161

NRIs can call on:

USA	855-999-6061
Canada	855-999-6061
Singapore	800-101-2850
Kenya	0-800-721-740
Other Countries	91-2287606161

You can write to the bank at HDFC Bank Ltd., Empire Plaza I, 1st Floor, LBS Marg, Chandan Nagar, Vikhroli West, Mumbai – 400 083

You can visit the nearest branch of HDFC Bank

### Important Aspects

**Loan amount:** The lesser you borrow, the more conveniently and easily you would be able to pay back the amount. Therefore, borrow only in case of emergency and not because it is easily available. Also, remember to borrow as per your repayment ability as borrowing more than you can repay may lead you into a debt trap

**Credit score:** It is one of the most important factors considered by banks while approving your loan application. Your credit score is reflection of your past loans and credit cards repayments. Therefore, having a high credit score can improve your chances of approval for a personal loan

**Interest rates and Interest Payout:** Interest rates have an impact on your instalment. Therefore, to have affordable EMIs, it is necessary to choose a bank offering the lowest interest rate. You can compare interest rates by various banks on Online platforms. However, also keep in mind that a longer tenure will result in a higher interest pay out over the loan tenure



Other fees and charges: Except from interest rate, there are many other fees and charges associated with a personal loan. These include processing fees, late payment fees, foreclosure charges, part prepayment fee, etc. It is important to ask your lender about all these charges to avoid any shock in the future

FAQs

Q1. How much amount can be borrowed as personal loan from HDFC Bank?

One can take personal loan ranging from Rs 50,000 to Rs 40 lakh. However, the bank does go through the financial status of the loan applicant like income, credit score, repayment capacity, etc. And on the basis of all these factors, the bank suggests the right loan amount to the loan applicant.

Q2. How does having a Salary Account with HDFC help in availing Personal Loan?

If you have a prior relationship with HDFC Bank such as a salary account, you may be eligible for a preferential (lower) rate of interest and reduced processing fee when you apply for a HDFC personal loan. However, these are often limited time offers provided to specific individuals.

Q3. Is foreclosure of Personal Loan allowed?

Yes, you can choose to foreclose the loan any time after 12 months of taking the loan. In case of foreclosure, charges of up to 4% of the principal amount outstanding are applicable.

Q4. What are the charges one has to pay to change the mode of repayment/account for Personal Loan?

For changing the mode of repayment/account for Personal Loan, a cheque, pay order or Demand Draft of Rs. 500 + GST favoring "HDFC Bank Ltd Loan Account No." will be required along with the revised set of repayment instructions.

Q5. Is it possible to make part-prepayment on HDFC Bank Personal Loan?

Ans: Yes, if you have booked a loan on or after April 1, 2018, you can pay off your HDFC Bank personal loan in part after completion of the 12th EMI. Some of the key terms and conditions regarding this are as follows:

Part payment is only allowed twice during the loan tenure

Part payment is allowed once in a single financial year

Each of the part payments should not exceed 25% of principal outstanding

Q6. How do I get the address changed in my loan account?

If you wish to change your address in our records, you can visit the nearest retail loan service center and can submit the necessary documents.

Request form for address change

Self-Attested copy of your revised address proof (Aadhaar, Driver's License, Voter ID, etc.) for validation

Q7. I am a self- employed individual. Can I apply for a personal loan at HDFC Bank?

No, HDFC Bank current offers personal loans to only salaried individuals meeting the eligibility criteria. Self-employed individuals may however be eligible for a business loan from HDFC Bank.

Q8. How can I calculate my HDFC Bank Personal Loan EMIs before applying for the loan?

To know your EMIs, you can take the help of Online platforms's Personal Loan EMI Calculator. It is an online tool that can be used free of charge.

Q9. What if I miss an EMI?

If you miss an EMI, you will be charged a late payment fee as well as penal interest on the applicable repayment amount. Your credit score may also get affected as a result of missing timely EMI payments.

Q10. What are the different types of HDFC Bank Personal Loan?

Currently HDFC bank does not offer multiple types of personal loans, however, this loan can be disbursed for various uses such as travel, medical expenses, home renovation expenses, etc.

## **Business Loan**

HDFC bank, being one of the India's leading commercial banks is a provider of business solutions to MSMEs nationwide. The business loan interest rate offered by HDFC bank is 13% onwards. Apart from lending products, HDFC bank provides a wide range of government sponsored programme along with schemes like Pradhan Mantri Mudra Yojana (PMMY). By providing collateral free business loans, HDFC bank makes it easy for loan seekers to expand their businesses and therefore contribute to the socio-economic growth.

<b>HDFC Business Loan Interest Rate Dec 2020</b>	
Mark Rate Interest Rate Range	13% onwards
Loan Amount	Rs. 40 lakh (Up to Rs. 50 lakh in specific locations)
Processing Charges	Up to 2.50% of the loan amount, subject to Min. Rs. 2350 & Max. Rs. 88,500
Collateral / Security	Not required
Repayment Tenure	12 months – 48 months
Prepayment	No pre-payment permitted until repayment of 6 EMIs
Overdue EMI Interest	2% per month on EMI / Principal overdue subject to a minimum amount of Rs. 200/-

### Additional Fees and Charges

Apart from the interest rates as well as the terms and conditions mentioned above, the fees and charges applicable on business loans are as follows:

<b>Additional Fees &amp; Charges</b>	
Pre-payment charges	07-24 Months – 4% of Principal Outstanding 25-36 Months – 3% of Principal Outstanding More than 36 Months – 2% of Principal Outstanding
Charges for changing from floating to fixed rate of interest	Not applicable
Stamp Duty & other statutory charges	As per applicable laws of the state
Loan Processing Charges	Up to 2.50% of the loan amount subject to a minimum of Rs. 2350/- & Maximum of Rs. 88500/-
Credit assessment charges	Not applicable
Non-standard repayment charges	Not applicable
Cheque swapping charges	Rs 500/-
Amortization Schedule charges	Rs 200/-
Loan cancellation charges	NIL
Cheque Bounce Charges	Rs 550/- per cheque bounce
Legal / incidental charges	At actual
Charges for changing from fixed to floating rate of interest	Not applicable
Loan Closure Letter	NIL
Duplicate Loan Closure Letter	NIL

## Eligibility Criteria

HDFC Bank Business Loan Eligibility	
Criteria element	Self-employed individuals, Proprietors, Private Ltd. Co. and Partnership Firms
Age group	21 years to 65 years
Minimum turnover	Rs. 40 lakh
Business in existence	3 years with 5 years business experience
ITR	Rs. 1.5 lakh per annum
Loan amount	Up to 40 lakhs (up to 50 lakhs in selected location)

### Documents required for Loan Application

PAN Card for Company/Firm/Individual

Copy of Aadhaar Card/passport/Voter's ID Card/PAN Card/Driving Licence as identity proof and as address proof

Bank statements of past 6 months

Latest ITR along with computation of income, balance sheet and Profit & Loss account for the previous 2 years, after being CA Certified/Audited

Proof of continuation (ITR/Trade License/Establishment/Sales Tax Certificate)

Sole Prop. Declaration or Certified Copy of Partnership Deed is Mandatory

Certified true copy of Memorandum & Articles of Association (Certified by Director) & Board resolution (Original) are Mandatory

You can seek guidance from the information centre of the respective bank for better understanding. It's better to always check and re-check before applying for any loan and so on.

### Features and Benefits

HDFC bank has become the first choice for fast growing business loan seeker because of its promise to provide some business-friendly benefits. The salient features and benefits of HDFC bank business loans are:

Provide up to 40 lakhs (up to Rs. 50 lakh in selected locations) without any collateral, guarantor or security.

Transfer loan balance at lowest interest rate of 15.75% with processing fee of 0.99%.

Pay the interest only on the amount utilized

Convenient borrowing via SMS, Webchat, Click2Talk and PhoneBanking

No payment after in case of death of the customer

Lowest EMI per Lakhs

Customer care numbers: 61606161 / 6160616

#### FAQs

Ques.1: How much loan I can avail under HDFC Business Loan Scheme?

Ans: You can avail a loan of Rs. 50,000 to Rs. 50 lakh depending on the income, repayment capacity and respective location.

Ques.2: How do I repay my Business Loan?

Ans: you can pay your loan by Equal Monthly Instalments (EMIs) or Post-dated Cheques. It can also be paid through Electronic Clearing System (ECS) or a standing instruction to debit your HDFC bank account with the EMI account.

Ques.3: Is there any processing fee included?

Ans: Yes. A nominal amount has to be paid according to the type of the loan. All the instructions will be provided with the application form itself.

Ques.4: How to check HDFC business loan status?

Ans: you can track on your business loan status via login to your account. Else, you can always call to HDFC bank's customer care to meet your queries.

Ques.5: Can I get Business loan for start-up/small business?

Ans: yes. You can get Business loan for start-up/Small Business. To avail that you have to meet certain criterion fixed by the bank. You can apply through online or directly approaching to the branch by providing all the required documents.

## BANKS

### ICICI Bank Ltd

ICICI Bank offers personal loans of up to Rs. 20 lakh, which can be easily availed with minimal documentation for a tenure of 12 to 60 months. Depending upon your need you can choose from various types of personal loans offered by ICICI Bank including Wedding Loan, Holiday Loan, Home Renovation Loan, Fresher Funding and NRI Personal Loan. Read on to know various details about ICICI Bank personal loans.



ICICI Bank Personal Loan Highlights	
Interest rate	11.25% p.a. onwards
Loan Amount	Up to Rs. 20 Lakh
Eligibility Age	<ul style="list-style-type: none"><li>• Salaried Individuals: 23 – 58 Years</li><li>• Self-employed Individuals: 25 – 65 Years</li></ul>
Loan Tenure	Up to 60 months
Types of ICICI Bank Personal Loans	Wedding Loan, Holiday Loan, Home Renovation Loan, Fresher Funding, Top up Loan and NRI Personal Loan
Minimum Eligible Income	<ul style="list-style-type: none"><li>• Rs. 25,000 p.m. for Delhi &amp; Mumbai</li><li>• Rs. 20,000 p.m. for Hyderabad, Chennai, Kolkata, Bengaluru &amp; Pune</li><li>• Rs. 15,000 p.m. for other cities</li></ul>

## Features



**Quick Loan Disbursal:** ICICI Bank promises to credit the desired loan amount in your account within a period as short as 3 seconds. This feature is available for select customers upon completion of online verification and acceptance of final offer

**Loan amount:** ICICI Bank provides personal loans up to Rs. 20 lakh with flexible end-use. All one needs to do is apply online or visit any nearby branch to get their loan application processed

**Fixed Interest Rate:** ICICI Personal Loan Interest rates start from 11.25% p.a.

**Minimal Documentation:** Application process is hassle-free and requires minimal documentation, thus making it extremely easy and convenient for individuals who wish to apply

**Flexible Loan Tenure:** The loan tenure ranges from 12 months to 60 months. Customers have the option to choose the loan tenure according to their feasibility

**Personal Loan Balance Transfer:** With ICICI Bank, you can also opt for Personal Loan Balance Transfer whereby anyone can reduce their EMIs by transferring their existing high interest personal loan to ICICI bank at a lower rate

## Interest Rates

Personal loan Interest rates of ICICI Bank ranging from 11.25% to 17.99% p.a. Special interest rates are applicable to personal loan for NRIs which start from 15.49% p.a. Specific personal loan interest rates applicable to an applicant are

dependent upon multiple factors including but not limited to credit score, loan amount, customer segment and location.

### Types of ICICI Bank Personal Loans

Depending on the end-use, personal loans can belong to one of the following categories

Type of ICICI Bank Personal Loan	Interest Rate (p.a.)
Wedding Loan	Starting at 11.25% p.a.
Home Renovation Loan	
Holiday Loan	
Fresher Funding	
Top up Loan	Starting at 11.25% p.a.
NRI Personal Loan	Starting at 15.49% p.a.

#### a. Wedding Loan

ICICI Bank Wedding Loan offers you the extra funds that you might need to deal with the last minute urgent wedding expenses like venue booking, guest accommodation, catering, shopping, jewellery, invitation cards, etc. The application process is simple and requires minimal documentation. Some key features of ICICI Bank's Wedding Loan are as follows:

Wedding Loan interest rates start as low as 11.25% p.a.

One can avail loan amount up to Rs. 20 Lakh

The documentation process is easy and minimal so the loan application is processed quickly

No collateral/security is required

#### b. Home Renovation Loan

ICICI Bank offers home renovation loan for individuals who wish to get their home renovated. This personal loan can fund vital repairs or help the applicant get new fittings, fixtures and furniture for their home. Some key features of ICICI Bank Home Renovation Loan are:

Interest rate for ICICI Bank's Home Renovation Loan starts at as low as 11.25%

Individuals may be eligible for a loan amount up to Rs. 20 Lakh to get their home renovated

Home renovation loan from ICICI Bank requires minimal documentation making the entire loan process hassle free

The loan amount typically gets credited into the account within 72 hours once the bank approves your application



### c. Holiday Loan

ICICI Bank's Holiday Loan can help you arrange for your dream vacation with minimal hassle. This personal loan from ICICI can fund a range of vacation-related expenses including flight ticket booking, hotel accommodations, guided tours, etc. Key features of ICICI's Holiday Loan are:

Interest Rates for Holiday Loans start at 11.25% p.a.

You can easily avail an amount of up to Rs 20 Lakh so your dream vacation won't be spoiled due to a financial crunch

Simplified and minimal documentation ensures that funding your vacation is simple and easy

Quick processing and disbursement of loan which is credited directly to your account

### d. Fresher Funding

A majority of unsecured personal loans are targeted at individuals with a regular income however ICICI Bank's Fresher Funding is different. This loan option from ICICI Bank is designed to help freshers i.e. a recent graduates seeking their first job. Some key features of ICICI Bank Fresher Funding personal loan are as follows:

Loan amount up to Rs 1.5 lakh

Applicant must be at least 21 years old

The rate of interest for Fresher Funding depends on the profile of the loan applicant, the credit history/score, age and location of the applicant

### e. NRI Personal Loan

Understanding the needs and dreams of NRIs, ICICI Bank offers a personal loan specifically for NRIs. The primary loan applicant needs to be an Indian resident and the co-applicant NRI must be a close relative. Personal Loan for NRIs includes the following features

ICICI Bank offers NRIs personal loans up to Rs. 10 lakh with flexible end use

The interest rates for NRI Personal Loan start at 15.49% p.a.

The loan features a tenure of up to 36 months

### f. Top up Loan

ICICI Bank offers top-up loan on existing personal loans to help individuals meet their incremental financial requirements. There are two top up loan options offered by ICICI Bank to an applicant. You can either choose to get a new loan in addition to your existing personal loan to meet a new financial requirement or get a top-up on your existing personal loan. In case you opt for two separate loans, you will need to pay separate EMIs – one for the existing loan and another for the new loan. However, if you opt for a top-up on the existing loan amount you pay a single

consolidated EMI on the entire loan amount. A Top up Loan includes the following features:

The interest rates start at as low as 11.25% p.a.

These loans do not require any collateral/security

The documentation involved is minimal hence processing and disbursal are quick

### Eligibility

To avail a personal loan from ICICI Bank, the following eligibility criteria need to be considered:

For salaried professionals:

Particulars of Applicant	Eligibility Criteria
Age	23-58 Years
Minimum Monthly Net Salary	Rs. 17,500 (Rs. 25,000 in case the applicant is residing in Delhi or Mumbai; Rs. 20,000 if the applicant is residing in Hyderabad, Chennai, Bangalore, Kolkata or Pune)
Minimum Total Working Experience	2 Years
Years in Current Residence	1 Year (min.)

Note: The criteria mentioned above may change periodically based on ICICI Bank's internal criteria. The minimum salary requirement may differ based on the profile of the customer (relationship with the bank, type of employer, etc.)

For self-employed individuals:

Particulars of Applicant	Eligibility Criteria
Age	28 Years (for self-employed individuals) & 25 Years (for doctors) – 65 Years
Minimum Turnover	<ul style="list-style-type: none"> <li>Rs. 15 lakh (for professionals)</li> <li>Rs. 40 lakh (for non-professionals)</li> </ul>
Business Stability	<ul style="list-style-type: none"> <li>At least 5 years in current business</li> <li>Practicing for at least 3 years (in case of a doctor)</li> </ul>
Minimum Profit After Tax	<ul style="list-style-type: none"> <li>Rs. 2 lakh (For Self Employed Individuals/Proprietorship Firm)</li> <li>Rs. 1 lakh (For non-professionals)</li> </ul>
Relationship With The Bank	<ul style="list-style-type: none"> <li>At least 1 year Liability relationship (savings or current account)</li> <li>or</li> <li>Asset relationship (Loan) either closed or live in the last 36 months &amp; repayment track (if any) as required</li> </ul>

## Documents required for Loan Application

The following documents are required to avail ICICI Bank Personal Loan:

For salaried professionals:

Identity Proof: PAN/Aadhaar/Passport/Voter ID/Driving License, etc. (any one)

Residence Proof: Utility Bill (less than 3 months old)/Valid Rent Agreement, etc. (any one)

Salary slips for last 3 months

Latest 3 months bank statement of salary account

2 passport size photographs

For self- employed individuals

KYC Documents: Proof of Identity, DOB proof, Address proof, etc.

Proof of Residence: Rent Agreement / Utility Bill (less than 3 months old), etc. (any one)

Income proof (audited financial report for the past two years)

Proof of office address

Bank statement of the previous 6 months

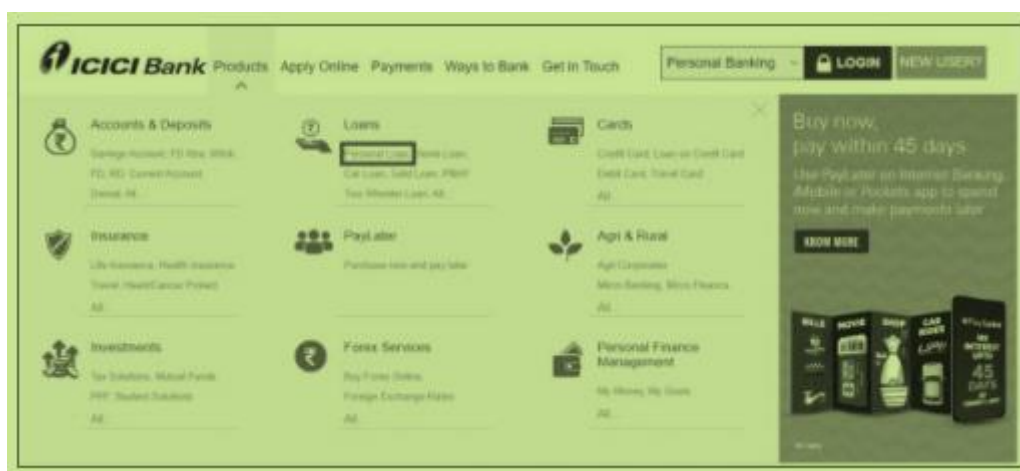
Proof of business continuity

Proof of residence/office ownership

## Check Your Personal Loan Application Status

The process to check your application Status includes the following steps:

Visit the official website of ICICI bank, Click on 'Products' and select 'Personal Loans'.



2. On next page that open hereafter, click on 'More' and select 'Check Loan Application Status'.



- Next, you can check your application status by entering details like your mobile number, date of birth and by either entering the OTP that you receive on your mobile number or via your application number.

 A screenshot of the 'Track your application status' form on the ICICI Bank website. The form is titled 'Track your application status' and includes instructions: 'Please login to complete your application or view status of your previous application/s by either of the following options'. It features two columns of input fields. The left column has 'Enter Mobile No.', 'Date of Birth (DD/MM/YYYY)', a 'Send OTP' button, and 'Enter One Time Password(OTP)'. The right column has 'Enter Mobile No.', 'Application Number', and 'Date of Birth (DD/MM/YYYY)'. An 'OR' separator is placed between the two columns. A 'Continue' button is located at the bottom center. A note at the bottom left states: 'You shall receive an OTP within 5 minutes. In case OTP not received, click on Send OTP again.'

### Fees and other Charges

The following are some of the key fees and charges associated with a personal loan from ICICI Bank:

Prepayment Charges	5% per annum of principal outstanding plus GST
Loan Processing Charges (Non-Refundable)	Up to 2.25% per annum of Loan Amount plus GST
Loan Cancellation Charges	Rs 3000/- plus GST
EMI Bounce Charges	Rs 400/- per bounce plus GST
Repayment Mode Swap Charges	Rs 500/- per transaction plus GST
Additional Interest on Late Payment	24% p.a. (2% per month)

### How to Login on ICICI Bank Portal

Visit the official website of ICICI Bank.

On the top right corner of the page click on 'Login'.

Login using your User ID and Password or your registered mobile number

Know More: [ICICI Bank Personal Loan Login: Registration Process & Services](#)

### How to Check Your Loan Statement

Customers can download the bank's personal loan statement by following the steps given below:

Visit the official website of the bank.

Click on 'Get in Touch' and select 'Service Requests' from the drop down list.

On the subsequent page that opens, under the 'Loans' menu, select 'Personal Loan Related'.

Next, click on 'Request for Statement of Loan Account'.

Login using your User ID and password or using your registered mobile number and OTP to avail the bank's personal loan statement.

### ICICI Bank Personal Loan Restructuring (COVID-19)

The nationwide lockdown due to the COVID-19 pandemic has impacted many borrowers adversely and in order to mitigate its impact to a certain extent a 6 month moratorium on various term loans was announced. After completion of the 6 month moratorium, ICICI Bank had announced the RBI-mandated one-time benefit of ICICI Bank personal loan restructuring. This mechanism is designed to provide continued relief to those borrowers who are still unable to start repayment of their regular EMI due on-going financial hardship resulting from the pandemic.

The loan resolution mechanism introduced by ICICI Bank offers additional moratorium of up to 2 years or an extension on the current repayment period to reduce the monthly EMI payments. It is of course important to bear in mind that restructuring of your ICICI Bank personal loan will result in additional interest charges over and above those applicable to the original loan. Thus, this relief mechanism should only be used as a last resort so that you do not end up defaulting on your outstanding loan.

Read More About: [ICICI Bank Personal Loan Restructuring \(COVID-19\)](#)

### EMI Calculation

The rate of interest for ICICI Bank Personal Loan varies between 11.25% to 22% p.a. The table below depicts a sample of loan amounts against different loan tenures and interest rates along with monthly EMIs.

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
5 lakh @ 13% p.a.	Rs. 44,659	Rs. 23,771	Rs. 16,847	Rs. 13,414	Rs. 11,377
10 lakh @ 15% p.a.	Rs. 90,259	Rs. 48,487	Rs. 34,666	Rs. 27,831	Rs. 23,790
20 lakh @ 11.25% p.a.	Rs. 1.76 lakh	Rs. 93,448	Rs. 65,715	Rs. 51,935	Rs. 43,735

### Top Up offers

ICICI Bank offers top-up loan where one can opt for a top-up on their existing personal loan or an altogether fresh loan in case of additional financial requirement. In case of a top up loan, you can get a consolidated EMI for the existing loan plus the top-up loan amount. The key features of a top-up loan including interest rate and tenure are similar to the features of an ICICI Bank Personal Loan.

### Comparison of ICICI Bank Personal Loan vs. Other Lenders

Particulars	ICICI Bank	Citi Bank	Axis Bank	HDFC Bank	Bajaj Finserv
Interest Rate	11.25% to 22.00%	Starting from 10.50%	11.49% to 17.49%	10.75% to 21.30%	Starting from 12.99%
Tenure	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Upto Rs. 20 lakh	Upto Rs. 30 lakh	Rs. 50,000 to Rs. 15 lakh	Upto Rs. 15 lakh	Upto Rs. 25 lakh
Processing Fee	Upto 2.25% of loan amount plus GST	Upto 3% of the loan amount	2% of loan amount plus GST	Upto 2.50% of the loan amount	Up to 4.13% of the loan amount

### ICICI Bank Customer Care

Customers can contact the ICICI Bank customer care via any of the following means:

By Phone: You can call ICICI Bank on 1860-120-7777 (toll free)

Callback Request: You can also request a call back by visiting the bank's website

Online Chatbot: You can also get your queries answered by the iPal chatbot online

Branch Visit: You can visit the nearby ICICI Bank branch to get your queries

Know More About ICICI Bank Personal Loan Preclosure Charges

## Important Aspects

Given below are some important aspects that you must consider when applying for a personal loan with ICICI Bank:

When applying for a personal loan it is always good to check your credit score. A good credit score increases the chances of approval of your personal loan and can enable you to avail a personal loan on more favourable terms.

Before finalizing upon a particular lender, it is advisable to compare the cost of a personal loan (interest cost and all the applicable fees and charges) offered by various lenders

Borrow according to your need and repayment ability. Avoid borrowing simply because you are eligible to borrow a higher amount. It will only add to your interest cost and not have any benefits in the long run.

Avoid applying for personal loans with multiple lenders at the same time. This shows you to be credit-hungry and also increases the number of hard inquiries for your credit report which may adversely affect your credit score.

## FAQs

Q1. What is the maximum personal loan amount that can be sanctioned by ICICI Bank?

ICICI Bank offers personal loans up to Rs. 20 Lakh for various requirements.

Q2. Are foreclosure or full prepayment charges applicable to an ICICI Bank Personal Loan?

Foreclosure of personal loan is allowed by ICICI Bank only after the payment of 12 or more EMIs. On full prepayment i.e. foreclosure, pre-closure charges of 5% on principal amount prepaid + GST are applicable.

Q3. Does the bank offer pre-approved personal loans?

Yes, ICICI Bank does offer pre-approved personal loans to select customers. These are limited time offers and usually feature predefined loan amounts and limits.

Q4. How much time is taken for the Personal Loan to be approved?

After submitting the completed loan documents, loans are typically approved within 72 hours. The actual approval and disbursal time may differ subject to various factors.

Q5. Are there any top up offers on the existing Personal Loan?

Top up facility is offered to existing personal loan borrowers who have paid at least 12 EMIs of their current personal Loan. One can submit a request for a top up on their existing personal loan through the following mediums:

Customer Care: One can contact the customer care for top up related questions (8:00 am to 8:00 pm) on toll free number 1860-120-7777

Internet Banking: Log in to [www.icicibank.com](http://www.icicibank.com) with your User ID and Password. Go to the Main Page>>Select Loans options in My Accounts>>Click on Apply for Loans>>Under Personal Loan>>Click on Apply now>>Check your Eligibility and Click on Apply Now

ICICI Bank Branch: You can also visit the nearest ICICI Bank branch along with applicable KYC and income proof documents to apply for a top-up personal loan

Q6. Is Balance Transfer Facility offered in Personal Loan?

Yes Balance Transfer Facility on personal loan is offered when the loan applicant has paid at least 12 EMIs. Exact details regarding amount, interest rate and fees of the balance transfer offer vary according to individual applicant profile.

Q7. What is the Loan Repayment Tenure?

The Personal Loan from ICICI Bank can be repaid within 12 to 60 months. One can choose any repayment tenure as long as it is within its available tenure range.

Q8. How to repay the personal loan?

One can repay the loan in Equated Monthly Installments (EMIs). One can also get auto debit mandate activated if they have an existing account with ICICI Bank. EMI payments from bank account held with other banks can be made through NACH (National Automated Clearing House).

Q9. What documents do I need to submit to foreclose my personal loan from ICICI Bank?

For foreclosure of your personal loan, visit the nearest ICICI Bank branch with the following documents:

Prepayment request letter signed by the Loan Applicant



PAN Card (if the payment mode is cash and the amount is Rs 50,000 or more)

Also, the payments can be made through Cheque, Demand Draft or Cash. No part prepayment is allowed on Personal Loan for ICICI Bank i.e. only complete pre-payment i.e. foreclosure of loans is allowed by ICICI.

Q10. How can I update my mailing address, e-mail ID or mobile number registered under my loan account?

You can update your mailing address, e-mail ID or mobile number by visiting any ICICI Bank loan branch along with a valid photo ID proof. All you need to do is to submit an application along with supporting documents to get the information updated on the bank's records.

## Business Loans

ICICI Bank is a leading private sector bank in India. It caters to individuals as well as businesses and offers business loan interest rate from 13% onwards per annum. To provide financial assistance to corporates and Small and Medium Enterprises (SME), ICICI Bank offers a wide range of business loans, which are mainly categorized into three parts:

Business Financing	Customized MSME Solutions	Industry Specific Loans
<ul style="list-style-type: none"> <li>Working Capital Finance</li> <li>Term Loans</li> <li>GST Business Loan</li> <li>InstaOD</li> </ul>	<ul style="list-style-type: none"> <li>Loans for New Entities</li> <li>Collateral-Free Loans</li> <li>Loans without Financials</li> <li>Finance for Importers and Exporters</li> <li>Insta-Secured Overdraft Facility</li> </ul>	<ul style="list-style-type: none"> <li>Educational Institutions</li> <li>Pharmaceuticals</li> <li>Construction</li> <li>Information Technology</li> </ul>

### ICICI Bank Business Loan: Interest Rate, Fees & Charges

Though the interest rates differ for the various business loans of ICICI Bank, the table given below shows a broad bifurcation.

ICICI Bank Business Loan Interest Rates	
For Secured Facilities	For Facilities Backed by CGTMSE
Up to Repo Rate + 6.0 % (Non PSL)	Up to Repo Rate + 7.10%

The interest rate for each loan is determined based on the assessment of business, financials, loan amount and tenure.

As on 31 May 2020, ICICI Bank's 6 Month MCLR is 7.70% and 1 year MCLR is 7.75%.

## Other Fees and Charges:

Processing Fees	Up to 2% (plus applicable taxes) of the loan amount
Stamp Duty and other statutory charges	As per applicable laws of the state
Commission on Letters of Credit and Bank Guarantee	Up to 2% p.a. commission shall be charged on pro-rata basis based on the tenure and the amount of non-fund based facility being availed
Commitment fees	To be charged as per the terms and conditions mentioned in the sanction letter
Foreclosure Charges	To be charged as per the terms and conditions mentioned in the sanction letter

### ICICI Bank Business Loan Eligibility Factors

ICICI Bank provides a platform for prospective borrowers to come and check their eligibility for ICICI Bank Business Loan online. For checking your eligibility, you may need to enter the following information:

Age of the applicant

Business Tenure or Existence

ITR and Sales Tax Returns

Existing working capital loans, if any

Other existing loans

Total existing loans and debts

Annual sales/turnover

Applicant's creditworthiness and credit score

After you enter the above details, the eligible limit will be shown on the screen. You can directly apply after this procedure.

### Documents Required for Loan Application

Though documentation requirements vary for different business loan products from ICICI Bank, here is a list of some common documents that you may need to submit-

PAN Card of Primary Applicant or of the organization

Duly filled application form with passport-size photograph of the primary applicant

Identity Proof of the applicant– Voter ID, Passport, Driving License, Aadhaar Card, etc.

Address Proof –Driving License, Voter's ID, Passport, Telephone Bill, Electricity Bill (Not older than 3 months), Sale Agreement / Bank Statement (not older than 3 months) Registered Lease Deed, etc.

Ownership proof of either residence or office

Proof of Business Continuity–Bank Statement, ITR, Certificate of Incorporation, Shops & Establishment Certificate, Partnership Deed, Sales Tax Challans, etc.

Financial Documents of the Business such as Profit & Loss Statement and Balance Sheet (duly audited by a registered Chartered Accountant), book-debt and creditors-statement for latest three months, Periodic Stock, etc.

### How to Apply

To apply for Business loan from ICICI Bank , you can visit the official website of ICICI bank to apply online

or You can visit your nearest ICICI bank's branch with duly filled application form and all the required documents to apply for business loan.

### How to track ICICI Business Loan Application Status

Follow these simple steps to check your loan application status:

Step 1: Enter your loan reference number that you must have received after form submission

Step 2: Enter your Form Number

Step 3: Click on 'Submit' to check the status of your loan application

The screenshot shows the ICICI Bank website interface for checking loan application status. At the top, the ICICI Bank logo and tagline 'Loan@click—Your Loan is Just a Click Away' are visible. Below the logo is a navigation bar with 'About Us' and 'Check Loan Application Status' (the latter being highlighted). The main content area has a heading 'Enter Your Reference Number or Form Number' and a yellow-highlighted instruction: 'To check the status of your loan application, please enter your Reference Number or Form Number and click on the 'Submit' button.' Below this are two input fields: 'Reference Number:' and 'Form Number:'. A link 'Forgot Your Reference Number?' is positioned below the input fields. Further down, there are several more input fields: 'Name:', 'Date of Birth: (dd/mm/yyyy)', 'Product:' (with a dropdown menu showing 'AUTO LOAN'), 'Loan Amount Requested:', and 'PAN Number:'. A 'Submit' button is located at the bottom center of the form.

### ICICI Bank Business Financing

This category mainly focuses on medium-sized corporates that need small, medium as well as high-ticket financing. Term loans are offered to cover bigger expenses like expansion or starting a new product/service line whereas working capital finance can be taken for day-to-day expenses. Let us talk about these loans in some detail.

### 1. Working Capital Finance:

This type of ICICI Bank Business Loan is particularly designed to meet the working capital needs of the business. ICICI Bank offers such loans at competitive rates of interest and the decentralized operations of the bank ensure faster processing of loan applications. Nature of loan can be of the following types:

Cash credit limit or

overdraft facility Export credit to meet pre-shipment and post-shipment expenses

Letter of Credit and Buyer Credit to ensure timely delivery of goods

Bank Guarantees to help businesses meet financial obligations with ease

Companies engaged in manufacturing, trading or services business are eligible for these loans including sole proprietorship, partnership, private limited company and public limited company. Moreover, ICICI Bank accepts multiple collateral options from fixed assets to liquid securities.

Applicants can download the form, fill it and submit it at the nearest ICICI Bank branch along with relevant documents.

### 2. Term Loans

Businesses can avail term loans from ICICI Bank to purchase commercial assets or to expand their business. Given below are some features of this loan:

Borrowers can take benefit of flexible repayment tenure

The assessment of loan amount is done on the basis of future cash flows of the business

A combination of working capital finance and term loan can also be taken to meet all financial needs of the business

The loan tenure can be up to 7 years

No collateral is needed for loans up to ₹ 2 Crore under the CGTSME scheme

Click here to download application form and submit a duly filled form at the nearest ICICI Bank branch.

### 3. GST Business Loan

This type of ICICI Bank Business Loan is beneficial to provide for the working capital needs of a business. Following are a few key features of this loan:

There is no need to provide financial documents; loan amount is assessed on the basis of GST Returns

Loan is offered in the form of overdraft

Self-occupied/commercial /industrial property or high-liquidity securities can be put as collateral

Overdraft amount of Rs. 20 million can be availed

You can directly download the application form from ICICI Bank website and submit it at the nearest branch along with valid documents.

#### 5. InstaOD

This facility can be availed to meet the working capital needs of the business. You must have a corporate banking relationship with the bank or need to open a current account in order to avail this service. A few features of this loan are-

Online loan processing makes the procedure easy and quick

There is no collateral requirement

Overdraft amount of Rs. 15 Lakh for existing customers and Rs. 10 Lakh for new customers can be availed

Minimal documentation is required

Borrowers do not need to pay any foreclosure/prepayment charges

Existing account holders can login to ICICI Net Banking Portal and check eligibility online and avail the loan. Alternately, you can open a current account with the bank in order to avail the service. However, the final decision about overdraft approval lies with the bank. For more details, call 022-42097572.

#### ICICI Bank Business Loan – Customized Solutions

ICICI Bank offers tailor-made financing solutions for SMEs to grow their business or to start one. Hassle-free application process and varied loan options make this a good option for small businesses. To apply for any of these loans, you can download a common application form from ICICI Bank website, fill the same and submit at the nearest ICICI Bank branch. Do not forget to enclose copies of relevant documents along with your application.

Let us learn about the types of ICICI Bank Business Loans for SMEs.

#### 1. Loans for New Entities

This ICICI Business Loan can be taken to fund the establishment of a new enterprise or to provide for the financial needs of a newly established entity. Key aspects of this loan include-

Manufacturing, Retail, Wholesale, Trading (Import/ Export) and service industries are eligible for this loan

Cash Credit/ Overdraft/ Export Credit and non-fund based facilities can be availed by businesses that are 1 year or older

Term loans are also offered for the purchase of commercial assets or to fund a business expansion plan

## 2. SME Easy Business Loans

To meet working capital requirements of individuals and enterprises, ICICI bank offers various funding options, such as Letter of Credit (LC), Overdraft (OD), Cash Credit, Gold Metal Loans, Bank Guarantee (BG), Foreign Exchange facilities and Loan against Mutual Funds.

SME Easy Business Loans – 2020	
Interest Rate	Depends on business requirements
Loan Amount	Rs. 5 crore to Rs. 30 crore on collaterals
Collateral	Residential, commercial or industrial properties
Working Capital Facilities of	Cash Credit, Overdraft, Export Credit / LC / BG and Trade Finance
Loan amount against Debt Mutual Funds	Rs. 1 crore and above

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

## 3. Collateral-Free Loans

ICICI Bank realized that small business need funds to expand but they do not have enough assets to pledge as collateral with banks. Hence, they have launched these collateral-free loans under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE).

Sole Proprietorship Firms, Public and Private limited Companies, Partnership Firms are eligible to avail this type of loan

MSEs excluding retail traders are also eligible to avail loans offered under CGTMSE Scheme

Under CGTMSE, cash credit and term loans of up to ₹ 2 Crore can be availed

## 4. Loans without Financials

This is an innovative product offering by ICICI Bank for Micro, Small and Medium Enterprises (MSME). Convenient documentation process and fast processing make this loan a good choice for MSMEs.

There is no requirement of audited financials

Loans or Overdraft Limits are granted on the basis of past transaction history

Loans up to ₹ 1 crore can be availed

Business should be at least 3 years old

## 5. Finance for Importers and Exporters

This is a financing solution for Importers and Exporters. They can avail export credit for Pre-Shipment and Post-Shipment finance. For facilitating trade, letter of credit can also be secured from ICICI Bank. To reduce risk related to foreign exchange, the bank also offers loans in foreign currency.

## 6. Secured Loan for Merchant Establishment against credit card swipes

ICICI Bank offers this unique business loan to merchant establishments on credit card swipes at the counters. Merchant establishments that are 6 months or older can avail this facility.

### ICICI Bank Business Loan Customer Care

You can call ICICI Bank Business Loan Customer Care department if you need any additional information about their products. If you are already a corporate/business banking customer of ICICI Bank, you can give them a call and raise any complaint or query.

The table given below shows ICICI Bank Business Loan Customer Care number for some popular locations-

Andhra Pradesh: 7306446699	Ahmedabad: 07933446699	Orissa: 9778446699
Assam: 8822446699	Bangalore: 08033446699 / 08044456000	Punjab: 9023446699
Bihar: 8102446699	Bhopal: 07553344669 / 07554445600	Rajasthan: 9529446699
Chattisgarh: 7879446699	Bhubaneswar: 06743344669	TamilNadu: 8895446699
Goa: 7304446699	Chandigarh: 01723344669 / 01724445600	Telangana: 7306446699
Gujarat: 8690446699	Chennai: 04433446699 / 04444456000	Uttar Pradesh: 8303446699
Haryana: 9541446699	Dehradun: 01353344669	Uttarakhand: 8303446699
Himachal Pradesh: 9625446699	Delhi: 01133446699 / 01144456000	West Bengal: 9641446699
Jammu & Kashmir: 9018446699	Ernakulam: 04843344669	Mumbai: 02233446699 / 02244456000
Jharkhand: 8102446699	Gurgaon: 01243344669 / 01244445600	Panaji: 08323344669
Karnataka: 9019446699	Hyderabad: 04033446699 / 04044456000	Patna: 06123344669
Kerala: 8590446699	Jaipur: 01413344669 / 01414445600	Raipur: 07713344669 / 07714445600
Madhya Pradesh: 7879446699	Kolkata: 03333446699 / 03344456000	Ranchi: 06513344669
Maharashtra: 7304446699	Lucknow: 05223344669	Shimla: 01773344669

## FAQs

Q. What collateral is acceptable for your loan facility?

Ans. If it is a secured business loan, the collateral or security can be in the form of commercial or residential property, machinery, equipment, raw materials, inventory, stocks, etc.

Q. Which companies are eligible for business loans?

Ans. Any type of enterprise like private and public limited companies, startups, sole proprietorship, partnership firms, limited liability partnerships, MSMEs, SMEs, Trusts, NGOs, Co-operative Societies, etc. are eligible for business loans.

Q. What is the interest rate for your loan facility?

Ans. The interest rate shall depend on applicant's profile, loan amount, repayment tenure and applicant's financial stability, repayment capability, creditworthiness, CIBIL score, etc.

Q. Which are the business products in ICICI Bank?

Ans. ICICI bank offers a wide range of business loan products classified in two types, such as secured and unsecured business loans. Under secured business loans, ICICI bank offers working capital loans, loans for import and export, FD overdraft, emergency credit line, etc. Under its unsecured business loan products comes Term Loans, loans under CGTMSE scheme, overdraft facility, etc.

Q. What is the lowest EMI that I can opt from ICICI Bank business bank?

Ans. The lowest EMI depends on your loan amount, interest rate and desired repayment tenure.

Q. What is the business loan interest rate offered by ICICI Bank?

Ans. The business loan interest rate offered by ICICI bank is 13% onwards per annum.

Q. What is the business loan repayment tenure at ICICI Bank?

Ans. The maximum repayment tenure offered by ICICI bank is up to 7 years under CGTMSE scheme.



Q. Is the prepayment option of a business loan possible at ICICI Bank?

Ans. The prepayment or part payment charges depends on the loan products and features attached with them

If you are a salaried individual, self- employed professional, non- professional or a pensioner, you can avail IDBI Bank Personal Loan to deal with any kind of financial situation. Be it a medical emergency, home renovation, higher education, vacation or any other expense of a personal , a personal loan from IDBI Bank can be availed for upto Rs. 10 lakh. You can apply for the loan and can repay it within 12 to 60 months.



<b>IDBI Bank Personal Loan Highlights</b>	
Interest rate	Starting at 12.00% p.a.
Loan Amount	Up to Rs. 5 lakh
Loan Tenure	Up to 60 months
Processing Fees	Up to 1% of loan sanctioned
Eligible Applicant Categories	<ul style="list-style-type: none"> <li>• Salaried Individuals</li> <li>• Pensioners (including former IDBI staff)</li> </ul>
Types of Loans	Fixed Rate Personal Loan, Pension Account Overdraft (for former IDBI Staff) and Salary/Pension Account Overdraft
Foreclosure Charge	Nil

#### Features of IDBI Personal Loan

**Flexible tenure:** The tenure for IDBI Bank personal loan ranges from 12 months to 60 months and can be selected by an individual as per his/her repayment ability

**Loan amount:** A personal loan amount of maximum Rs. 10 lakh can be availed from IDBI Bank

**Easy application:** IDBI Bank personal loan can be applied online from the comfort of your home or office with minimal documentation requirements

**Free personal accident insurance cover:** The individuals availing IDBI Bank personal loan would be covered under free personal accident insurance cover

#### IDBI Bank Personal Loan Interest Rates

IDBI Bank Personal Loan interest rates start at 12% p.a. Specific interest rates applicable to an applicant are dependent upon various factors including but not limited to credit score, loan amount, customer segment and location.

Type of IDBI Personal Loan	Interest Rate (p.a.)
Fixed Rate Personal Loan	12% onwards
Pension Account Overdraft (former IDBI Staff)	9.65% onwards
Salary/Pension Account Overdraft	12.40% onwards

### Types of IDBI Bank Personal Loan

The 3 types of personal loan products available with IDBI bank are given below:

1. Personal loan to Salaried Individuals, Self Employed Professionals (SEPs), Non Professionals (SENP) & Pensioners: All salaried individuals, pensioners, self-employed professionals and non-professionals can avail a personal loan from IDBI bank to meet their personal financial needs including educational/medical expenses, household expenses, vacation, etc. For salaried and SEP/SENP the personal loan amount can range between Rs. 50,000 to Rs. 10 lakh. Whereas, for pensioners the loan amount can range between Rs. 25,000 to Rs. 5 lakh. Some features of the personal loan product are given below:

The loan tenure can range between 12 months to 60 months

Comes with the option of adding a top up loan after 12 months of having an IDBI personal loan account and clear repayment track record

Comes with free Personal Accident insurance cover

Interest rates for this loan vary based on the credit vision score of the applicant as follows:

Credit vision score	Payroll/Pension/Salary Accounts	All other salaried customers	Self Employed Professionals and non-Professionals
801 or above	12%	12.25%	13%
776 to 800	12.25%	12.50%	13.50%
740 to 755	13.25%	13.50%	14%
700 to 739 applicable only for corporate relationships: LIC and its subsidiaries staff, Payroll/Salary relationship, pension accounts, IDBI bank Staff)	13.50%	N.A.	
Below 700	N.A.		
-1	13.25%	N.A.	

2. Pension Account with in-built Overdraft facility to Pensioners of IDBI Bank Ltd.: Customers having a pension account with IDBI bank can avail this facility. The maximum overdraft limit can go up to five times the monthly net pension. The product comes with the following features:

The overdraft facility comes with a validity of 1 year and can be renewed every year  
 The maximum age up to which a pensioner can avail this facility is 75 years  
 Interest rate applicable in case of different types of accounts is as follow

Type of Pension Account	Interest Rate (p.a.)
Pension Account with overdraft facility (for retired IDBI Staff)	9.65%
Pension Account with overdraft facility(for others)	12.40%

3. Salary Account with in-built Overdraft facility: To avail the facility a person must be a permanent employee with at least one year of continuous service for any of the following:

- /Semi-Govt./Quasi Government organisation
  - Public or Pvt. Ltd Co.
  - Reputed Institutions
  - Multinational Co.
  - Any corporate approved by CGM of the zone
- The loan product comes with the following features:

The overdraft facility comes with a validity of 2 years and can be renewed every two years

The overdraft limit can go up to five times the net salary (based on previous 6 months' average salary)

Interest rate for this loan starts at 12.40% onwards

**Eligibility**

To avail IDBI Bank personal loan, the following details must be taken into consideration:

Criteria	Salary Account with in- built overdraft facility	Overdraft facility for Pensioners of IDBI Bank Ltd
<b>Eligibility</b>	Permanent Employee, with a minimum one year of continuous service of the below mentioned Organizations /Companies:  · Govt./Semi-Govt./Quasi Govt.  · Public Ltd Co.  · Private Ltd Co.  · Multinational Co.  · Reputed Institutions  · Any Corporate approved by CGM of the Zone	This facility is extended to customers maintaining their pension account with IDBI Bank Ltd.
<b>Age</b>	Minimum Age: 22 years Maximum Age: 58 years	Should not exceed 75 years.
<b>Categories</b>	Salaried customers maintaining salary accounts with IDBI Bank	NA
<b>Tenor</b>	The overdraft facility would be valid for 2 years; renewable every two years.	The overdraft facility would be valid for 1 year; renewable every year.
<b>Maximum Limit</b>	Five times of net salary (based on previous six months average salary)	To be computed at five times the monthly net pension.

The following are the eligibility criteria for overdraft facility on Salary / Pension Account:

Criteria	Salary Account with in- built overdraft facility	Overdraft facility for Pensioners of IDBI Bank Ltd
<b>Eligibility</b>	Permanent Employee, with a minimum one year of continuous service of the below mentioned Organizations /Companies:  - Govt./Semi-Govt./Quasi Govt.  - Public Ltd Co.  - Private Ltd Co.  - Multinational Co.  - Reputed Institutions  - Any Corporate approved by CGM of the Zone	This facility is extended to customers maintaining their pension account with IDBI Bank Ltd.
<b>Age</b>	Minimum Age: 22 years Maximum Age: 58 years	Should not exceed 75 years.
<b>Categories</b>	Salaried customers maintaining salary accounts with IDBI Bank	NA
<b>Tenor</b>	The overdraft facility would be valid for 2 years; renewable every two years.	The overdraft facility would be valid for 1 year; renewable every year.
<b>Maximum Limit</b>	Five times of net salary (based on previous six months average salary)	To be computed at five times the monthly net pension.

## Documents required for IDBI Bank Personal Loan

The following documents are required to avail IDBI bank Personal Loan:

**Photo Identity Proof:** A copy of your Aadhaar/PAN/Voter ID/Passport/Driving License etc.

**Residence Address Proof:** A copy of your Electricity Bill (not more than 3 months old) / Passport/ Ration Card

**Income Proof:** A copy of salary account bank statements for the past six months  
Salary slips for last 3 months

**Employment Certificate:** A certificate issued by employer certifying one year of continuous employment with the current employer

Form 16 / acknowledged Income Tax Returns for the last two years

Filled application form

Passport size photographs

**Note:** Based on IDBI bank's internal requirements as well as other criteria, the above stated turnaround time for personal loan verification/disbursal may vary.

## Check IDBI Bank Personal Loan Application Status

You can check the status of your personal loan application by following the steps given below:

1. Visit the official website of IDBI Bank. Click on 'Loan Application Tracking' under 'Hassle Free Loans'.

3. Enter details like URN No, PAN No, Type of Facility and Mobile No and click on Submit to know the status of your loan application.

The screenshot shows the IDBI Bank website interface. At the top, there is a navigation bar with the IDBI Bank logo and several menu options: PERSONAL, CORPORATE, MSME, AGR, NRI, and CUSTOMER CARE. Below this is a secondary navigation bar with links for Home, About Us, Investor, IDBI Group, CSR, Careers, Contact Us, and Search. The main content area is titled 'Enter Loan Application Details' and contains a form with the following fields: URN No (marked with an asterisk), PAN No, Type of Facility, and Mobile No. A 'Submit' button is located below the form. At the bottom of the form area, a red text note reads 'All fields marked with \* are mandatory'.

### Fees and other Charges

The following are some of the key charges apart from interest charges applicable to an IDBI Bank personal loan:

Processing Fee	1% of loan amount + applicable taxes
Prepayment/Foreclosure Charges	<ul style="list-style-type: none"> <li>• <b>Within 12 months from the date of disbursement:</b> 2% of the outstanding loan amount + applicable taxes</li> <li>• <b>Between 12 to 24 months from the date of disbursement:</b> 1% of the outstanding loan amount + applicable taxes</li> <li>• <b>After 24 months:</b> Nil</li> </ul>
Part Payment Charges	<ul style="list-style-type: none"> <li>• <b>Within 6 months from disbursal:</b> 2% of the outstanding loan amount + applicable taxes</li> <li>• <b>After 6 months of disbursal:</b> NIL</li> </ul>
Penal Interest charges on overdue amount for delayed period	4% p.a. on the overdue amount calculated on the overdue period

### How to Login on IDBI Bank Portal

The login process involves the steps given below:

Visit the official website of IDBI Bank and click on 'Login'.

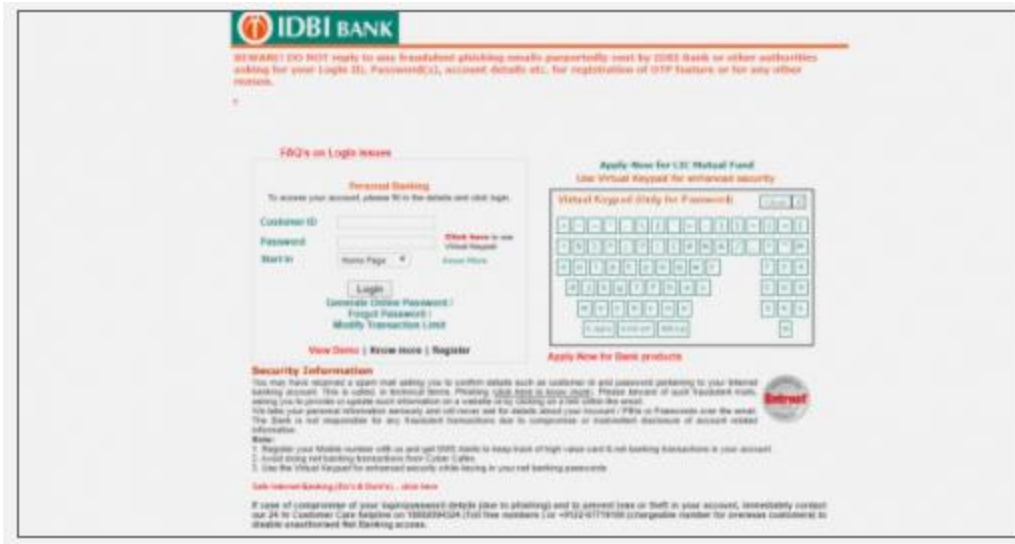


2. On the page that opens next, click on 'Continue to Login'.



3. Enter your customer ID and password and select the page that you wish to start with.





## IDBI Bank Personal Loan Statement

You can avail your IDBI Bank personal loan statement online by following the steps mentioned here:


Step1. Click the “Easy Access Retail Loan Statement” link on the IDBI Bank home page.



Step2. On the subsequent page you have enter key details such as Customer ID, Loan Account Number, Date of Birth and PAN to access your IDBI personal loan statement:

**Certificate / Loan Statement**

To access your loan account, please fill in all the details and click Submit.

Cust ID:	<input type="text"/>
Loan Account Number:	<input type="text"/>
Date of Birth (DD-MM-YYYY):	<input type="text"/> 
PAN No:	<input type="text"/>

**Notes :**

- i) Please note that all the four fields are mandatory for login into the application.
- ii) This facility is available only for main applicant of Loan Account.
- iii) Income tax certificates can be viewed only for Home Loan / Education loan Accounts.
- iv) Statements for the current financial year can be accessed for Housing Loan / Mortgage Loan / Education loan or Auto loan accounts till last day of the previous month through your correct Email id only , in case it is correctly registered as per the bank records.
- v) In case the records are not updated kindly download the form from "download" section and get in touch with the nearest Retail Asset Center for correct updation of Birth date, PANNo(Permanent Account Number) and E-Mail ID in bank records.

[Help Download](#)

Alternative ways to check your personal loan statement include the following:

Visit your nearby IDBI Bank branch office and get a physical copy of your personal loan statement

You can also obtain the loan statement by calling up the company's customer care IVR number and request for a loan account statement

IDBI Bank Personal Loan EMI Calculation

The interest rate for IDBI Bank Personal Loan starts as low as 12% p.a.

The table below depicts EMI payable for various loan amounts a tenures and interest rates:

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
2 lakh @ 12% p.a.	Rs. 17,770	Rs. 9,415	Rs. 6,643	Rs. 5,267	Rs. 4,449
5 lakh @ 13% p.a.	Rs. 44,659	Rs. 23,771	Rs. 16,847	Rs. 13,414	Rs. 11,377
10 lakh @ 14 % p.a.	Rs. 89,787	Rs. 48,013	Rs. 34,178	Rs. 27,326	Rs. 23,268

**IDBI Bank Personal Loan Top Up**

Existing personal loan account holders of IDBI Bank who have paid a minimum of 12 EMIs and have clear repayment track record can apply for a top-up loan to avail extra funds. The key eligibility criteria in this regard include:

Already a personal loan borrower with IDBI Bank

A minimum of 12 EMIs have already been paid by the borrower  
 The borrower has maintained a clean payment record with no defaults  
 Additional criteria for a IDBI personal loan top-up are subject to discretion of the bank depending on individual applicant profile.

### Comparison of IDBI Bank Personal Loan vs Other Lenders

The comparison of the key features of a personal loan from IDBI Bank with other top lenders in India is given below:

Particulars	IDBI Bank	HDFC Bank	Citi Bank	Axis Bank	ICICI Bank	Bajaj Finserv
Interest Rate	Starting from 12%	10.75% to 21.30%	Starting from 10.50%	11.49% to 17.49%	11.25% to 22.00%	Starting from 12.99%
Tenure	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Up to Rs. 10 lakh	Up to Rs. 40 lakh	Up to Rs. 30 lakh	Rs. 50,000 to Rs. 15 lakh	Up to Rs. 20 lakh	Up to Rs. 25 lakh
Processing Fees	Up to 1% of the loan amount	Up to 2.50% of the loan amount	Up to 3% of the loan amount	2% of loan amount plus GST	Up to 2.25% of loan amount plus GST	Up to 4.13% of the loan amount

### IDBI Bank Customer Care

You can contact the company's customer care through any of the following means:

By Phone: You can call on 1800-209-4324/ 1800-200-1947/ 1800-22-1070 (toll- free numbers)

Write to the Company: You can write a letter to IDBI Bank at IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai – 400005

Branch Visit: You can visit the nearby branch of IDBI Bank to get your queries resolved

### Important Aspects

Before actually applying for a personal loan, different interest rates and charges should be compared online to avail the best deal

Borrow according to your need and repayment ability. Don't borrow simply because you are eligible to borrow a higher amount

Check your credit score before applying for a loan. It is one of the first things that lenders look for before lending money to a person. Low credit score might lead to the rejection of your loan application or an increase in the interest rate charged by the bank

Evaluate the total cost of the loan. Interest is not the only cost that you need to pay. Other charges like prepayment fee, late payment fee, processing fee, etc. might also be considered while finalizing upon a particular personal loan

Do not apply for a personal loan with multiple lenders simultaneously. It may lead to an increase in the number of hard inquiries on your credit report and may adversely affect your chances of loan approval

## FAQs

Q1. Is it possible to avail top- up facility from IDBI Bank if I am not an existing customer of the bank?

No, to avail the top-up facility it is necessary to be a customer of the bank.

Q2. Does a personal loan secured from IDBI Bank offer any additional benefits?

Yes, personal loans from IDBI bank come with the added advantage of top up loan facility and free personal accident insurance cover.

Q3. What are the different purposes for which a personal loan secured from IDBI Bank can be utilized?

A personal loan secured from IDBI Bank can be used to meet all sorts of financial needs/emergencies. No end usage of funds is stipulated by the bank.

Q4. What are the different tenure options available on IDBI bank personal loans?

The loan tenure can range between 12 – 60 months.

Q5. How can I contact IDBI Bank in case I want to secure a personal loan?

Customers can get in touch with the bank via any of the following means:

You can call on the company's toll-free number 1800-209-4324/ 1800-200-1947/ 1800-22-1070

Visit the nearby branch office

Write a letter to the company at IDBI Bank at IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai – 400005

Q6. Is collateral or security required to secure a loan from IDBI Bank?

No collateral or security is needed to secure a personal loan from IDBI Bank.

Q7. What are the different ways in which I can pay EMIs on my IDBI personal loan?

You can pay your personal loan EMIs through standing instruction or by using ECS facility.

Q8. What is the minimum and maximum loan amount?

For self-employed professionals and non-professionals as well as the salaried, the loan amount can range between Rs. 50,000 to Rs. 10 lakh. However, for pensioners the minimum loan amount is Rs. 25,000, whereas, the maximum is Rs. 5 lakh.

Q9. I am a self-employed professional. Do I need to be an account holder with IDBI Bank to secure a personal loan?

No. However, you need to have an asset/liability relationship with the bank.

Q10. Is prepayment/foreclosure allowed on IDBI Bank personal loans?

Yes, prepayment/foreclosure is allowed on IDBI Bank personal loans. There is no prepayment charge in case foreclosure/prepayment is done after 6 months of loan disbursal. However, a charge of 2% on the loan amount prepaid is levied in case prepayment/foreclosure is sought before 6 months from the disbursal date.

## Business Loans

Industrial Development Bank of India (IDBI) is one of the leading development banks of the country, providing credit, banking and financial services to its customers. Corporate, MSME, agriculture, NRI are different sectors where is the prime focus of the bank. Among various banking and financial products, IDBI's business loan is quite popular. Further, we would discuss IDBI business loan schemes which are provided to Micro, Small and Medium Enterprises (MSMEs) nationwide.

### IDBI Business Loan Interest Rate

IDBI Business Loan Interest Rate 2021	
Interest Rate	As per business requirements
Loan Amount	Up to Rs. 2 crore, can exceed as per business requirements
Processing Fee	Nil, upto Rs. 5 lakh & 1% of the loan amount above Rs. 5 lakh
Prepayment Charges	Nil, if own sources and 2% of outstanding amount if way of takeover by other banks

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank, NBFC and RBI. GST and service tax shall be levied extra on the mentioned charges.

Toll Free Numbers: 1800-209-4324 / 1800-22-1070

### IDBI Business Loan Schemes

IDBI bank has different business loan schemes catering to different businesses' financial needs. Some of the business loan schemes are as follows:

## IDBI Mudra Loan

The vital points for the product are:

Loan eligibility: All small enterprises and individuals who are engaged in non-farming entrepreneurial activities are eligible for this loan scheme

Loan facility: CC, Overdraft and Term Loan

Loan amount: Maximum upto Rs. 10 lakh & minimum Rs. 50,000

Loan tenure: For the term loan, the repayment tenor is of upto 5 years. In case of OD and CC limit, the loan repayment tenure is of 12 months, repayable on demand

Collateral: No collateral required

Processing fee: No processing fee is charged for amounts upto Rs. 5 lakh. A processing fee of 0.50% would be charged on loans above this amount

## MSME Finance

This loan is for fulfilling the financial requirements for Micro, Small and Medium Enterprises (MSMEs). Additionally, the bank would take care of all the banking requirements of these enterprises with its extensive options of banking products and services. The benefits for the micro and small business to opt for this loan option are many. They are:

It offers wide array of banking solutions under one umbrella

It includes attractive interest rates

Its application process is quick and hassle-free

The amount is disbursed swiftly in the borrower's account

### IDBI – MSME Loans for Small Water and Road Transport Operators

This scheme caters to the loan requirements of water and road transport operators. With the help of this loan scheme, these small transport operators can acquire vehicles/vessels for their business. Following are the details of the product:

Loan eligibility: All transport vehicles be it either passengers or goods like rickshaws, trucks, motor-buses, taxis, auto and other commercial vehicles are eligible for loans. Additionally, it caters to the monetary needs of small refrigerated vans, bulk carriers for carrying petroleum/edible oil. Units used in water transport such as small boats, launches, etc. are also eligible for the loan scheme. Borrowers must have relevant experience in transport business

Loan facility: Term loan, bank guarantee and overdraft/cash credit

Loan amount: Loan amount can range from Rs. 1 lakh to 200 lakh

Loan tenure: For the term loan, the repayment tenor is upto 5 years and for overdraft facility, cash credit and bank guarantee, the repayment period is of 1 year

Processing fee: The processing fee is 1% of the sanctioned loan amount

Interest rate: The rate of interest varies and differs in various cases

## Vendor Finance from IDBI

All manufacturing enterprises need funds at two different stages of production, at the beginning of the process and another after the end of the process. This loan scheme caters to the monetary needs of a vendor. The various points of the product are:

Loan eligibility: All large corporates or Original Equipment Manufacturers (OEMs) can apply for this loan scheme

Loan facility: CC, OD and letter of credit, finance against invoice or bill discounting  
Security

For Working Capital: Hypothecation of entire current assets

For Term Loan: First/Specific Charge on Assets created out of Bank finance/entire fixed assets

Bill discounting: Accepted invoice or bill by the authorised officials of OEM/Corporate  
Guarantee: Personal guarantee of promoter/directors is enough

Processing fee: As per the bank's guidelines, the processing fee would be different for different cases

Interest rate: The interest rate differs on a case to case basis

So above mentioned are the types of business loans offered by IDBI Bank.

## **BANKS**

### **Indian Bank**

Indian Bank personal loan is offered to salaried individuals as well as pensioners for meeting personal expenses like higher education, medical bills, purchase of household items or gadgets, etc. The loan can be availed online from the comfort of your home or office and can be sanctioned without any hassle if you meet the eligibility criteria. The interest rate for Indian Bank personal loan starts as low as 9.05% p.a. however different rates may be applicable depending on individual applicant profile.



#### Features of Indian Bank Personal Loan

**Loan amount:** The loan amount varies for both salaried professionals and pensioners and is customized to fulfill all the personal needs of each and every individual

**Flexible tenure:** The tenure to repay Indian Bank personal loan goes up to 84 months depending upon the type of personal loan you wish to avail

**Online application:** You can apply for Indian Bank personal loan online and can avail instant funds by just completing a few formalities

**Minimum documentation:** The documentation requirement to apply for Indian Bank personal loan is minimum which ensures maximum convenience for the applicant.



Indian Bank Personal Loan Highlights	
Interest rate	Starting at 9.05% p.a.
Loan Amount	As per applicant profile
Loan Tenure	Up to 84 months
Processing Fees	Up to 1% of loan sanctioned
Eligible Applicant Categories	<ul style="list-style-type: none"> <li>▪ Salaried Individuals</li> <li>▪ Pensioners</li> </ul>
Types of Loans	Clean Loan and Pension Loan

### Indian Bank Personal Loan Interest Rates

The following are the interest rates applicable to different types of Indian Bank personal loans:

Type of personal loan	Interest Rate (p.a.)*
Pension Loan	10.50% onwards
Clean Loan to Salaried	9.05% onwards

\*The above rates are subject to periodic change and actual interest rates for the loan may vary based on various criteria including but not limited to credit score, loan amount, employment type

### Types of Indian Bank Personal Loan

The two types of personal loan products available with Indian Bank are given below:

1. IB Clean Loan (for salaried individuals): IB Clean Loan is offered to salaried individuals to meet their personal needs including medical expenses, household expenses, home renovation, vacation, etc. Some features IB Clean Loan are given below:

To avail the loan, an individual must be a permanent employee with minimum experience/service of three years with Govt./Quasi -Govt./ Endowments/ Boards/ Corporate Industrial Establishments/reputed companies etc.

The loan tenure can be up to 84 months

The following are the applicable interest rates that vary based on the applicant type:

Clean Loan to Salaried Class Scheme		
For employees of Government organizations / State Government / PSUs & Central and for Salaried individuals of reputed Private Sector / other reputed organizations approved by respective Zonal Office	If Check-off facility & undertaking by the employer is available	10.35% p.a.
	If Check-off facility & undertaking by the employer is not available, but salary is credited with our Bank.	10.95% p.a.
For Housing Loan Borrowers (Salaried Class)	Where applicant's salary is credited to Indian Bank salary account	10.35% p.a.

2. IB Pension Loan: This loan by Indian Bank is offered to pensioners to meet expenses like medical bills, family function, home renovation, etc. The repayment tenure for regular pensioners is up to a maximum of 60 months (subject to the exit age fixed at 78 years) and for family pensioners it is 36 months (subject to the exit age at 73 years). Indian Bank Pension loans have the following features:

To avail the loan, an individual must be Central or State Government Pensioner, Re-employed Pensioner, Family Pensioner, Indian Bank Retiree (both under superannuation and VRS) having Pension SB accounts with Indian bank

No processing fee is charged for loans up to Rs. 25,000 and Rs. 255 is charged as processing fees for loans above Rs. 25,000

The loan tenure can go up to a maximum of 60 months for a regular pensioner and 36 months for a family pensioner

The following are the interest rates depending on the type of pension loan an applicant opts for:

Indian Bank Pension Loan Type	Interest Rate
Repayment within 12 months	11.90% p.a.
Repayment over 12 months and up to 36 months	12.65% p.a.
Repayment over 36 months and up to 60 months	12.90% p.a.

#### Eligibility

To avail Indian Bank personal loan, the following details must be taken into consideration:

Loan Type	Particulars of Applicant	Eligibility Criteria
IB Clean Loan	Work Experience	Permanent employees with at least service/experience of 3 years with Govt./ Quasi -Govt./ Endowments/ Boards/ Corporate Industrial Establishments/ reputed companies etc.
	Security	<ul style="list-style-type: none"> <li>• Employer's sponsorship</li> <li>• Authorisation to debit SB account or</li> <li>• Encashable collateral security and/ or Third party guarantee</li> <li>• Post-dated cheques</li> </ul>
	Guarantee	Guarantee of spouse (wherever applicable) & another employee
IB Pension Loan	Pension Type	State & Central Government Pensioners, Re-employed Pensioners, Family Pensioners, Indian Bank Retirees (both under superannuation & VRS) whose Pension SB accounts are maintained with the bank
	Security/ Documents	<ul style="list-style-type: none"> <li>• Authorization to recover monthly loan installment from SB Account where pension is credited</li> <li>• Guarantee of spouse eligible for family pension. In the absence of spouse, the guarantee from the legal heir or family member/ third party guarantee (acceptable to bank)</li> <li>• Pensioner's portion of PPO</li> </ul>

### Documents required for Indian Bank Personal Loan

To avail Indian Bank personal loan customers need to furnish the following documents:

**Photo Identity Proof:** A copy of your Aadhaar/PAN/Voter ID/Passport/Driving License etc.

**Proof of Income :** Latest Form 16 or salary slips of the past six months showing all deductions (duly attested by the employer)

**Address Proof:** A copy of your Ration Card / Electricity Bill (not more than 3 months old) / Passport

**Employment Proof:** A copy of the employment order, employee number, Photo Identity Card issued by the employer, etc.

Additional documents required for IB Clean Loan:

ITR/Form 16

PAN (mandatory)

Authorisation to debit SB account/ECS/NACH mandate

Additional documents required for IB Pension Loan:

Authorization to recover monthly loan installment from SB Account where pension is credited

Pensioner's portion of PPO

Guarantee of spouse eligible for family pension. In the absence of spouse, the guarantee from the legal heir or family member/ third party guarantee (acceptable to bank)

Check Indian Bank Personal Loan Application Status

Customers can check the status of their personal loan application by following the steps given below:

Visit the official website of Indian Bank

Click on 'Links' and select 'Online Services'.

Click on 'Loan Application Status' under 'Online Services'.

Enter reference number and password and enter the captcha code as shown in the image to know the status of your loan application.

Fees and other Charges

Processing Fees	IB Clean Loan (for salaried class)	0.512% of loan amount with a minimum of Rs. 512.
	IB Pension Loan	Nil for loans upto Rs. 25,000. Rs. 255/- for loans above Rs. 25,000/-

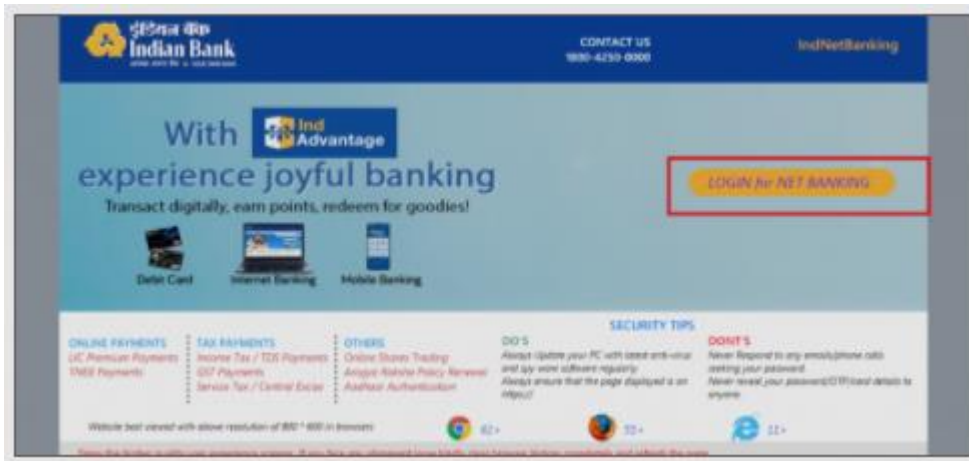
How to Login on Indian Bank Portal?

The login process involves the following steps:

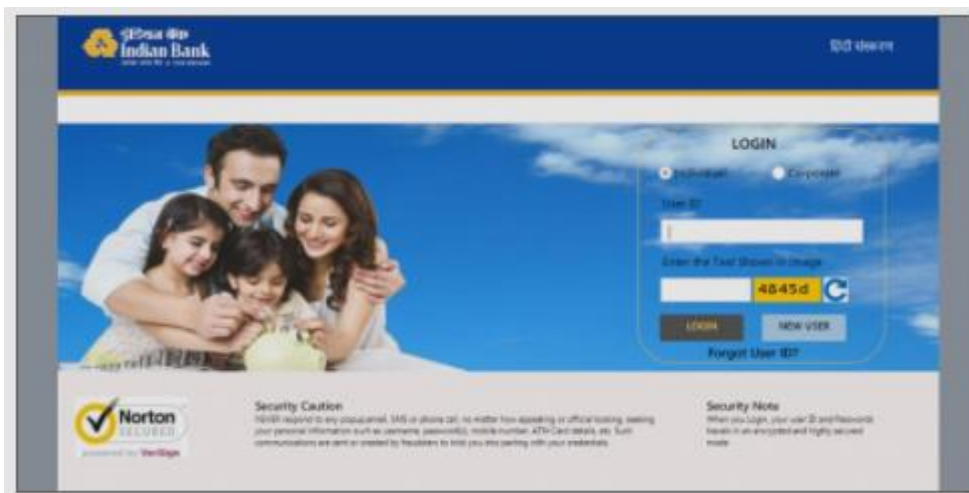
Visit the official website of Indian Bank and click on 'Net Banking'.



2. On the page that opens next, click on 'Login for Net Banking'.



3. Enter your User ID and captcha code as shown in the image and click on Login.



### Indian Bank Personal Loan Statement

You can either check your Indian Bank personal loan statement online by logging into your Internet banking account with Indian bank or call up customer care to request a copy of your personal loan statement. Additionally you can visit your nearby Indian Bank branch to request a copy of your personal loan statement in person.

### Indian Bank Personal Loan EMI Calculation

The interest rate for Indian Bank personal loan starts as low as 10.35% p.a.

The table below depicts a sample of loan amounts against different loan tenures and interest rates along with monthly EMIs.

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
2 lakh @ 10.35% p.a.	Rs. 17,816	Rs. 9,261	Rs. 6,486	Rs. 5,106	Rs. 4,284
3 lakh @ 10.95% p.a.	Rs. 26,508	Rs. 13,975	Rs. 9,815	Rs. 7,746	Rs. 6,515
5 lakh @ 13% p.a.	Rs. 44,659	Rs. 23,771	Rs. 16,847	Rs. 13,414	Rs. 11,377

### Comparison of Indian Bank Personal Loan vs Other Lenders

The following table gives a comparison of the key features of a personal loan from Indian Bank vs. other top lenders in India:

Particulars	Indian Bank	ICICI Bank	State Bank of India	Citi Bank	Axis Bank	HDFC Bank
Interest Rate	Starting from 9.05%	11.25% to 22.00%	Starts at 10.50%	Starting at 10.50%	11.49% to 17.49%	10.75% to 21.30%
Tenure	Up to 84 months	12 to 60 months	Up to 72 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Up to 20x monthly gross income	Up to Rs. 20 lakh	Up to Rs. 20 lakh	Up to Rs. 30 lakh	Rs. 50,000 to Rs. 15 lakh	Up to Rs. 40 lakh
Processing Fee	Up to 0.512% of the loan amount (minimum Rs. 512)	Up to 2.25% of loan amount	Up to 1% of loan sanctioned	Up to 3% of the loan amount	2% of loan amount	Up to 2.50% of the loan amount

### Indian Bank Customer Care

The customer care department of Indian Bank can be contacted via any of the following means:

**By Phone:** You can call the national toll free numbers 1800-425-00-000 or 1800-425-4422

**Branch Visit:** You can visit the nearby Indian Bank branch to get your queries answered

### Important Aspects

To avail the best deal, different interest rates and charges should be compared online before actually applying for a personal loan

Avoid applying for a personal loan with multiple lenders at the same time. It may result in an increase in the number of hard inquiries showing up on your credit report which may adversely affect the chances of loan approval

Check your credit score before applying for a loan. It is one of the first things that lenders consider before lending money to a person. Low credit score might lead to

an increase in the interest rate charged by the bank or the rejection of your loan application

Consider the complete cost of the loan. Interest is not the only cost that you need to pay. Other charges like processing fees, prepayment fees, late payment fee, etc. might also be considered while deciding upon a particular personal loan

Borrow only what you need and can pay back. Don't borrow simply because you are eligible to borrow a higher amount

#### FAQs

Q1. What can be the maximum entry level and exit level age of a pensioner at the time of applying for an IB personal loan?

The maximum age of a regular pensioner at entry level can be 75 years and 78 years at exit level.

Q2. What can be the maximum entry level and exit level age of a family pensioner at the time of applying for an IB personal loan?

The maximum age of a family pensioner can be 70 years at the time of loan application while the exit age at the time of loan maturity can be a maximum of 73 years.

Q3. What is the repayment tenure for a pensioner applying for the Indian Bank personal loan?

The repayment tenure for a personal loan by a regular pensioner cannot exceed 60 months.

Q4. What is the repayment tenure for a family pensioner in case of Indian Bank personal loan?

The repayment tenure for a family pensioner cannot exceed 36 months.

Q5. What are the different tenure options available on Indian Bank personal loans?

The loan tenure can range between 12-84 months.

Q6. What are the different ways to get in touch with Indian Bank in case I want to secure a personal loan?

Customers can get in touch with the bank via any of the following means:

Visit the nearby branch office

Call up the bank's national toll free number 1800-425-00-000 or 1800-425-4422

Apply online on the bank's website

Q7. Do I have to be an account holder with Indian bank to secure a personal loan?

No, it is not mandatory to be an account holder with Indian Bank in case you wish to obtain an Indian Bank Clean Loan. However, you need to have a Pension SB account with the bank in case you want to obtain the IB Pension Loan.

Q8. Is collateral required to avail a personal loan from Indian Bank?

No collateral is required to avail a personal loan from the bank.

Q9. What is the minimum credit score required to avail a personal loan from Indian Bank?

There is no minimum fixed credit score to obtain a personal loan from Indian bank. However, a score closer to 900 is considered to be a good score and increases the chances of the approval of your loan application.

Q10. Is it possible to negotiate the interest rate on personal loans with Indian Bank?

While it may be possible to negotiate some of the terms of a personal loan, the actually terms and conditions applicable to a personal loan tend to vary on a case by case basis.

## **Business Loan**

Indian Bank is a state-owned banking and financial entity that specialised in providing business loans at an interest rate of 8.65% onwards. Business loans offered by Indian bank can be used for business expansion, buying plant & machinery, purchasing raw materials, for paying salaries, hiring and training new staff, etc.

### **Interest Rates & Eligibility Criteria**

The following table describes the interest rate, eligibility criteria, fees and charges of the respective loans.



Type of Loan	Interest Rate (2021)	Eligibility Criteria
IB My Own Shop	10.55%-14.75%	Proof existence in the same field since last three years The age of the borrower is not to be more than 50 years Remaining time for the shop or commercial place cannot be lesser than the original time of the reimbursement time of two years. (Loan Amount up to Rs. 50 lakh)
IB Doctor Plus	9.95%-14.25%	Min. loan amount Rs. 1 lakh and max. is with no ceiling
IB Contractors	9.75%-14.75%	Loan Amount – Min. Rs. 10 lakh & Max. Rs. 5 crore
Trade Well	9.65%-14.75%	Loan Amount – Min. Rs. 10 lakh & Max. Rs. 5 crore
IND SME Secure	9.75%-14.25%	Loan Amount – Min. Rs. 10 lakh & Max. is with no ceiling
IB Micro	8.65%-10.75%	Max. loan amount up to Rs. 20 lakh
IND SME Mortgage	9.85%-11.25%	New customer Rs. 10 lakh and more Existing customer Rs. 1 lakh and max. loan amount Rs. 5 crore

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

#### Documents Required for Loan Application

In order to avail any loan facility one needs to provide certain documents for approval of loan. Some of the documents are as follows:

PAN Card, Aadhaar Card, Voter's ID, etc.

Residential Proof

Firm's Address Proof

Balance Sheet of last 3 years

IT Returns

Calculate your Monthly EMI on – Business Loan EMI Calculator

#### Features of Loan schemes under Indian Bank

Some features that these loans hold are as follows:

IB My Own Shop: Loan amount is Rs. 50 Lakh with repayment time of 120 months and the security availed by bank is the equal collateral on the corporate property is acquired with some personal collateral too.

IB Doctor Plus: Loan amount provided here is Rs. 1 lakh without any boundaries with again the reimbursement time to be 120 months. The collateral is decided as per the loan amount if the loan amount is till Rs. 10 Lakh.

IB Contractors: The loan amount starts from Rs. 10 Lakh till Rs. 5 Crore with 84 months of reimbursement of amount and security for bank on collateral with worth not less than 200%.

Tradewell: The loan amount for this loan is Rs. 0.10 Crore till Rs. 5 Crore with 60 months of reimbursement amount. The security that the bank needs here is divided in two categories, primary security and collateral security.

IND SME Secure: Loan amount for this loan starts from Rs. 10.00 Lakh with 120 months of time period for reimbursement. The collateral here being the stocks and debts books is used for the profits.

IB Micro: 20 Lakh is the amount provided under this loan with repayment period to be of 60 months. The collateral/security is collected by the bank, as per the loan amount.

IND SME Mortgage: For new lender the amount is Rs. 10 Lakh and for existing lender Rs. 1 Lakh, with repayment tenure of 120 months. It takes the security from lender of fixed property in the name of the lender. Processing charge is 1.18% of the loan amount.

#### Indian Bank Business Loan Categories

Indian Bank has divided business loans in various categories keeping their requirements in consideration. Some of the categories of these loans are as follows.

IB My Own Shop: The loan is formed for self-employed, professionals and individuals, Ownership of Registered Partnership organisations, and Private or Public Limited Companies.

IB Doctor Plus: As the name suggests, the loan is formed for doctors specifically. It helps in the reconstruction of hospital or to form a new hospital.

IB Contractors: Loans for this professional sector are provided for the purpose of performing projects that come under the State or Central Government or with some well-known professionals with a project of at least three years and earning profits from at least last two years.

Trade Well: The loan is developed for the traders who need funds to expand their trades or to buy material or other products for the trading purposes.

IND SME Secure: In this sector the loans that are provided are for the Micro, Small and Medium Enterprises (MSME). These loans are too provided for solving the purpose of buying machinery or generating more capital.

IB Micro: The loan is provided for production and service department with the record of the products earlier and the new units.

IND SME Mortgage: The loan is provided for fulfilling the purpose of extending the organisation, buying new products or material.

#### Frequently Asked Questions

Ques. What is the general interest rate for the business loan?

Ans. A general start of the business loan is 8.65% going up till 14.75% as per the sector of the organisation.

Ques. Why are business loans required?

Ans. Business loans are required to fulfil various needs of an organisation like salary of the employees or need of any other equipment or products.

Ques. What are the sectors in which Indian Bank Provides business loans?

Ans. Indian bank provides loans for owning a shop, for Doctors, Contractors, and Trade Well and SME sector, etc.

Ques. What is the customer care number of Indian bank for business loan?

Ans. Indian Bank customers can call on the below-mentioned numbers to get their queries resolved:

**BANKS**  
**Indian Overseas Bank**

Indian Overseas Bank personal loan is a broad term that refers to various unsecured borrowings like IOB Royal, IOB Passion and Clean Loan with loan amounts of up to Rs. 15 lakh. These personal loans are easy to apply for and require minimum documentation along with the benefit of ensuring repayment within a period of up to 84 months.



**Features of Indian Overseas Bank Personal Loan**

**Loan amount:** The maximum loan amount that you can avail through an Indian Overseas Bank Personal Loan is Rs. 15 lakh. However, the loan amount you are actually eligible for would depend on multiple factors such as your credit score, age, income, etc.

<b>Indian Overseas Bank Personal Loan Highlights</b>	
<b>Interest rate</b>	Starting at 10.30% p.a.
<b>Loan Amount</b>	Up to Rs. 15 lakh
<b>Loan Tenure</b>	Up to 84 months
<b>Processing Fees</b>	Up to 0.75% of loan sanctioned
<b>Types of Personal Loans</b>	IOB Personal Loan, IOB Royal, IOB Passion and Clean Loan

**Flexible tenure:** Indian Overseas Bank (IOB) offers various repayment options along with a flexible tenure that goes up to 84 months and can be availed as per your repayment ability

**Online application:** You don't have to visit the bank's branch or fill out and submit paper documents to apply for an Indian Overseas Bank personal loan as it can be

easily applied online and even the documentation process can be completed from the comfort of your home

Quick disbursal: When you submit all your documents and verification is complete, the loan is disbursed to you quickly

### Indian Overseas Bank Personal Loan Interest Rates

The interest rates of different types of personal loans from Indian Overseas Bank are as follows:

IOB Royal (Tenure up to 4 years)	Starting from 11.70%
IOB Royale (Tenure more than 4 years)	Starting from 12.45%
IOB Passion	Starting from 11%
Clean Loan	Starting from 12.45%
IOB Personal Loan	Starting from 11.50%

### Types of Indian Overseas Bank Personal Loan Products

1. IOB Personal Loan: This unsecured loan can help individuals buy any consumer durable products of their choice including electronics, gadgets, furniture, etc.

Quantum of loan: 10 times of the gross salary or 90% of the cost of article whichever is less up to limit of Rs. 5.00 lakh

Repayment tenure: Up to 60 months

Security: Hypothecation of article purchased using the loan and a suitable 3rd party guarantee is required

2. IOB Royal: IOB Royal is offered to meet various socio/economic financial needs

Quantum of loan: Up to Rs. 15 lakh

Repayment tenure: From 12 to 84 months

3. IOB Passion: The loan helps all the creative people to follow their passion and purchase basic material like music instrument, sports kits, painting material or pay for their coaching classes

Quantum of loan: 90% of the cost of article including coaching fee etc., but should not to exceed Rs. 3 lakh

Repayment tenure: Up to 60 months

Security: Hypothecation on purchase of articles out of loan or a suitable 3rd party guarantee or collateral security

4. Clean Loan: The loan is offered for any purpose including various personal financial commitments

Quantum of loan:

If your employer undertakes to deduct the loan instalment from salary and remit to the bank or the salary is routed through the loan granting branch	Ten times of salary or Rs. 15 lakh (whichever is less)
For others	5 times of salary or Rs. 1 lakh (whichever is less)
For LIC agents	Up to 10 times average monthly commission or Rs.10 lakh (whichever is less)

Security: Third party personal guarantee of 2 individuals required. The salary of each guarantor being at least equal to that of the borrower

Eligibility Criteria of Indian Overseas Bank Personal Loan  
For IOB Personal Loan:

Your monthly income should be more than Rs. 5,000

You should not be more than 60 years old

For IOB Royal:

Your minimum gross income should be at least Rs. 75,000

You should be at least 25 years old

For IOB Passion:

You should have a proven skill in any specific field like sports, arts, music, etc.

You must have taken your skill as a career

You should fall in the age group of 25 to 50 years

Can be used to pursue any specific skill as a hobby

For Clean Loan:

You should be a confirmed/permanent employee of public sector undertaking/ government and reputed private firms, enterprises and companies, etc.

Your take home pay after the education of proposed loan instalment should be more than 50% of the gross pay

If you are a LIC agent, you are also eligible

You should have a savings account in the branch from where you have proposed the loan and also, the salary of the employee should be routed through the S.B account of the branch here the loan is sanctioned

You must submit an undertaking letter from the employer with an undertaking to deduct loan instalment from the salary every month

You must also submit a letter from the employer along with an undertaking to recover the dues from the terminal benefits of the employee in case of resignation, retirement or death

## Documents Required for Indian Overseas Bank Personal Loan Application

The basic documents required to avail Indian Overseas Bank Personal loan are as follows:

### Application form

Photo identity proof (any one document): Passport, Pan Card, Voter Identity Card, Driving License, Aadhaar Card

Address proof(any one document): Ration Card, Bank Account Statement, Passport, Driving License, Electricity Bill, Telephone Bill, Sale Deed/Property purchase agreement(for owned properties), Aadhaar Card

Income proof: Last 3 months/6 months' bank statement (dependents on scheme) showing salary credits, Latest 3 months' Salary Slip

### Additional documents for Clean Loan

Salary certificate of applicant and guarantor with deduction particulars

undertaking letter from employer to deduct monthly instalment and recover the dues from terminal benefit (if necessary)

### Fees and other Charges

The following are some of the key fees and charges associated with an IOB personal loan:

Processing Fees	Personal Loan	Up to Rs. 5 lakh	0.40%
		Above Rs. 5 lakh	0.50%
	IOB Royal	Up to Rs. 5 lakh	0.50%
		Above Rs. 5 lakh	0.75%
	IOB Passion	Up to Rs. 5 lakh	0.40%
		Above Rs. 5 lakh	0.5
	Clean Loan	Up to Rs. 5 lakh	0.50%
		Above Rs. 5 lakh	0.75%
Prepayment Charges	Personal Loan	NIL	
	IOB Passion	NIL	

### How to Login on Indian Overseas Bank Portal?

Go to the Indian Overseas Bank online banking portal

Enter your 'Login ID' and 'Password'

Select "Accounts" in Start In field and then click on 'Login' to complete online banking login

Login for Individual/Proprietary concern

Login ID\*

Password\*

Start In  
Accounts

Enter the text as shown in image\*

KGS447

Login Reset

Indian Overseas Bank Personal Loan Statement  
 Go to the Download e-Statement page on the IOB website  
 Select 'Download Loan Statement' from 'Service Type' column click on 'Next'

Download eStatement / Deposit / Loan Interest Details

Service Type\*

\* marked fields are mandatory

Select

- Select
- Download Deposit TDS and Interest Details
- Download Education Loan Interest Certificate
- Download Housing Loan (SUSHA GRAMA) Interest Certificate
- Download SB/CDC Statement (for any 6 months)
- Download Loan Statement

On the subsequent page, fill out details such as Loan Account Number, PAN, Registered Mobile etc. and click on "Next" to view/download your Indian Overseas Bank Personal Loan Statement:



The screenshot shows the 'Internet Banking' interface for downloading loan statements. The header includes the bank's logo and tagline 'Good people to grow with'. The main heading is 'Download Statement of Loan Accounts'. The form contains the following fields:

- Loan Account Number\*
- PAN Number
- Registered Mobile Number\*
- Financial Year\* (dropdown menu showing 2019-2021)
- Enter the text as shown in image\* (with a CAPTCHA image showing '5FC/89' and a refresh icon)

Below the form, there is a feedback link: 'Kindly register your feedback, please (323,303)'. A note states: '\* marked fields are mandatory'. There are 'Next' and 'Back' buttons. At the bottom, there are two informational messages:

- Note: Please Provide Loan Account Number to get the Loan Statement.
- On submitting this form, you will receive an One Time PIN(OTP) in your registered mobile which is to be entered in the next screen TO COMPLETE THE TRANSACTION.

### EMI Calculation

The following personal loan EMI calculation is an illustration of how the monthly EMI of Indian Overseas Bank Personal Loan changes based on loan tenure, loan principal and interest rate.

Loan principal @ interest	Tenure				
	1 year	2 years	3 years	4 years	5 years
5 lakh @ 11%	Rs. 44,190	Rs. 23,303	Rs. 16,369	Rs. 12,922	Rs. 10,871
7 lakh @ 11.25 %	Rs. 61,948	Rs. 32,706	Rs. 23,000	Rs. 18,176	Rs. 15,307
10 lakh @ 12%	Rs. 88,848	Rs. 47,073	Rs. 33,214	Rs. 26,333	Rs. 22,244

### Comparison of Indian Overseas Bank Personal Loan vs Other Lenders

The following table compares IOB personal loans to similar borrowings offered by other lenders:

Particulars	Indian Overseas Bank	Axis Bank	Citi Bank	ICICI Bank	HDFC Bank
Interest Rate	Starting from 11%	12% onwards	9.99% onwards	11.25% onwards	10.75% onwards
Tenure	Up to 84 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Up to Rs. 15 lakh	Rs. 50,000 to Rs. 15 lakh	Up to Rs. 30 lakh	Up to Rs. 20 lakh	Up to Rs. 40 lakh
Processing Fee	Up to 0.75%	2% of loan amount plus GST	Up to 3% of the loan amount	Up to 2.25% of loan amount plus GST	Up to 2.50% of the loan amount

### Indian Overseas Bank Customer Care

You can call on 1800-425-4445

You can submit your complaint online on the Indian Overseas Bank website

You can visit the nearest branch of Indian Overseas Bank in person

### Important Aspects

Check your credit score as a good credit score can help you avail a personal loan with greater ease and at low interest rate

Ensure you meet the eligibility criteria and check if you have all the required documents before submitting your personal loan application

Reduce outstanding debt to the lowest possible level in order to improve your chances of approval for a personal loan

Check the EMI you have to pay using the Online platforms Personal Loan EMI Calculator and borrow only what you need, not in excess

### FAQs

Q1. Can I foreclose my Clean Loan? What are the foreclosure charges of Indian Overseas Bank?

Yes, you can foreclose your Clean Loan. Currently no foreclosure charge is applicable in case of Indian Overseas Bank.

Q2. I am a pensioner. Can I apply for Indian Overseas Bank Personal Loan?

No, pensioners are not eligible for this personal loan.

Q3. What does S.B. account mean?

The meaning of S.B. account is Savings Bank account.

Q4. What is the minimum personal loan amount offered by Indian Overseas Bank?

Currently the minimum personal loan amount offered by Indian Overseas Bank is Rs. 25,000.

Q5. How do I repay my Indian Overseas Bank personal loan?

Repayment of Indian Overseas Bank personal loan through EMI can be made using post-dated cheques, bank draft or ECS (Electronic Clearing System)/NACH (National Automated Clearing House) mandate.

## **Business Loans**

Along with this the bank has presence in 5 other countries also. Indian Overseas bank has a variety of financial products and banking services to offer to its customers. Personal banking, corporate banking, NRI Accounts, Rural banking, etc., are some of the financial products and banking services offered by the bank.

Depending on the individual need of the customer he/she can choose from this array of products. MSME (Micro small or Medium Enterprises) loan is one of the financial products which plays a crucial role for the enterprises/ firms who want to develop their business, or transfer the liability, or want money for working capital, etc.

### **Indian Overseas Bank Business Loan Interest Rates**

The business loan interest rates offered by Indian Overseas bank shall depend on applicant's profile and business requirements.

Related Post: [Compare Business Loan Interest Rate with other banks](#)

### **Types of Business/MSME loans offered by Indian Overseas Bank**

PSB Loans in 59 minutes: Loans up to Rs. 5 crore getting approved within 59 minutes

Mudra loan: Loan up to Rs. 10 lakh offered with its 3 categorized loan scheme named as Shishu, Kishor and Tarun

Term Loan: Term Loans are used for purposes like acquisition of fixed assets, such as land, building, plant and machinery. Term loans are also used for setting up of new industrial units or expansion or upgradation of existing units. Margin: Upto 75% of the value of fixed assets

Working Capital Loan: Available in forms of letter of credit, cash credit, bills limit, Letter of Guarantee, etc. No collateral required for total credit limit upto Rs. 10 lakh for SME borrowers. Collateral or security may get waived off in certain cases for amount up to Rs. 200 lakh in which the limit shall be covered under Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE)

MSME Credit Scheme

SME Loan

Indian overseas bank offer SME loans for CAs, Doctors, Engineers and women entrepreneurs

Standup India Scheme

Loans for self-employed professionals include engineers, accountants, medical practitioners, dental surgeons, engineers, craftsmen, construction contractors, management consultants, etc.

Related Post: How to Get collateral-free business loans online in 59 minutes

## Fees & Charges

Processing Fee	Nil, up to Rs. 25,000 Above Rs. 25,000 – Rs. 2 lakh: Rs. 600  Above Rs. 2 lakh to Rs. 150 crore: 0.50% of the loan amount, Max. Rs. 55 lakh
CIBIL report	Rs. 100 for individual & Rs. 700 for commercial
CERSAI	Rs. 150 for more than Rs. 5 lakh
No due certificate	Nil
Pre-payment or closure charges	Nil
Documentation charges	Nil upto Rs. 2 lakh

Note: The above mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

How to Apply for a Business loan in Indian Overseas Bank?

To apply for a business loan or MSME loan from Indian Overseas Bank you can visit [online platforms.com](https://www.ioabank.com) to check and compare from the available loan options offered by the bank and pick one that suits your business requirements.

Indian Overseas bank customer care number

1800-890-4445 / 1800-425-4445

## FAQs

Q. What are the rates of interest Indian Overseas Bank charge for business loan?

Ans. The business loan or MSME loan interest rate offered by Indian Overseas Bank shall depend on applicant's profile and will rely on the bank's Marginal Cost Lending Rate as per RBI.

Q. How much business loan can I get from Indian Overseas Bank in India?

Ans. The minimum loan amount can be availed up to Rs. 25,000 and maximum can exceed up to Rs. 150 crore and even more depending upon business requirements.

Q. What will be the lowest EMI of a business loan per lakh from Indian Overseas Bank?

Ans. The lowest EMI of a business loan shall depend on various factors like loan amount, repayment tenure and interest rate.

Q. What is the minimum and maximum tenure for a business loan in Indian Overseas Bank?

Ans. The repayment tenure for a business loan shall vary from case to case and depend on the sanctioned loan amount.

Q. Why are the processing fee charges on business loans by Indian Overseas Bank?

Ans. The processing fee charges by the bank is Nil for an amount up to Rs. 25,000 and maximum is 0.20% of the loan amount with a maximum up to Rs. 100 lakh.

Q. What are the charges for the prepayment or pre-closure on business loans from Indian Overseas Bank?

Ans. Nil, is the prepayment or closure charges from the bank.

## BANKS

### IndusInd Bank

IndusInd Bank offers tailor-made personal loan options designed to cater to the unique needs of both salaried as well as self-employed individuals. The personal loan amount can range between Rs. 50,000 to Rs. 15 lakh and the loan tenure can vary from 12-60 months.



#### Features of IndusInd Personal Loan

**Loan amount:** The loan amount sanctioned by IndusInd Bank can go up to Rs. 15 lakh depending upon the income, eligibility, repayment capacity and type of job

**Easy documentation process:** With effortless and hassle-free documentation, IndusInd Bank personal loan is customer-friendly and saves a lot of time

**Flexible tenure:** This loan from IndusInd features a tenure ranging from 12 to 60 months. You can choose the loan tenure that suits you the best

**Balance transfer facility:** The bank offers 'Balance Transfer Option' whereby you can transfer your existing personal loan from another bank to IndusInd and can avail the benefit of lower interest rates

IndusInd Bank Personal Loan Highlights	
Interest rate	11.00% p.a. onwards
Loan Amount	Up to Rs. 15 Lakh
Eligible Applicant Age	<ul style="list-style-type: none"> <li>▪ Salaried: 21 to 60 years</li> <li>▪ Self-Employed: 25 to 65 years</li> </ul>
Processing Fees	Up to 2.5% of loan amount sanctioned
Loan Tenure	Up to 36 months
Types of Loans	Home Renovation Loan, Medical Expenses Loan, Wedding Loan and Personal Loan Balance Transfer
Foreclosure Charge	4% of principal outstanding (allowed after 12 EMIs)

### IndusInd Personal Loan Interest Rates

IndusInd Bank personal loan interest rates start as low as 11.00% p.a. Specific interest rates applicable to an applicant depends upon several factors including but not limited to credit score, customer segment, loan amount and applicant's location. The following are the key types of personal loans currently offered by IndusInd Bank and the applicable interest rate:

Type of IndusInd Bank Personal Loan	Interest Rate (p.a.)
Home Renovation Loan	11.00% onwards
Medical Expenses Loan	
Wedding Loan	
Balance Transfer	

### Types of IndusInd Personal Loans

Depending on the end use, IndusInd Bank personal loans can belong to one of the following categories:

1. **Wedding Loan:** A wedding loan may be required to meet the last minute fund requirements for expenses related to venue booking, catering, guest accommodation, jewellery, etc. in case of a wedding. With IndusInd Bank, one can easily apply for a wedding loan and get the necessary funds to cover such expenses. While the interest rate and the actual loan disbursement may vary according to different criteria, some of the key features of IndusInd Bank's Wedding Loan are as follows:

Wedding Loan interest rates start as low as 10.75% p.a.

One can avail a loan up to Rs. 15 lakh

No collateral/security is required for availing this loan

2. **Home Renovation Loan:** IndusInd Bank home renovation loan offers financial assistance to individuals who wish to redecorate/remodel a house/flat that they own. This loan can be used to cover various expenses like those involving vital repairs,

purchase furniture and fixtures, etc. Some key features of IndusInd Bank home renovation loan are:

Interest rates start as low as 10.75% p.a.  
Easy and hassle-free application process  
Flexible repayment tenure up to 60 months

3. Personal Loan for Medical Expenses: IndusInd Bank medical expenses loan offers financial assistance to deal with unexpected medical expenses. The loan covers doctor's fees, hospital stay, medicine bills, and other hospital and treatment relating expenses. Some features of IndusInd Bank medical loan are:

Collateral-free loans of up to Rs. 15 lakh  
Flexible repayment tenure from 12 months to 60 months  
Special low rates for existing IndusInd Bank customers

4. Personal Loan Balance Transfer: The personal loan balance transfer option enables you to transfer your existing personal loan from another bank to IndusInd Bank to reduce your current EMI burden. The transfer is easy and requires minimum documentation. Some key features of IndusInd Bank Personal Loan Balance Transfer are:

Low processing fees  
Swift pay-out and flexible repayment tenure  
Available only to IndusInd Bank customers having outstanding loans with other bank  
Eligibility

To avail IndusInd Bank personal loan, the following eligibility criteria need to be considered:

For Salaried Employees:

Particulars of Applicant	Eligibility Criteria
Age Criteria	21-60 Years
Minimum Net Monthly Income	Rs. 25,000
Minimum Total Working Experience	2 Years (with minimum 1 year in current organisation)
Minimum Stay in Current Residence (if rented)	1 Year

For Self Employed Professionals & Self Employed Individuals:

Particulars of Applicant	Eligibility Criteria
Age	25-65 Years
Minimum Annual Net Income Post Tax	Rs. 4.8 lakh
Post Qualification Experience	<ul style="list-style-type: none"><li>4 Years (Self Employed Professionals)</li><li>5 Years (Self Employed Individuals)</li></ul>



## Documents required for IndusInd Personal Loan

The following documents are required to avail IndusInd Bank Personal Loan:

### For Salaried Employees:

Identity Proof: PAN/ Aadhaar/ Voters ID/ Passport/ Driving License, etc. (any one)

Address Proof: Utility Bill (less than 3 months old)/ Valid Rent Agreement, etc. (any one)

Income Proof: Latest salary slips for the last 3 months / salary certificate and latest Form 16

Bank Statements: Latest 3 months' bank statement of salary account

### For Self-Employed Professionals:

Identity Proof: PAN/ Voters ID/ Aadhaar/ Driving License/ Passport, etc. (any one)

Address Proof: Utility Bill (less than 3 months old)/ Valid Rent Agreement/ Trade License/ Sales Tax Certificate, etc. (any one)

Business (Current Account) Bank Statements (passbook/latest 6 months bank statement)

Latest 2 years ITR along with computation of income, B/S, P&L a/c with all schedules certified by a CA

Qualification Proof: Highest Professional Degree

Proof of profession continuity (eg. registration certificate from applicable authority)

### For Self-Employed Individuals:

Identity Proof: PAN/ Aadhaar/ Voters ID/ Passport/ Driving License, etc. (any one)

Address Proof: Valid Rent Agreement/ Utility Bill (less than 3 months old)/ Sales Tax Certificate/ Trade License, etc. (any one)

Business (Current Account) Bank Statements (latest 6 months' bank statement/passbook)

Latest 2 years ITR along with computation of income, B/S, P&L a/c with all schedules certified by a CA

Proof of Business Continuity: Trade license/ establishment/ sales tax certificate

Additional Mandatory Documents: Certified copy of partnership deed/ sole proprietorship declaration/ certified copy of MOA, AOA and Board resolution. If income is derived from a partnership firm, latest 2 years partnership firm's B/S, P&L a/c with all schedules certified by a CA

## Check IndusInd Personal Loan Application Status

Customers can check the status of their loan application via any of the following ways:

By logging into online account: Existing IndusInd customers can log into their Internet banking account to check the status of their personal loan application.

Calling up the customer care: Customers can know the status of their application by calling up the customer care department on its customer service number: 1860-500-5004. This would require the customer to keep their KYC details and loan application number handy to ensure faster verification upon which they will be updated with the latest status of their loan application.

Visit the nearest branch office: You can check the status of your loan application by visiting your nearby bank branch.

#### Fees and other Charges

The following are some of the key fees and charges apart from interest rates that are associated with your IndusInd Bank personal loan:

Processing Fees	Up to 2.50% of loan amount + taxes
Prepayment Charges	<ul style="list-style-type: none"> <li>• Salaried: 4% of principal outstanding after repayment of 12 EMIs</li> <li>• Self Employed: 4% of principal outstanding after repayment of 6 EMIs</li> </ul>
Payment Dishonor Charges	Rs 450 + taxes
Cheque / ECS / SI Swapping Charges	Rs 500 + taxes per instance
Personal loan Duplicate Statement Charge	Rs 250 + taxes per event
Duplicate Amortization Schedule Charge	Rs 250 + taxes per event
Duplicate No Dues Certificate	Rs 250 + taxes per event
Loan Re-Booking / Rescheduling Charges	Rs 1000 + taxes per event
Loan Cancellation Charges	Rs 1000 + taxes per event
Penal Charge	Rs 150 + taxes for each EMI delay beyond 5 days
Legal Charge	As per Actuals
Charges for Photocopy of Agreement / Documents	Rs 250 + taxes per instance
Stamp Duty	As per State Laws
CIBIL Report	Rs. 50 per instance per set + taxes as applicable

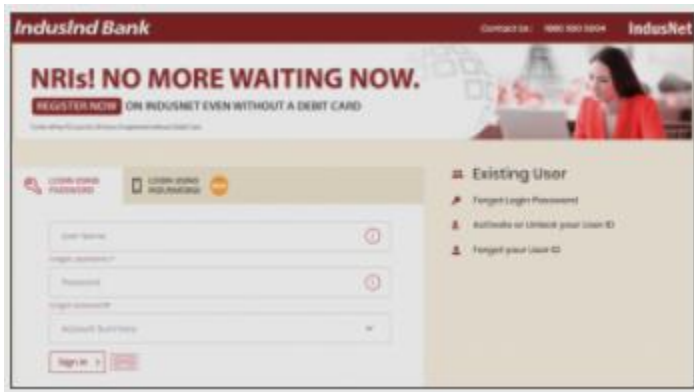
#### How to Login on IndusInd Bank Portal

Visit the official website of IndusInd Bank.

2. On the page that opens next, click on 'IndusNet'.



### 3. Login using your user name and password or Indusmobile



### IndusInd Bank Personal Loan Statement

You get hold of your IndusInd Bank personal loan statement either online or offline.

Online Method: You can log into your IndusNet account and view/download your personal loan statement easily.

Offline Method: You can request a copy of your personal loan statement over the phone or by visiting your nearby IndusInd Bank branch.

### IndusInd Personal Loan EMI Calculation

The rate of interest for IndusInd Bank personal loan starts at as low as 10.75% p.a. The table below depicts a sample of EMI calculated for different loan tenures and interest rates:

## BANKS

### Jammu and Kashmir Bank Ltd

*Jammu & Kashmir Bank, commonly referred to a J&K Bank, offers a wide range of personal loans to salaried employees, businesspersons, professionals and pensioners. These personal loan schemes are designed to meet a variety of personal expenses, such as those related to purchase of a household appliance/ smart phone/ laptop/ PC, celebrations of a festival, medical emergencies and other personal needs. Read this article to know all about the personal loan schemes offered by J&K Bank.*



#### Personal Loan Highlights

J&K Bank Personal Loan Highlights	
Interest rate	As per loan scheme
Loan Amount	Up to Rs. 10 lakh
Loan Tenure	Up to 84 months
Processing Fees	Up to Rs. 500 + GST
Types of Personal Loans	Saral/Saholiat Finance Scheme for Employees, Saral/Saholiat Finance Scheme for Professionals, Saral/Saholiat Finance Scheme for Pensioners, Saral/Saholiat Finance Scheme for Businessmen, Festival Advance Scheme, Laptop/PC Finance and Consumer Loan

## Types and Features of J&K Bank Personal Loan

The following table summarizes the features of the major personal loan types offered by J&K Bank

Name of the J&K Personal Loan Scheme	Features	
Saras/ Saholiat Finance Scheme for Employees	Loan quantum: Up to 36 months gross salary.	
	Security: Suitable 3rd party guarantee, if your salary account is not maintained with J&K Bank.	
	Repayment Tenure: Up to 7 years	
Saras/ Saholiat Finance Scheme for Professionals	End Use: For any personal/ professional need.	
	Loan quantum: Up to Rs. 10 lakh	
	Security: Suitable 3rd party guarantee of two persons	
	Repayment Tenure: Up to 5 years.	
Saras/ Saholiat Finance Scheme for Pensioners	End Use: For any personal need.	
	Loan quantum:	
		18 months' net pension, if you are up to 70 years old.
		12 months' net pension, if you are up to 75 years old.
		12 months' net pension or Rs. 2 lakh, if you are a family pensioner up to the age of 70 years.
	Security: A family pensioner/ guarantee of any family member.	
	Repayment Tenure: Up to 5 years.	
Saras/ Saholiat Finance Scheme for Businessmen	End Use: For any personal need.	
	Loan quantum: Up to Rs. 5 lakh.	
	Security: Suitable 3rd party guarantee.	
	Repayment Tenure: Up to 5 years.	
Festival Advance Scheme	End Use: For festival celebrations.	
	Loan quantum: Up to Rs. 75,000.	
	Security: Nil.	
	Repayment Tenure: 10 months	
Laptop/ PC Finance	End Use: For purchase of laptop/ Notebook/ PC/ Tablet.	
	Loan quantum: Up to Rs. 1.5 lakh.	
	Security:	

		Primary: None for up to Rs. 50,000. The laptop/ notebook/ PC/ tablet purchased with the loan amount will be the security, if the loan amount exceeds Rs. 50,000.
	Collateral: 3rd party guarantee in some cases.	
	Repayment Tenure: Up to 4 years.	
Consumer Loan	End Use: Purchase of home appliances.	
	Loan quantum: Full value of the purchased item up to Rs. 1.5 lakh.	
	Security:	
		Primary: Nil for loan amount up to Rs. 40,000.
		Collateral: Suitable 3rd party guarantee in some cases.
	Repayment Tenure: Up to 4 years.	

#### J&K Bank Personal Loan Interest Rates

The personal loan interest rates for J&K Bank vary based on the type of scheme opted for. The following are the details:

Name of the J&K Bank Personal Loan Scheme	Interest Rate
Saral/ Saholiat Finance Scheme for Employees	10.65% p.a. onwards
Saral/ Saholiat Finance Scheme for Professionals	11.65% p.a. onwards (fixed)
Saral/ Saholiat Finance Scheme for Pensioners	10.65% p.a. onwards
Saral/ Saholiat Finance Scheme for Businessmen	11.65% p.a. onwards (fixed)
Festival Advance Scheme	11.15% p.a. (fixed) with monthly rests
Laptop/ PC Finance	11.65% p.a. (fixed)
Consumer Loan	11.15% p.a. with monthly rests

#### Eligibility Criteria for J&K Bank Personal Loan

Following are the eligibility criteria for the major personal loan types offered by J&K Bank.

a. Saral/ Saholiat Finance Scheme for Employees

Permanent employees of State/ Central Government, Public Sector Undertakings, Autonomous Bodies and Institutions to be eligible for the J&K Bank Saral/Saholiat loan for salaried individuals.

b. Saral/ Saholiat Finance Scheme for Professionals

You should be a professional like Doctor (MBBS, BDS etc), Engineer, Architect, CA or Lawyer.

You should be self-employed & earn income through a profession as mentioned above.

c. Saral/ Saholiat Finance Scheme for Pensioners

You should be a Central/State Government Pensioner drawing pension through J&K Bank including family pensioners.

Your age should be up to 75 years.

d. Saral/ Saholiat Finance Scheme for Businessmen

You should be an existing borrower (cash credit/ secured overdraft/term loan) with J&K Bank and minimum three years of prior relationship with the bank.

You should have a Platinum and Gold Current Account with the bank. Please note that you should have a minimum of 1-year standing with a maximum of 2 penalties for not maintaining AMB during the period.

e. Festival Advance Scheme

You should be a permanent employee or pensioner of State/ Central Government, Government/ Semi-Government Undertakings or Autonomous Bodies.

You should be drawing your salary/pension from J&K Bank.

Age limit:

Minimum: 18 years

Maximum: 1 year less than the age of retirement

For Pensioners: Up to 69 years

Please note that the J&K Bank festival loan can be availed only on the occasion of the following festivals – Eid-ul Fitr, Eid-ul-Adha, Maha Shivratri, Navreh, Nowroz, Mela Desmochey, Baisakhi, Gurupurab, Mela Hemis Gumpa, Ashura, Diwali, Losar and Christmas.

Documents Required for Loan Application

While the bank does not specify the exact list of documents required to apply for each type of personal loan, following are some of the key documents required :

Proof of Identity: This may include your Aadhaar Card, Voter ID Card, PAN Card, Passport, Driving License, etc.

Proof of Address: This may include the latest utility bill (electricity/ telephone bill), bank passbook, Aadhaar Card, etc.

Proof of Income: This may include your salary slips, bank account statement, profit and loss statement, Income Tax Return, etc.

Personal loan application form: It should be duly filled and signed.

Recent passport size colour photographs.

### How to Apply for J&K Bank Personal Loan?

Following is the step-by-step procedure to apply online for a personal loan:

Step 1: Navigate to the top of this page and fill out the personal loan application form.

Step 2: You will see a list of the eligible personal loan offers listed as per the chances of approval, which are calculated using a special algorithm called "SmartMatch".

Step 3: Select the most appropriate loan offer as per your needs or contact Online platforms for assistance.

Step 4: Get an instant conditional e-approval on submission of your online loan application.

Step 5: Finally, our team will guide you through the process of loan processing and disbursal.

### Check J&K Bank Personal Loan Application Status


You can use the J&K Bank loan application tracker on the J&K Bank website to check the status of your personal loan application.

**J&K Bank**

**VIEW APPLICATION STATUS**

1) Input Your Application Id (APP-ID \ INWARD NO.)

2) Input Your Application Key (APP-KEY \ MOBILE NO.)   
\* in case of INWARD NO. kindly enter your registered mobile phone no.

2) Verification Code  



## Processing Fee for J&K Bank Personal Loan Schemes

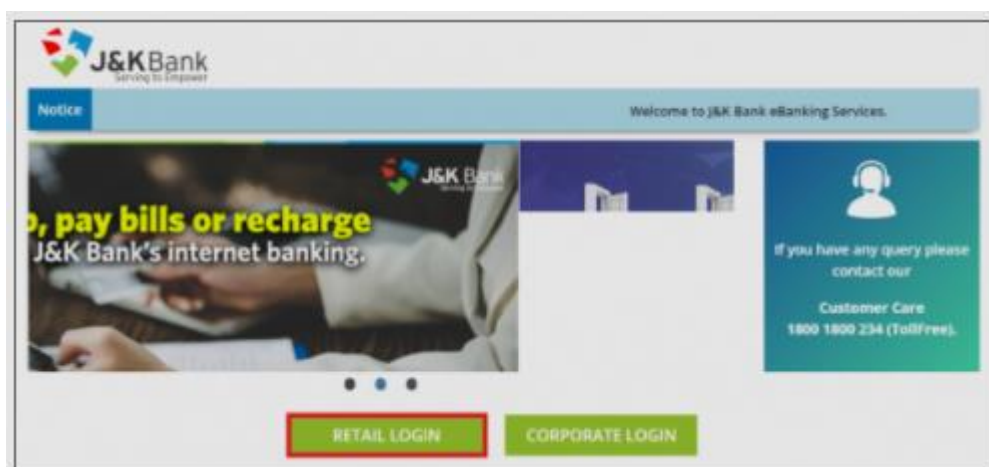
The following are the processing fees applicable to different types of Jammu and Kashmir Bank personal loans:

J&K Personal Loan Scheme	Processing Fee
Saral/ Saholiat Finance Scheme for Employees	Nil
Saral/ Saholiat Finance Scheme for Professionals	0.50% of the loan amount + GST, with a minimum of Rs. 500
Saral/ Saholiat Finance Scheme for Pensioners	Nil
Saral/ Saholiat Finance Scheme for Businessmen	Rs. 1000 + GST
Festival Advance Scheme	Nil
Laptop/ PC Finance	Nil
Consumer Loan	I Rs. 250 + GST for loans up to Rs. 75,000 I Rs. 500 + GST for loans above Rs. 75,000

## How to Login J&K Bank Online Portal?

Following is the step-by-step guide to login to the online portal of J&K Bank:

Step 1: Visit the online portal of J&K Bank Internet Banking and click on “Retail Login”.



Step 2: Enter your User ID and click “Log In”.

User ID:

**Log In**

» If you have forgotten your NetBanking password, [click here to regenerate your passwords](#)

» If you do not have NetBanking Account, [click here to create one](#)

Step 3: Finally enter your password to access the Jammu & Kashmir Bank NetBanking portal.

### J&K Bank Personal Loan Statement

You can get the statement of your personal loan account with J&K Bank by either logging into the online banking portal or visiting the nearest branch of the bank.

### EMI Calculation

The following table shows the EMI payable for different Jammu and Kashmir Bank personal loans. You can use the personal loan EMI calculator to similarly calculate EMIs for your personal loan as well.

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
Rs. 1 lakh @ 11%	8,838	4,660	3,273	2,584	2,174
Rs. 3 lakh @ 13%	26,795	14,262	10,108	8,048	6,825
Rs. 5 lakh @ 15% p.a.	45,129	24,243	17,332	13,915	11,894
Rs. 10 lakh @ 17%	91,204	49,442	35,652	28,855	24,852

## Comparison of J&K Bank Personal Loan v/s Other Lenders

The following table compares personal loan offers from leading banks and NBFCs in India:

Comparison Criteria	J&K Bank	Axis Bank	HDFC Bank	Citibank	Bajaj Finserv
Interest Rate	MCLR based and varies for the different personal loan schemes.	12-24%	10.75-21.30%	10.50% onwards	12.99% onwards
Tenure	Up to 7 years	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Up to Rs. 10 lakh	Rs. 50,000 to Rs. 15 lakh	Up to Rs. 40 lakh	Up to Rs. 30 lakh	Up to Rs. 25 lakh
Processing Fee	Up to Rs. 500 plus GST	Up to 2% of the loan amount plus GST	Up to 2.50% of the loan amount	Up to 3% of the loan amount	Up to 4.13% of the loan amount (including taxes)

### J&K Bank Customer Care

Following are the customer care details of J&K Bank.

Customer care number: 0194-2481999, 0194-2481936

Contact center: 1800-1800-234

E-banking: 1800-1800-234

### Important Aspects to Consider While Applying for a Personal Loan

The following points should be kept in mind while applying for a personal loan for greater chances of approval at the best interest rate possible

Ensure that you meet all the eligibility criteria for the particular lender.

Submit all the required documents along with the duly-filled personal loan application form.

Maintain a good credit score, because as the score increases so do the chances of getting a loan.

Do not use a large amount of the total credit available to you to maintain a low credit utilization ratio.

Avoid multiple loan applications at the same time. It may result in multiple hard enquiries of your credit report leading to a decrease in your credit score.

## Business Loan

Jammu and Kashmir Bank is a J&K based private sector bank providing a range of financial services. Headquartered in Srinagar, J&K bank is a state-owned bank that offers numerous types of business loans to its customers nationwide. Details of the business loan options offered by J&K Bank are provided below.

J&K Bank – Saral Finance Scheme – 2021	
Interest Rate	12.40% onwards
Nature	Term Loan
Loan Amount	30 months net monthly income or Rs. 5 lakh (whichever is lesser)
Processing Fees	Rs. 1000 + GST
Eligibility	Existing borrower with min. 3 years of dealings with J&K bank Platinum & Gold Current Account holders with min. 1 year standing
Repayment Period	Up to 5 years
Security	3 <sup>rd</sup> party guarantee of 1 person ECS/RECS mandate to be obtained
Margin	Nil

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges

Saral Finance Scheme for Businessmen can be used for any personal requirement.

<b>J&amp;K Bank – Start-ups Finance Scheme – 2021</b>	
Interest Rate	8.40% onwards
Age Criteria	Min. 21 years & Max. 45 years
Loan Amount	Min. 2 lakh and Max. Rs. 10 lakh
Processing Fees	Rs. 500
Eligibility	51% of the shareholding and controlling stake with 1 entrepreneur of a non-individual enterprise
Repayment period	Max. 7 years, including 2 years moratorium period for term loan
Availed by	Green Field Projects only
Nature	Composite loan to cover 100% of project cost
Security	Hypothecation of all assets financed by the bank

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges

Under Start-ups Scheme, lots of activities are included which are mentioned below:

Agriculture  
 Biotechnology  
 E-commerce  
 Educational institutions  
 Electronics  
 Food products  
 Handicrafts  
 IT and allied services  
 Livestock  
 Media and entertainment  
 Poultry  
 Textiles  
 Tourism, etc.

J&K bank offers preference to applicants who are recommended by Shri Mata Vaishno Devi University Technology Business Incubation Center Society (SMVDU TBIC), Centre for Incubation & Business Acceleration (CIBA) and Centre for Trainings & Skill Development (CTSD) authorities of Jammu and Kashmir.

<b>J&amp;K Bank – Construction Equipment Finance – 2021</b>	
Interest Rate	10.90% onwards
Nature	Term Loan
Loan Amount – Existing borrowers	85% of invoice value subject to maximum of Rs. 100 lakh
Loan Amount – Others	75% of invoice value
Processing Fees	0.50% of loan amount + GST
Repayment Tenure	5 years with 3 months moratorium period
Prepayment Charges	Nil
Margin – For Existing Borrowers	15% of invoice value
Margin – For Others	25% of invoice value
Security	Hypothecation of construction equipment to be purchased

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges

Construction Equipment Finance can be used to purchase new construction equipment, such as cranes, excavators, backhoe loaders, dumpers, compactors, dozers, drillers, graders, etc.

Construction Equipment Finance can be availed by individuals, public and private companies, partnerships, sole proprietorships and trusts involved in construction activities.

J&K Bank – Commercial Vehicle Finance – 2021	
Interest Rate	10.40% onwards
Age Criteria	Min. 21 years & Max. 65 years
Loan Amount	85% of the on-road cost of vehicle for first 3 months
Repayment Tenure	Max. 84 months with 2 months moratorium period
Nature	Term Loan
Penal Charges	2% p.a.
Margin	For Priority Sector: 20% irrespective of loan limit For Non-Priority Sector: Upto 200 lakh: 25% Above 200 lakh: 30%
Business Existence Tenure	Min. 2 years
Commercial Driving License	Mandatory
Security	Upto Rs. 10 lakh: Hypothecation of vehicle to be financed

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges

Commercial Vehicle Finance can be availed for the purchase of new commercial vehicles of various makes and models and fabrication for commercial purpose. This finance scheme is offered to limited companies, individuals, proprietorships, partnership firms owning and operating or plan to own and operate transport vehicles for carrying goods/passengers on hire.

#### Additional Types of Business Loans and Bank Accounts

List of additional types of Business Loans offered by J&K Bank is as follows:

- ATV / Snowmobile Finance Scheme
- Commercial Premises Finance
- Contractor Finance
- Craft Development Finance
- Craftsmen Livelihood Finance Courses
- Dastkar Finance
- Establishment of Mini Sheep Farms in Private Sector
- Fair Price Shop Scheme
- Handicrafts Sustenance Finance (Outside Tripartite Agreement)
- Help Tourism (For Kashmir valley only)
- J&K Bank Karobar Card
- Khatamband Craftsmen Finance

Loans against Mortgage of Immovable Property

Mortgage Loan for Trade & Service Sector

School/Passenger Bus Finance

Several bank accounts can be opened from J&K Bank for business purposes that are as follows:

Basic Current Account

Gold Current Account

Grameen Current Account

Platinum Current Account

Premium Current Account

Premium Plus Current Account

Contact Us

Contact J&K bank at below address:

Registered/Corporate Office

M A Road, Srinagar 190 001, Jammu & Kashmir

For Customer Services:

Contact Centre : 1800 1800 234

Customer Care : 0194-2481999

Frequently Asked Questions (FAQs)

Q1. Does J&K Bank offer personal loan to pensioners?

Ans. Yes, J&K Bank offers personal loan to pensioners under the scheme called Saral/ Saholiat Finance Scheme for Pensioners.

Q2. What is the interest rate on J&K Saral/ Saholiat Finance Scheme for Employees?

Ans. The interest rate on J&K Saral/ Saholiat Finance Scheme for Employees is applicable MCLR + 3%.

Q3. What is the maximum repayment tenure for J&J Bank personal loan?

Ans. The maximum repayment tenure for J&K Bank personal loan is 7 years.

Q4. What is J&K Festival Advance Scheme?



Ans. J&K Festival Advance Scheme is a kind of personal loan. You can avail up to Rs. 75,000 under this scheme to meet expenses related to festival celebrations.

Q5. Can students get a personal loan from J&K Bank?

Ans. Yes, regular students of recognized schools, colleges and universities can avail "Laptop/ PC Finance" scheme offered by J&K Bank.

Q6. Does J&K Bank offer personal loan to professionals?

Ans. Yes, professionals can avail a personal loan from J&K Bank in the form of "Saral/ Saholiat Finance Scheme for Professionals".

Q7. How can I apply online for a personal loan?

Ans. You can use the online platform to compare and apply online for a personal loan.

Q8. What is the processing fee on Saral/ Saholiat Finance Scheme for Employees?

Ans. J&K Bank does not charge any processing fee on Saral/ Saholiat Finance Scheme for Employees.

Q9. What are the customer care numbers for J&K Bank?

Ans. The customer care numbers for J&K Bank are 0194-2481999 and 0194-2481936.

Q10. How can I check my credit score?

Ans. You can check your credit report and score for free at [Online platforms.com](https://www.onlineplatforms.com).

## BANKS

### Karnataka Bank Ltd

Karnataka Bank Personal Loan can be availed for both personal as well as business purposes. Karnataka Bank offers various personal loans including Ravi Kiran Loan, Insta Cash Loan and Xpress Cash Loan to cater to the varying needs of different borrowers. Currently, the bank offers unsecured personal loans up to Rs. 5 lakh and secured personal loans up to Rs. 500 lakh with repayment tenure extending up to 60 months. The following are details regarding personal loans offered by Karnataka Bank.



Karnataka Bank Personal Loan Highlights	
Interest Rate	11.32% p.a. onwards
Loan Amount	Up to Rs. 500 lakh
Loan Tenure	Up to 60 months
Processing Fee	0.50% of the advance (subject to a minimum of Rs. 250)
Types of Karnataka Bank Personal Loans	Insta Cash Loan, Ravi Kiran Loan and Xpress Cash Loan

#### Features of Karnataka Bank Personal Loan

Loan amount: Karnataka Bank offers various types of personal loans to cater to the diverse needs of different categories of applicants. However, the loan amount offered to an individual varies with the personal loan scheme opted for:

Personal Loan Type	Maximum Loan Amount
Xpress Cash	Rs. 5 lakh
Insta Cash	Rs. 500 lakh
Ravi Kiran Loan	Rs. 10 lakh

**Flexible tenure:** The personal loans offered by Karnataka Bank can be repaid within a convenient tenure starting at 12 months and extending up to 60 months.

**Diverse loan schemes:** Karnataka Bank offers three personal loan schemes to fulfill various personal and professional needs of different individuals.

**Easy application process:** You can easily apply for a Karnataka Bank personal loan online from the comfort of your home/office by submitting a few basic documents.

### Karnataka Personal Loan Interest Rates

The different Karnataka Bank personal loan interest rates are given below:

Type of Personal Loan	Interest Rate
Ravi Kiran Loan	11.67% p.a. onwards
Insta Cash Loan	11.32% p.a. onwards
Xpress Cash Loan	12% p.a. onwards

### Eligibility Criteria

The following key criteria need to be fulfilled to be eligible for different Karnataka Bank personal loans:

Particulars of Applicant	Xpress Cash Loan	Insta Cash Loan	Ravi Kiran Loan
Applicant Type	Private and Government sector employees having a tenure of at least 6 months	Individuals, joint borrowers, partnership firms or Hindu undivided family business	Individuals/ Farmers/ HUF/ Traders/ Proprietorship concerns/ Businessmen/ Professionals/ Salaried persons/Institutions etc.
Age	21 Years or above	18 Years or above	Depending on applicant type
Existing Loan	Must not have an existing unsecured personal loan from Karnataka Bank	As per bank's criteria	As per bank's criteria

### Types of Karnataka Bank Personal Loan

To cater to the varying requirements of different categories of borrowers, Karnataka Bank currently offers three personal loan variants including:

### 1. Xpress Cash Loan

KBL Xpress Cash Loan offers you instant funds to meet any personal financial requirement including medical expenses, education, wedding, travel, etc. related expenses. The loan can be easily availed online and requires minimal documentation. Some key features of KBL Xpress Cash Loan are as follows:

Interest rate starts as low as 12% p.a.

Offers loan amount up to Rs. 5 lakh

Disbursed within 10 minutes of loan approval

Offers a flexible repayment tenure ranging upto 60 months

### 2. Insta Cash Loan

KBL Insta Cash Loan offers finance for consumption purposes. It is an ideal option to deal with personal as well as business-related financial situations. It is a secured personal loan offered using Post Office Time Deposits/ NSCs / KVPs as collateral. Some key features of KBL Insta Cash Loan are:

Interest rate starts at 11.32% p.a.

Offers loan amount ranging between Rs. 10,000 to Rs. 500 lakh

The maximum repayment period for fixed loans is 60 months and 24 months for overdraft facility

Can be repaid on the due date as lump sum or monthly / quarterly / half yearly / yearly instalments

### 3. Ravi Kiran Loan

KBL Ravi Kiran Loan can be secured for the installation of solar lighting system, solar lantern, solar water heating system, etc. The application process is simple and involves minimal documentation. Some key features of KBL Ravi Kiran Loan are:

Interest rate starts as low as 11.67% p.a.

Offers loan amount up to Rs. 10 lakh

Comes with a flexible repayment tenure ranging upto 60 months

Can be repaid in equal/ equated monthly/ quarterly/ half yearly/ yearly installments

Requires hypothecation of solar energy products with accessories installed and third party solvent co-obligation/guarantee as security

Documents Required for Loan Application

The basic documents required to avail Karnataka Bank personal loan are as follows:

Proof of Identity: Passport/ PAN Card/ Aadhaar card/ Voter's ID/ Driving License, etc. (any one)

Proof of Residence: Utility Bill/ Passport / Rent Agreement, etc. (any one)

Bank Statement for the last 3 months with income details

Salary slip for the last 3 months (for salaried applicants)

2-3 Passport size photographs

Note: Depending upon the type of personal loan you avail, you might be asked to submit some additional documents by the bank.

#### Check Karnataka Bank Personal Loan Application Status

You can track the status of your Karnataka Bank Personal Loan application via any of the following means given below:

You can login to Karnataka Bank's internet banking portal to check the status of your loan application

You can call the customer care on 1800-425-1444 or 080-220-215-07/08/09

You can also send an email to [info@ktkbank.com](mailto:info@ktkbank.com)

#### Fees and Other Charges

Some of the key fees and charges associated with Karnataka Bank personal loan are given below:

Processing fee	0.50% of the advance subject to a minimum of Rs. 250
Stamp Duty and other Statutory Charges	As per applicable laws
Pre-payment charges	NA

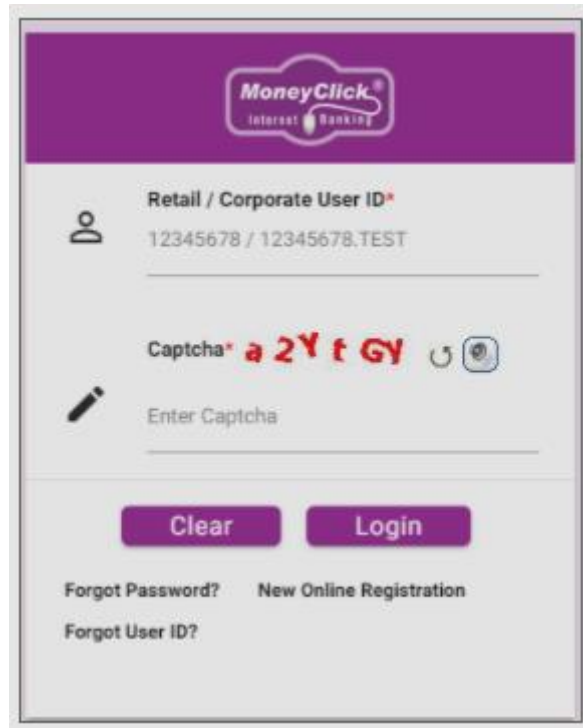
#### How to Login on Karnataka Bank Portal

You can login to Karnataka Bank's internet banking portal by simply following the steps given below:

Visit the Karnataka Bank website

Click on 'Internet Banking' and select 'Personal NetBanking'

Login using your User ID and the captcha code



### Karnataka Bank Personal Loan Statement

You can get your Karnataka Bank personal loan statement both online and offline:

You can view and/or download the personal loan statement by logging in to your loan account on the bank website or mobile application.

You can contact Karnataka Bank customer care via call or email and request for a statement of your loan account.

You can also avail a physical copy of your personal loan statement by visiting the nearest Karnataka bank branch.

### EMI Calculation

The following table depicts a sample of monthly EMI payouts calculated using Online platforms's personal loan EMI calculator for varying Karnataka Bank Personal Loan principal amounts, loan tenures and interest rates:

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
1 lakh @ 12% p.a.	8,885	4,707	3,321	2,633	2,224
5 lakh @ 13% p.a.	44,659	23,771	16,847	13,414	11,377
10 lakh @ 15% p.a.	90,258	48,487	34,665	27,831	23,790

### Comparison of Karnataka Bank Personal Loan vs. Other Lenders

The table below gives a comparison of the key features of a personal loan offering from Karnataka Bank with other top lenders in the country:

Particulars	Karnataka Bank	ICICI Bank	Bajaj Finserv	Citi Bank	HDFC Bank	Axis Bank
Interest Rate	Starting from 11.32%	Starting from 11.25% p.a.	Starting from 12.99% p.a.	Starting from 9.99% p.a.	10.75% to 21.30% p.a.	12% to 24% p.a.
Tenure	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Up to Rs. 500 lakh	Up to Rs. 20 lakh	Up to 37 lakh	Up to Rs. 30 lakh	Up to Rs. 15 lakh	Rs. 50,000 to Rs. 15 lakh
Processing Fee	0.50% of the advance subject to a minimum of Rs. 250	Up to 2.25% of loan amount plus GST	Up to 4.13% of the loan amount	Up to 3% of the loan amount	Up to 2.50% of the loan amount	Upto 2% of loan amount plus GST

### Karnataka Bank Customer care

You can get in touch with Karnataka Bank's customer care using any of the following means given below:

By Phone: You can call on 1800-425-1444 or 080-220-215-07/08/09

Email: You can send an email to [info@ktkbank.com](mailto:info@ktkbank.com)

### Important Aspects

Given below are a few important aspects that you must keep in mind when applying for a personal loan with Karnataka Bank:

Consider the complete cost of the loan. With the interest cost other charges such as processing fee, late payment fee, foreclosure charges, etc. must also be taken into account before finalizing upon a particular personal loan.

Before applying for a personal loan, try and compare different personal loan interest rates and charges online to get the best deal.

It is a good practice to check your credit score before applying for a personal loan. A low credit score may result in the rejection of your personal loan application or an increase in the interest rate charged by the lender.

Refrain from applying for a personal loan with multiple lenders simultaneously. It portrays you as credit hungry as well as results in an increase in the number of hard inquiries for your credit report which may adversely affect the chances of your loan approval.

Avoid borrowing more than what you really need. Borrow according to your requirement and repayment ability.

### **Business Loans**

Karnataka Bank is India's one of the leading scheduled private sector banks that provides MSME loans across India. Any person/entity that requires a business/MSME loan for expanding business, buying new machinery, purchase of inventory, or for fulfilling working capital needs can opt for Karnataka Bank's business loans that provide comprehensive support. The bank offers MSME loans at interest rates of 10.25% onwards and offers funding for MSMEs with simple processing and quick sanction process.



<b>Karnataka Bank MSME Loan – 2021</b>	
Interest rate (Under CGTMSE)	10.25% onwards
Loan Amount	Max. Rs. 1500 lakh
Loan Amount (Under CGTMSE)	Max. Rs. 200 lakh
Repayment Tenure	120 months (Term Loan)
Repayment Tenure	34 months (Working capital OD)
Cash Margin	25% of the loan amount
Collateral Security of property	To be obtained not less than 60% of the exposure
Security	Hypothecation of assets acquired, book debts, stocks and mortgage of business space or acquired property out of loan amount.

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

#### Eligibility Criteria

All MSMEs involved in manufacturing, production, processing or preservation of goods are considered to be eligible for availing MSME loans.

#### Purpose

MSME loans offered by Karnataka Bank can be used for following purposes:

#### Working Capital Needs

Purchase of property for self-use. (Property i.e. Office, shop, godown, factory)

Establishment or improvement of units

Repairs and renovations of units

Acquiring equipment, vehicles and machineries, etc.

#### Document Required for Loan Application

PAN Card of the applicant, an individual or the company

Identity proof of the applicant

Address proof of the applicant

Bank statement of the last 12 months

A certified copy of Income Tax Returns, Balance Sheet, Profit and Loss Statement of preceding 2 financial years

A certified copy as proof of continuation of the business

Other documents as required by the bank

## Types of MSME loans offered by Karnataka Bank

### KBL MSME Loan

Interest Rate: 10.25% onwards

MSMEs can apply for business loans for fulfilling working capital needs, purchase of assets, and purchase and repair of machinery/equipment. KBL has a ceiling of Rs. 1500 lakh for the disbursement of loans to MSMEs. An enterprise can get a collateral-free loan for an amount of up to Rs. 10 lakh. The tenure for working capital loan is for 12, 15, and 18 months, and for term loans, it can extend up to 120 months.

Generally, the collateral security of property is not less than 60% of the exposure. The sanctioning of the loan also requires a guarantor. Schedule for interest rates for MSME loans is given below:

<b>KBL-MSME : (Finance for MSMEs) (covered under CGTMSE)</b>	<b>Interest Rate (in %)</b>
Loan up to Rs.10 lakh (based on the risk rating of the borrower)	10.25 – 10.40
Old Vehicles (Above Rs. 10 lakh up to Rs. 50 lakh) (based on the risk rating of the borrower)	12.85 onwards
New Vehicle ( Above Rs. 10 lakh up to Rs. 100 lakh) (based on the risk rating of the borrower)	10.25 onwards
Others than vehicles loan ( Above Rs. 10 lakh to Rs. 200 lakh) (based on the risk rating of the borrower)	10.25 – 10.40
<b>KBL-MSME : (Finance for MSMEs) (not covered under CGTMSE)</b>	<b>Interest Rate (in %)</b>
Old Vehicles (Up to 50 lakh)	13.65 onwards
New Vehicle ( Up to 100 lakh)	10.95 onwards
Other MSME loans (Above Rs.100 lakh)(based on the risk rating of the borrower and security coverage)	9.90-10.75

*Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.*

### KBL Commodity Pledge

Interest Rate: 10.55% onwards

KBL Commodity Pledge Loan scheme is offered to traders and millers against pledge of their agricultural commodities. Individuals, HUF's, partnership firms, and companies engaged in the trading or processing of agricultural commodities for not less than 3 years can apply for this loan. Under this loan, the agricultural commodities purchased or processed are taken as collateral. A maximum of 70% of the value of the collateral can be obtained as a loan. The floor and ceiling amount of loans are Rs. 10 lakh and Rs. 200 lakh.

**KBL Mortgage OD (Overdraft)**

Interest Rate: 11.35% onwards

KBL Mortgage OD is an instrument to provide finance for meeting professional, business, and working capital requirements. Individuals or enterprises eligible under the Priority Sector and of age above 21 years are allowed to avail the benefit of this loan. It can be availed for working capital needs subject minimum amount of Rs. 11 lakh and maximum up to Rs. 100 lakh. The maximum loan repayment period can be 12 months and the margin is minimum up to 60%. The loan schedule for the same is given below:

<b>KBL-Mortgage</b>	<b>Interest Rates</b>
Upto Rs.100 lakh	11.35% onwards
Above Rs.100 lakh	12.35% onwards
KBL-Mortgage-OD (Finance for meeting business working capital requirements)	11.35% onwards

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

**KBL Contractor Mitra**

Interest Rate: 10.40% onwards

Individuals, partnership firms, companies involved in the civil contract services can avail KBL Contractor Mitra loan for purchase of new vehicles or machinery required for civil contract services. Against the hypothecation of the vehicle or machinery bought, a maximum amount of Rs. 1000 lakh can be availed for a maximum repayment period of 84 months for new vehicles and machinery, and 48 months for used vehicles.

KBL Mahila Udyog

Interest Rate: 10.35% onwards

KBL Mahila Udyog is a funding scheme in which bank provides finance for women entrepreneurs. Companies/Enterprises in which at least 51% of the shareholding and controlling stake is with women entrepreneurs and women Self-Help Groups (SHG) can apply for this loan for any income-generating activity against hypothecation of assets. Working Capital Loan can be availed for a maximum of Rs. 2 lakh and maximum period of 12 months. Term Loan can be availed for a maximum of Rs. 10 lakh and maximum period of 120 months.

FAQs

Q1. What is the minimum and maximum quantum of loan over the range of personal loan schemes offered by Karnataka Bank?

The range of minimum and maximum value of loan would be from Rs.10,000 to a maximum of Rs.500 lakh.

Q2. What are the tenure options available on Karnataka Bank personal loans?

Karnataka Bank personal loans come with a repayment tenure ranging between 12 to 60 months.

Q3. What is Karnataka Bank Personal Loan interest rate per annum?

The interest rate for Karnataka Bank personal loans starts as low as 11.32% p.a. However, interest rate applicable to a particular applicant varies with the person's individual applicant profile including his/her credit score, age, employment status, the personal loan variant opted for, etc.

Q4. How do I apply for Karnataka Bank personal loan offline?

You can visit the nearest branch to apply for Karnataka Bank personal loan offline. To locate the nearest branch use the branch locator on the Karnataka Bank official website.

Q5. How can I utilize the loan amount availed on a personal loan from Karnataka Bank?

Karnataka Bank personal loans come with flexible end usage and can be used to meet various personal financial needs. However, the Ravi Kiran Loan can only be used for specific purposes such as the installation of solar lighting systems, solar water heating systems, solar lantern, etc.

## BANKS

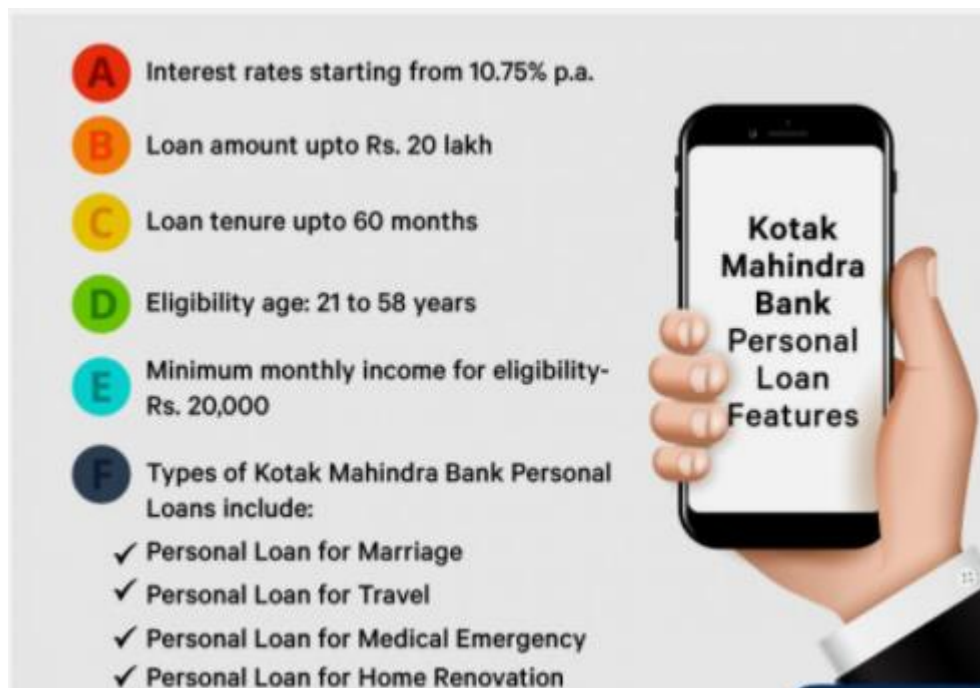
### Kotak Mahindra Bank Limited

Kotak Mahindra Bank personal loans are available to applicants seeking loans for amounts as low as Rs. 50,000 and as high as Rs. 20 lakh. These loans are suitable for funding a variety of financial requirements including home renovation, foreign travel, debt consolidation and medical expenses.



<b>Kotak Mahindra Bank Personal Loan Highlights</b>	
Interest rate	10.75% p.a. onwards
Loan Amount	Up to Rs. 20 Lakh
Eligible Applicant Category	Salaried Individuals
Eligible Applicant Age	Min. 21 years and Max. 58 years
Eligible Income	Min. Rs. 20,000 p.m. (Net)
Processing Fees	Up to 2.5% of loan amount sanctioned
Loan Tenure	Up to 60 months
Personal Loan Types	Marriage Loan, Travel Loan, Medical Emergency Loan, Home Renovation Loan, etc.

## Features of Kotak Mahindra Bank Personal Loan



**Loan Amount:** Kotak Mahindra Bank offers personal loan starting from Rs 50,000 up to Rs 20 Lakh. Before finalizing the loan amount, the bank takes into account the profile of the loan applicant that includes credit score, financial history, annual income, repayment capability, etc.

**Repayment Options:** Kotak Mahindra Bank offers flexible repayment options with tenure ranging from 12 to 60 months through convenient EMI payments

**Minimal Paperwork:** The bank asks for minimal documentation when you are applying for a personal loan making the entire process quick and hassle-free

**Balance transfer:** You can transfer your existing personal loan from other lender to Kotak Mahindra Bank in order to avail better terms along with lower interest rates

### Kotak Mahindra Bank Personal Loan Interest Rates

Starting from 10.75%, the interest rate offered by Kotak Mahindra on a personal loan ensures affordable EMIs. However, the interest rate offered to an individual depends on his credit score, age, employer, repayment history, etc.

### Types of Kotak Mahindra Bank Personal Loans

The following are the key types of personal loans currently offered by Kotak Mahindra Bank:

Personal Loan for Marriage

Personal Loan for Travel

Personal Loan for Medical Emergency

Personal Loan for Home Renovation

### 1. Personal Loan for Marriage

If you need money to fund a wedding, you can apply for Kotak Mahindra Bank personal loan for marriage and can avail a loan amount of up to Rs. 20 lakh. This loan can cover expenses related to venue, catering, decoration, photography, accommodation for guests, honeymoon, etc.

### 2. Personal Loan for Travel

Are you planning to go to your dream destination but don't have enough money to fund your vacation? With Kotak Mahindra Bank Personal Loan for Travel, you can borrow money starting from Rs. 1 lakh to Rs. 20 lakh and can easily pay for your flight tickets, accommodation sight-seeing, shopping, etc.

### 3. Personal Loan for Medical Emergency

With minimum paperwork and instant approval, you can avail funds immediately if you apply for Kotak Mahindra Bank Personal Loan for Medical Emergency. Offered up to Rs. 20 lakh, this loan ensures that you are easily able to pay the medical bills and then repay the loan in easy installments.

### 4. Personal Loan for Home Renovation

Whether you want to paint your home or fix that ceiling that has been leaking or wish to buy a new sofa for your drawing room or want a modular kitchen, Kotak Mahindra Bank Personal Loan for Home Renovation that is offered up to Rs. 20 lakh is an ideal choice to give a new and modern look to your house.

#### Eligibility Criteria

You should be an Indian resident

You should be at least 21 years old and your maximum age should be 58 years

You should be an active/permanent employee of an MNC, public or private limited company with a minimum work experience of at least 1 year

Your net salary should be at least Rs. 20,000 per month

You should at least be a graduate

#### Documents Required for Kotak Mahindra Bank Personal Loan

Proof of Identity: Passport, PAN, Aadhaar, Voter's ID, Driving License

Proof of Residence: Utility Bill, Passport or Leave and License Agreement

Bank Statement for the last 3 months with income details

Salary slip for the last 3 months

2-3 passport size photographs

## Check Kotak Mahindra Bank Personal Loan Application Status

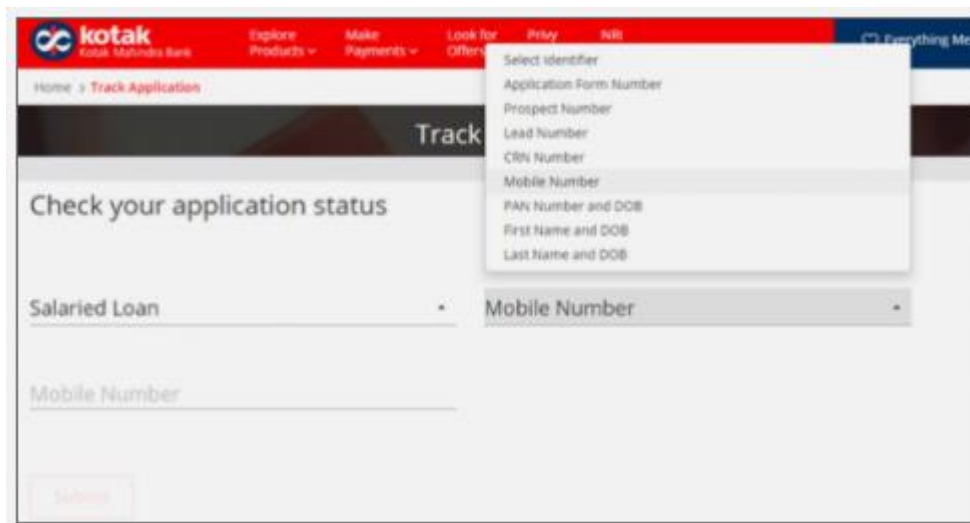
The following are the steps for checking the status of your Kotak bank personal loan application:

Step1. Log on to the track application page on the Kotak website.

Step2. Select salaried loan from the dropdown menu.

Step3. Select and mention identifier such as application form number, mobile number, PAN and DOB, etc.

Step4. Click on 'Submit' to check the updated status of your loan application.



The screenshot shows the 'Track Application' page on the Kotak Mahindra Bank website. The page has a red header with the Kotak logo and navigation links like 'Explore Products', 'Make Payments', 'Look for Offers', 'Privacy', and 'NRI'. Below the header, there's a breadcrumb trail 'Home > Track Application'. The main content area is titled 'Track Application' and 'Check your application status'. It features two dropdown menus: 'Salaried Loan' and 'Mobile Number'. A third dropdown menu is open, listing various identifiers: 'Select Identifier', 'Application Form Number', 'Prospect Number', 'Lead Number', 'CRN Number', 'Mobile Number', 'PAN Number and DOB', 'First Name and DOB', and 'Last Name and DOB'. Below these dropdowns is a text input field labeled 'Mobile Number' and a 'Submit' button.

## Fees and other Charges

The following are some of the key fees and charges associated with your Kotak Bank personal loan:



<b>Loan Processing Charges</b>	Up to 2.5% of the loan amount+ GST and other applicable statutory levies
<b>Stamping Charges</b>	Applicable as per the respective State's Stamp Act
<b>Credit Appraisal Charges</b>	Up to 5% of the loan principal, not exceeding Rs. 7500 (inclusive of GST )
<b>Overdue Interest</b>	3% p.m. compounded monthly on the overdue amount from due date till completion of payment
<b>Collection Charges</b>	30% of cheque / instrument dishonour charges (GST included) + overdue interest
<b>Dishonour Charges each Instance</b>	Rs. 750 per instance (inclusive of GST and other applicable statutory levies)
<b>Swap Charges( Replacement of PDCs)</b>	Up to Rs. 500 per instance + GST and other applicable statutory levies
<b>Prepayment Interest / Forclosure Charges</b>	Lock in period for 12 months. After 12 months, 5% foreclosure charges + GST on principal outstanding
<b>Duplicate Issue of NOC</b>	Rs. 500 + GST and other applicable statutory levies per instance
<b>No Dues Certificate</b>	Rs. 500 + GST and other applicable statutory levies per instance
<b>Charges for furnishing a copy of the credit information report (CIBIL) to the applicant.</b>	Rs. 50 + GST and other applicable statutory levies per instance
<b>Charges applicable in case customer requests for copies of records pertaining to his transactions ( SOA / Amortization Schedule)</b>	Once yearly without any charge. Post that Rs. 250 per request+ GST and other applicable statutory levies

### How to Login on Kotak Mahindra Bank Portal?

The following are the steps to log into the Kotak Mahindra Bank portal:

Go to the Kotak Mahindra Bank Net Banking Login page

Either enter your CRN (Customer Relationship Number), User Name or Forex Card to log in

Enter your Net Banking password

Click on 'Secure Login' to access the online banking interface of Kotak Mahindra Bank

### Kotak Mahindra Bank Personal Loan Statement

Kotak Mahindra Bank does not have a dedicated portal for checking personal loan details/statements online. In order to check your personal loan statement online, you can log into the Kotak Mahindra Bank Internet Banking portal as discussed earlier. Alternately, you may request a physical copy of your personal loan statement from Kotak Mahindra Bank by contacting customer care or visiting the nearby branch (charges may apply).

### Kotak Mahindra Bank Personal Loan EMI Calculation

The following personal loan EMI calculation is an illustration of how the monthly EMI of a Kotak Mahindra Bank PL varies based on loan tenure, loan principal and interest rate.

Loan principal @ interest	Tenure				
	1 year	2 years	3 years	4 years	5 years
2 lakh @ 11%	Rs. 17,676	Rs. 9,321	Rs. 6,547	Rs. 5,169	Rs. 4,348
5 lakh @ 11.25 %	Rs. 44,249	Rs. 23,361	Rs. 16,428	Rs. 12,983	Rs. 10,933
10 lakh @ 12%	Rs. 88,848	Rs. 47,073	Rs. 33,214	Rs. 26,333	Rs. 22,244
14 lakh @ 12.5%	Rs. 1,24,716	Rs. 66,230	Rs. 46,835	Rs. 37,211	Rs. 31,497

### Kotak Mahindra Bank Personal Loan Top-Up

After 9 months of the sanctioned date of your existing personal loan with the bank, Kotak Mahindra Bank provides the personal loan top-up loan facility. The top-up loan facility is usually offered at the existing rate. That said a higher or lower interest rate may be applicable after considering key factorings including repayment history,

outstanding loan amount, age, employer, etc. of the individual applicant. You can also apply for top-up loan by phone, just SMS 'PLTOPUP' to 5676788

#### Comparison of Kotak Mahindra Bank PL vs. Other Lenders

The following is a comparison of the personal loan offered by Kotak Mahindra Bank vs. personal loan offers from other lenders:

Particulars	Kotak Mahindra Bank	HDFC Bank	Citi Bank	Axis Bank	ICICI Bank	Bajaj Finserv
Interest Rate	Starting from 10.75%	11.25% to 21.50%	Starting from 9.99%	12% onwards	11.50% to 19.25%	Starting from 12.99%
Tenure	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Upto Rs. 20 lakh	Upto Rs. 40 lakh	Upto Rs. 30 lakh	Rs. 50,000 to Rs. 15 lakh	Upto Rs. 20 lakh	Upto Rs. 25 lakh
Processing Fee	Upto 2.5% of the loan amount plus GST and other applicable statutory levies	Upto 2.50% of the loan amount	Upto 3% of the loan amount	2% of loan amount plus GST	Upto 2.25% of loan amount plus GST	Up to 3.99% of the loan amount

#### Kotak Mahindra Bank Customer Care Number

The following are the key ways to contact the customer care department of Kotak Mahindra Bank:

Domestic customers can call 1860 266 2666 (standard call rates applicable)

NRI customers can call the following international numbers:

USA – 1855-3656767

Australia – 001180044990000

Hong Kong – 00180044990000

U.K – 0080044990000

Canada – 18557684020

Singapore – 8001013054

You can contact Kotak Mahindra Bank customer care by email

You can visit also the nearest bank branch in person with your request.

## Important Aspects

The following are some key considerations when applying for a personal loan:

**Know your purpose:** Be clear about the reason why you need a personal loan. Do not take it because it is easily available rather apply for one only when there is an actual requirement. Also, do not borrow more than what you actually need because that can adversely affect you in the long term

**Check your credit score:** All lenders take your credit score into consideration before approving your personal loan application as it is a reflection of your past repayments. Therefore, you must know and maintain a high credit score (as close to 900 as possible) in order to increase your chances of approval

**Decide tenure:** The tenure for a personal loan usually varies from 12 to 60 months. Therefore, you must calculate your EMIs using Online platforms's Personal Loan EMI Calculator and go for a tenure that is suitable for you

**Compare all the options:** Different lenders offer different interest rates on a personal loan. You must compare all applicable offers from various lenders and choose a loan with the interest rate, foreclosure charge and tenure that suits your unique requirement

## FAQs

Q1. Is it possible to reschedule or postpone my personal loan EMI?

No, you cannot postpone or reschedule the EMI of your personal loan once it has been disbursed by Kotak Mahindra Bank.

Q2. Can I foreclose my personal loan?

Yes, you can foreclose your personal loan after paying your 12th personal loan EMI. You will have to inform Kotak Mahindra Bank about your decision to foreclose the loan through a written application, by calling on the 24x7 helpline number 1860-266-2666 or sending an email. The personal loan pre-payment charge payable to Kotak Bank is 5% of the principal amount foreclosed.

Q3. Is part- prepayment of personal loan possible?

No, part-prepayment facility on personal loans is not offered by Kotak Mahindra Bank.

Q4. Why should I opt for balance transfer facility offered by Kotak Mahindra Bank?

Ans: You may opt for balance transfer facility offered by Kotak Mahindra Bank to avail the following benefits:

Smooth paperwork and hassle-free documentation  
Speedy processing

Quick disbursal of loan amount

Flexible repayment

Q5. How is my personal loan amount disbursed?

Once your personal loan is approved, the amount is electronically transferred to your bank account, the details of which are to be submitted at the time of the personal loan application.

Q6. Can I change my personal loan instalment date?

Yes, you can change your personal loan installment date by contacting the Kotak Mahindra Bank's customer care department. Currently personal loan EMI payment dates for the bank are available between 2nd and 10th of every month.

## Business Loan

Kotak Mahindra Bank is one of the eminent banks of the country providing business loans to its customers at an interest rate of 16% onwards. The bank has financial solution to cater to the all sectors of the business including agriculture, manufacturing and service provider.

Eligibility Criteria for Kotak Mahindra Business Loan

To apply for a business loan from Kotak Mahindra bank, below are the eligibility criteria –

The loan applicants should have an annual business turnover of Rs. 2 crore

Manufacturers who are willing to apply for a business loan should have an annual business turnover of Rs. 1 crore

The loan applicant should be in the business for the last three years along with the business profit and loss sheet of 2 years

Service Providers should also have annual turnover of Rs. 50 lakh

Kotak Mahindra Business loan Interest Rate and Charges – 2021

Current Business loan interest rate and charges are as follows as:

Services	Fees and Charges
Interest Rate	16% onwards
Processing Charges	Max. 3% of the loan amount plus the applicable GST (Non Refundable)
Documentation Charges	Max. Rs. 5000 plus applicable GST
Prepayment Charges	6% of foreclosure loan amount with a lock in period of 12 months from the date loan agreement plus applicable GST charges.

## Documents Required for Loan Application

Following are some of the documents that are required to apply for a business loan:

Proof of Identity (Aadhaar, PAN, Driving License, Voter ID)

Proof of Address (Passport, Voter ID, Aadhaar, Bank Statements)

Proof of Income (Income Tax Returns, Business Profit and Loss sheet)

Loan Application along with photographs

How to Apply for Business Loan in Kotak Mahindra Bank

Kotak Mahindra offers multiple business loan products that cater to different sections of business aspects. If you are looking for options and want to apply for a business loan, you can visit at [Onlineplatforms.com](http://Onlineplatforms.com) where all the comparisons of banks business loans along with interest rate and features are available. All the business loan products offered by the banks and NBFCs can be compared here at [Onlineplatforms.com](http://Onlineplatforms.com)

So, Kotak Mahindra Bank offers a range of business loans for small and large businesses for their financial requirements with competitive interest rate and features

## Business loans – Types and Features

### 1. Loan Against Property

The loan amount can be taken from Rs.10 lakh to maximum Rs. 5 crore

Commercial, residential and industrial property can be kept as collateral for the loan amount

The fund can be used for debt consolidation, education, emergency, expansion of existing business, etc.

Loan against property can be taken in the form of term loan as well as overdraft facility

### 2. Business Loan

The business loan amount ranges from Rs. 3 lakh to maximum Rs. 75 lakh

The repayment options are very flexible

Kotak Mahindra Bank offers minimal paperwork along with easy EMIs

For banking related query, the bank offers convenient door step services in order to make it more feasible for the loan applicants

### 3. Commercial Vehicle Financing

Commercial Vehicle Financing provides customized solutions to the commercial vehicle owners and transporters

Finance is issued for expansion of both new vehicle and used vehicle, or to top up the existing loan, or to provide working capital loan, or to educational institutes for the purchase of commercial vehicles and etc.

The tenure of the loan is 12 months to 60 months

Individuals/ company/ partnership firms with minimum two years of experience in business residing in the approved locality for the last 2 years are eligible for this loan.

The bank at its discretion can issue loan to the fresh entrants

### 4. Crop Loans

The objective of this loan is to provide working capital to farmers to meet the expenses like cost of cultivation, development of the farm, cost of inputs and etc.

The loan process is very easy and the sanction turnaround time is also very fast

The loan amount for costly value crops can be high also

All farmers whose age is 18 years to max 75 years at the maturity of the loan can avail for this loan. The loan can be taken on sole responsibility as well as on joint responsibility. Max 5 members can avail for loan on joint. Crop loan also offer extended facilities of Kisan Credit Card and Agri Term Loan

#### 5. Farm Equipment

This loan scheme is for the farmers who want funds to purchase tractors, equipment, harvesters, sprayers, threshers, dusters, loaders etc. to help in the production of the crops

This loan is available for the individual who already has a banking relationship with the bank

The bank network is huge thus making the loan accessible to all

Along with this loan the applicant can also avail Kotak Kisan Suraksha which is an insurance policy meant for the farmers

The applicant should have minimum 3 acres of land in his name and should be residentially established for last 2 years and also minimum 2 years of experience in the field

#### 6. Agriculture Project Loan

Dedicated relationship manager for the loan facility to guide and help the applicant in any financial issue related to the bank

Finance of the overall project cost

Wide network of the bank thus allowing easy loan access

Project assessment and calculation ability by the bank

All MSME, farmers, traders and exporters, aggregators and processors involved in the agriculture business can apply for this loan scheme

The loan can be taken for long term, to finance the dealers, finance the suppliers, loan to promoters involved in agricultural project

#### 7. Construction Equipment/ infrastructure Finance

Easy documentation

New entrants can also apply for this loan at the discretion of the bank

Up 100% of financing

All individuals/ company/ partnership firm with 1 year of business experience and resident in the approved locality for last 2 years can avail for this particular loan

#### 8. Working Capital Loan

This loan is offered so that the business can meet its daily operations without any financial constraints

Five types of working capital loans are offered by the bank which include dealer finance, agri SME business, channel finance, facility against credit card receivables and transportation, logistics and warehouse loans

The loan tenures are flexible and loan amounts have a wide range

Simple documents are required to avail any type of working capital loan offered by the bank

A dedicated relationship manager is assigned to help businesses understand their loan requirements, apply for the loan and then avail the loan at the shortest possible time

Frequently Asked Questions (FAQ)

Q. What are the different business loan products that Kotak Mahindra Offers?

Ans. Some business loan products that the bank offers are:

Loan against Property

Crop Loan

Business Loan

Commercial vehicle loan

Farm Equipment loan

Working Capital loan

Agricultural Project loan

Q. What are the interest rate charges on business loan offered by Kotak Mahindra Bank?

Ans. Interest Rate of Kotak Mahindra Bank starts from 16% onwards.

Q. What is the loan amount that Kotak Mahindra offers on business loan?

Ans. The loan amount starts from Rs.3 lakh up to Rs.3 crore, with terms and conditions set by the bank



## BANKS

### Punjab National Bank

Punjab National Bank offers multiple unsecured loan options for different groups of individuals as part of its personal loan offerings. If you are a salaried individual or permanent defence personnel or doctor or a pensioner who fulfill their respective eligibility criteria you can avail a Punjab National Bank personal loan to meet various personal and professional needs. The maximum PNB personal loan amount that can be availed is up to Rs. 15 lakh and it can be repaid within a 12 to 84 months period.



Punjab National Bank Personal Loan Highlights	
Interest rate	Starting at 8.95% p.a.
Loan Amount	Up to Rs. 15 lakh
Loan Tenure	Up to 84 months
Processing Fees	1% of loan sanctioned
Eligible Applicant Categories	<ul style="list-style-type: none"><li>• Salaried Individuals (Including Defence Personnel)</li><li>• Doctors</li><li>• Pensioners</li></ul>
Types of Loans	Personal Loan Scheme for Public, PNB Doctor's Delight and Personal Loan Scheme for Pensioners
Foreclosure Charge	Nil

#### Features of PNB Personal Loan

The following are some of the important benefits of availing PNB Personal Loan:

Various schemes: Punjab National Bank offers multiple types of personal loan schemes that are targeted at specific types of applicant segments

Loan amount: Starting from a minimum loan amount of Rs. 25,000, Punjab National Bank offers a personal loan of up to Rs. 15 lakh

Easy application: An individual can apply for Punjab National Bank personal loan either online or offline depending on their preference

Flexible loan repayment period: PNB personal loans can have a repayment period ranging from 12 months to 60 months with the option of foreclosure making it one of the most flexible ways to borrow

No hidden charges: The bank charges for its services in a transparent services in a transparent manner, hence an applicant is informed about all fees and charges at the time of applying for a loan

**PNB Personal Loan Interest Rates**

The following are the interest rates for different types of personal loans offered by Punjab National Bank:

Type of Personal Loan	Interest Rate (p.a.)
For loans up to Rs. 10 lakh (Only for individuals whose salary is routed through PNB branch including Defence Personnel)	8.95% onwards
For loans above Rs.5 lakh and up to Rs.10 lakh (For individuals whose salary is not routed through PNB branch)	10.30% onwards
For loans up to Rs.5 lakh who are availing the loan under check off facility (including Defence Personnel)	11.80% onwards
PNB Doctor's Delight	8.95% onwards
Personal Loan to Pensioners	9.30% onwards

**Eligibility Criteria**

**Personal Loan Scheme for Public**

All permanent Defense Personnel including officials of Military Station Headquarters, Central Reserve Police Force, Border Security Force, Indo Tibetan Border Police Central Industrial Security Force, etc. However, loan request of Defense Personnel, who are due for retirement within next 24 months, may not be entertained

Confirmed/permanent employees of Central/State Govt./PSUs and all reputed companies/Institutions including Schools, Universities, Colleges, autonomous bodies, Hospitals/Nursing Homes, who are either drawing their salary through accounts maintained with our branches or if these employers agree for check off facility

Minimum net monthly income for eligibility of Defence personnel and teachers is Rs. 7500 at all centres

## PNB Doctor's Delight

This loan can be availed by professionally qualified practicing/serving Doctors such as MBBS, BDS, etc.

Applicants must having Net Annual Income/Salary of Rs. 5.00 lakh and above  
Doctors must be taxpayers for at least the last two years  
He/she must have a continued occupancy at their current place of residence for a minimum period of 2 years (not applicable for doctors who are employees of Government/Institutions etc.)

### Personal Loan Scheme for Pensioners

This personal loan is available to all pensioners drawing their pension through a branch of Punjab National Bank. Closure of pension account during loan tenure is not allowed.

### Types of Punjab National Bank Personal Loan

#### Personal Loan Scheme for Public

This PNB personal loan is available to multiple categories of applicants and some of its key features are as follows:

<b>Minimum Loan Amount</b>	Rs. 50,000	
<b>Maximum Loan Amount</b>	For all borrowers:	Rs. 4 lakh or 20 times monthly net salary whichever is lower
	For salaried individuals who have completed service of 3 years or more with the current organization	Rs. 5 lakh or 20 times monthly net salary whichever is lower
	For applicants drawing salary through PNB salary account and have completed 3 or more years of service with the present organization	Max. Rs.10 lakh or 20 times of Net monthly salary for loan up to Rs.5 lakh and 15 times of Net monthly salary for loan over Rs.5 lakh.

## PNB Doctor's Delight

This personal loan option from PNB is available to privately practicing as well as salaried doctors with recognised qualifications such as MBBS, BDS, etc. Key features of the loan are as follows:

Minimum amount of loan: Rs.2 lakh

Maximum amount of loan: Rs.15 lakh or 20 times gross monthly salary, whichever is lower

Maximum repayment tenure allowed is 84 months

Personal Loan Scheme for Pensioners

This PNB personal loan variant is available to pensioners who have an operational pension account at any Punjab National Bank branch. Key features are:

Minimum amount of loan: Rs.25,000

Maximum amount of loan varies by type of pensioner

(i) For age up to 70 years – Lower among Rs.10 lakh and 18 times net monthly pension

(ii) For Defence pensioners aged up to 70 years – Lower among Rs. 10 lakh and 20 times net monthly pension

(iii) For age above 70 years and up to 75 years – Lower among Rs.7.5 lakh and 18 times net monthly pension (20 times net monthly pension in case of Defence pensioners)

(iv) For age above 75 years – Rs.5 lakh or 12 times monthly pension amount, whichever is lower.

Documents Required for Loan Application

While some supporting documents for a personal loan may vary from one applicant to another, the following are some key documents that are required to successfully apply for a personal loan with Punjab National Bank:

PAN Card

Identity proof (any one): Passport, Aadhaar, Voter Identity Card, Driving License, Aadhaar Card

Address proof (any one): Ration Card, Bank Account Statement, Passport, Driving License, Electricity Bill, Telephone Bill, Sale Deed/Property purchase agreement(for owned properties), Aadhaar Card

Income proof: Bank Account Statement, Salary Slips

Check PNB Personal Loan Application Status

Punjab National bank allows you to easily check the status your personal loan application online. You can follow the below mentioned steps to check the status of your application:

Step 1: Visit the official PNB website

Step 2: Click 'Online Services'.



Step 3: Click 'Loan' under 'Online Services' tab.



Step 4: A new page will open. Now click "Click Here to Check Your Application Status".



Step 5: Now enter the required details to process further and check your application status.

### Fees and other Charges

There are a few charges to consider apart from interest charges when applying for a PNB personal loan. The following table shows some key charges associated with a PNB personal loan:

Particulars	Personal Loan	PNB Doctor's Delight	Personal Loan to Pensioners
Processing Fee	1.00% of the loan amount Nil for Defence Personnel	0.90% of the loan amount	NIL
Documentation Charges	Up to Rs.2 lakh- Rs.270 Above Rs.2 lakh- Rs.450 Nil for Defence Personnel	Rs.450	Rs.500

### How to Login on PNB Portal

Mentioned below are the steps required to login on PNB portal:

Step 1: Visit the official website of Punjab National Bank

Step 2: Click 'Internet Banking Login'



Step 3: A new tab will open. Click on 'Retail Internet Banking'



Step 4: Enter your Internet Banking details to login. Now you can proceed further to seek any information related to online banking activities.



## PNB Personal Loan Statement

You can either go online or offline to get your PNB Personal Loan Statement.

You can view and download the statement by simply logging into the PNB online portal using your online banking credentials.

Alternatively, you can visit the nearest branch of Punjab National Bank and request a physical copy of the personal loan statement. The service might be chargeable in case you opt for a physical copy.

### EMI Calculation

The following table is an illustration of how the EMI of a PNB personal loan varies with respect to loan tenure and interest rates:

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout				
	1 Year Tenure	2 Years Tenure	3 Years Tenure	4 Years Tenure	5 Years Tenure
1 lakh @ 9.95%	Rs. 8,789	Rs. 4,612	Rs. 3,224	Rs. 2,534	Rs. 2,122
2 lakh @ 12.50%	Rs. 17,817	Rs. 9,461	Rs. 6,691	Rs. 5,316	Rs. 4,500
4 lakh @ 13.25%	Rs. 35,773	Rs. 19,063	Rs. 13,525	Rs. 10,780	Rs. 9,152
6 lakh @ 13.75%	Rs. 53,801	Rs. 28,736	Rs. 20,433	Rs. 16,320	Rs. 13,883

### Comparison of PNB Personal Loan vs. Other Lenders

The following table compares the personal loan offering from PNB to the offering of other leading lenders in India:

Particulars	Punjab National Bank	Axis Bank	Citi Bank	ICICI Bank	HDFC Bank
Interest Rate	8.95% onwards	Starting from 12.00%	Starting from 9.99%	Starting from 11.25%	Starting from 10.75%
Tenure	Up to 84 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Rs.25,000 to Rs.15 lakh	Rs. 50,000 to Rs. 15 lakh	Up to Rs. 30 lakh	Up to Rs. 20 lakh	Up to Rs. 40 lakh
Processing Fee	Up to 1% of loan amount	2% of loan amount	Up to 3% of the loan amount	Up to 2.25% of loan amount	Up to 2.50% of the loan amount



Punjab National Bank Customer Care

You can call on toll free numbers: 1800-180-2222 or 1800-103-2222

You can send an email to [care@pnb.co.in](mailto:care@pnb.co.in) with details of your query

You can visit the nearest Punjab National Bank branch to get your queries/issues resolved

### Important Aspects

Check your credit score before applying for personal loan. Usually a credit score above 750 is considered ideal when applying for a personal loan

Know all the fees and charges associated with the personal loan

Choose your loan tenure wisely. If the loan tenure is too long you may end up paying a significant amount as interest charges. However, if the tenure is too short it will greatly increase the individual monthly installments

### Business Loans

Punjab National Bank (PNB), one of India's oldest public sector banks, provides business loans to entrepreneurs as well as self-employed individuals with an aim to support their businesses' capital requirements or to expand operations. The business loan interest rate offered by PNB depends on the applicant's profile and business requirements, along with applicant's financial history, CIBIL score and loan repayment history, etc.

### PNB Business Loan Eligibility Criteria

PNB Business Loan can be availed by self-employed individuals, proprietors, partnership firms or private companies who are trading or manufacturing goods and services. The bank offers a wide range of business loan schemes to its customers; therefore, the eligibility criteria applicable vary from one scheme to another. Important factors on which the eligibility of the PNB Business Loan of an applicant depends are:

**Ability to duly repay loan on time:** The bank will check that the businessperson must have a legitimate source of income and can repay the dues on time

**Credit score of the company or owner in case of a new venture:** The bank will check company's repayment history for all prior loans taken. A good credit history will help in getting the loan easily

**Track record of the existing business:** Bank will evaluate the past transactions and company's growth to understand if the company needs extra funding and can repay the same in due time

**Business stability:** PNB requires the financial track record of businesses to assess their stability. It will evaluate the growth in sales over the past few years. If the sale is not up to their standards, the loan will not be sanctioned

**Profitability and turnover:** Bank will require profit details of past 2 years. An organization's profitability and revenue play an important role in determining if a company can be given a loan or not

ITR and Banking details: PNB will require income tax returns and banking details for an already existing company, prior to sanctioning the loan

#### PNB Business Loan Documents Required

PNB offers a wide array of Business Loan Schemes to its customers. Each scheme has different eligibility criteria and documents requirement. The following set of documents are commonly required under the business loan schemes:

PAN card of a company or an individual

Identity proof like Aadhaar Card, Voters Identity Card, Passport and Driving License

Address proof like Aadhaar Card, Voters Identity Card, Passport and Driving License

Bank Account details along with Bank Statements for the last 6 months

The Balance Sheet, the P&L i.e. the Profit and Loss statement for past 2 years along with latest ITR filings which is duly audited by a certified Chartered Accountant

A proof of continued business operations like Income Tax Return of last 3 years, a valid Trade License, Sales Tax Certificate, Shops and Establishments Act Certification, etc.

Other obligatory documents like the declaration of sole proprietary, a certified copy of the deed of partnership, a certified true copy of the Articles of Association and the Memorandum of Association as well as the Board Resolution in original

Note: As per the scheme's eligibility criteria or for further information, the bank might ask for more supporting documents.

#### PNB Business Loan Products/Schemes – 2021

PNB offers an extensive range of products to various self-employed professionals and entrepreneurs of MSME and corporates as per their needs and business profiles to fulfil their loan requirements. Some of the well-known products are discussed below:

##### 1. PNB Green Ride

The scheme aims to financially support the transport operators of e-rickshaws and to create employment opportunities for the micro borrowers

An individual, transport operator, sole proprietor, partnership firms, private and public ltd. companies, companies that plans to own transport vehicle(s) for transporting passengers or goods on hire can apply for this loan scheme

The borrower must provide valid license for operating the vehicles and plying it for transporting passengers or goods

The bank offers lucrative and affordable interest rates

As far as the loan amount is concerned, for new E-Rickshaw, a maximum of 85% of the invoice cost of the vehicle or 80% of on road price, whichever is less will be sanctioned

The advance with interest will be repaid in maximum 33 instalments

For loans above Rs. 10 Lakhs, the vehicle purchased with the amount of the loan will remain hypothecated to the bank as security of the advance

No collateral or third party guarantee is required for Green Ride loan of up to Rs.10 lakhs as these loans are to be covered under the CGTMSE (Credit Guarantee Scheme)

## 2. PNB Sanjeevani

This loan is applicable for certified and registered doctors and medical practitioners having minimum qualification of MBBS/ BAMS/ BDS/ BHMS/ BUMS

Individuals, Partnership, LLP, Private Limited, Limited Company, Trust can also take this loan

The loan can be used to purchase medical equipment or to purchase, renovate, alter or furnish clinics, hospitals, nursing homes and medical centres

Minimum Rs.1 lakh to maximum of Rs. 5 crore can be sanctioned under this scheme.

Under this loan scheme, the term loan and overdraft facility is provided. The overdraft facility is for a maximum amount of Rs. 1 crore

For online application of loan, a discount of 20% in processing fee is given

For loans above Rs. 10 lakh, collateral or third party guarantee is not required

Repayment tenure offered under this scheme is maximum up to 7 years with moratorium period of 18 months

## 3. PNB Vanita

Women involved in the business of manufacturing or trading or service can easily apply for this loan

The bank will provide funds up to Rs. 25,000

No collateral or guarantor is needed as the loan will be covered under CGTMSE for eligible activities

Women belonging to BPL, SC or ST category will be given more preference

Repayment tenure offered under this scheme is 3 years to 5 years with moratorium period of 3-6 months

## 4. PNB Professional Schemes

This loan scheme is given to qualified professionals to start new ventures or expand an existing one. Medical professionals and traders are excluded from benefiting from this scheme

Individuals, partnerships, LLPs, associations and private and public limited companies are also eligible

Term Loan amount offered under this scheme starts from Rs. 1 lakh and maximum is need based

Overdraft amount is minimum Rs. 1 lakh and maximum up to Rs. 25 lakh

Cash credit is minimum Rs. 1 lakh and maximum is need based

In case of term loan, the repayment period can go as high as 7 years including a maximum moratorium period of 6 months. The moratorium period might even extend to 18 months in specific cases

The overdraft/CC facilities shall be sanctioned for the tenure of 1 year and shall be renewed annually

## 5. Super Trade

Minimum loan amount offered is Rs. 10 lakh & Maximum loan amount is Rs. 5 crore  
This loan is provided to finance stock and book debts of not more than 4 months old  
All MSME entrepreneurs with satisfactory experience in trading activities of materials, goods or equipment can apply for this loan

The borrower will have to submit financial records of at least 2 preceding financial years

The bank will accept the hypothecation of stocks and assignment of book debts as the primary security

As far as collateral security is concerned, minimum 150% (Realizable Value) of the loan amount in the form of mortgage of immovable property and/ or other liquid security duly charged to the bank

## 6. MUDRA Loans

MUDRA loans fund the non-farm business units to increase their income in trading, manufacturing, processing and service activities

Any individual, LLP, Partnership firm, Company, Association of Persons can apply for this loan

The borrower must not be a defaulter in any of the banks or financial institution

Loan amount offered under this loan scheme can go as high as Rs. 10 lakh

Mudra loan interest rate offered by PNB starts from 10.30% onwards

Toll Free Numbers: 1800-180-2222 and 1800-103-2222

In PNB, most business loan schemes can be prepaid by serving the prepayment charges of 1% of the loan amount plus GST (Goods and Services Tax). Customers can repay their dues in easy instalments every month via net banking, ECS or PDC. Being one of the primeval banks of India, PNB has a great brand value and available throughout the nation. Simple documentation and fast processing of loans makes it an ideal choice for business loan.

## **MUDRA Loans**

Punjab National Bank (PNB) is an Indian multinational bank that offers banking and financial services to its customers nationwide. Amongst the various services provided by the bank, PNB Mudra Loan is one of the primary products offered to MSMEs. The PNB Mudra loan is offered to Micro Small Medium Enterprises (MSMEs) engaged in non-farm based enterprises that are engaged in manufacturing, trading, or service sectors. Moreover, applicants in non-farm based activities, such as animal rearing, dairy can also avail PNB Mudra loan.

PNB Mudra Loan under PMMY – 2021	
Interest Rate	9.60% onwards (MCLR 7.35% + 2.25%)
Maximum Loan Amount	Rs. 10.00 lakh
Tenure	Up to a max. of 5 years
Collateral / Security	Not required

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank, NBFC and RBI. GST and service tax shall be levied extra on the mentioned charges.

PNB 1 year MCLR as on 1 Oct 2020 is 7.35%

#### PNB Mudra Loan Interest Rate 2021

Applicants seeking Punjab National Bank Mudra Loan may have to pay the interest rate that starts from 10% onwards and offered to MSMEs. The rate of interest charged is dependent on many factors, such as credit score, business profile, business tenure, turnover, etc. Once the application gets verified and approved, applicable rate of interest is decided and disclosed by the loan officer and it varies from one applicant to another.

#### PNB Mudra Loan – Eligibility

The borrower should not have defaulted on payments with any bank or financial institution. Private limited companies, Sole Proprietorships, Partnership Firm, Limited Liability Partnership (LLP) and Individuals are eligible for PNB Mudra Loan.

The business for which the loan is needed must be in income generating sectors in service, manufacturing or trading sectors. Moreover, businesses in agriculture allied activities such as, fish farming, agriclincs, and so on are also eligible for PNB Mudra Loan.

Calculate Your Monthly EMI on – Business Loan EMI Calculator

#### PNB Mudra Loan – Categories

There are 3 financing options available under PNB Mudra Loan. The division is based on the growth level of the enterprise and the amount of loan required by the business. The maximum loan amount associated with the categories is:

Mudra Loan Scheme	Amount
Shishu	Up to Rs. 50,000
Kishore	Between Rs. 50,000 & Rs. 5.00 lakh
Tarun	Between Rs. 5.00 lakh & Rs. 10.00 lakh

**Shishu:** In this scheme, the applicant is provided with a maximum amount of 50,000. It is best suited for budding entrepreneurs or startups enterprises.

**Kishore:** Through this scheme, the applicant can get a financial aid from 50,000 to Rs. 5 lakh. The bank will evaluate the credit history of the applicant and based on that will decide the rate of interest and repayment period. It is allocated to those business owners who have already started a new enterprise and seek further assistance for expansion.

**Tarun:** Through this scheme, the applicant may get up to Rs. 10 lakh. The bank will evaluate the credit history of the applicant and on that basis will set the rate of interest and repayment period.

#### PNB Mudra Loan – Tenure

The repayment period is decided by the bank on the basis of loan amount asked for, business profile and so on. Still, customers can get loans up to 3 years and an additional 2 years may be granted if the bank sees fit. Also, a suitable repayment holiday may be granted to the applicant as well.

#### Documents Required for Loan Application

The following documents are required in order to successfully apply for Punjab National Bank Mudra Loan:

Basic Documents required across Mudra schemes are:

<b>Identity Proof</b>	Passport, PAN Card, Aadhaar Card, Voter's ID Card, Driving Licence, Photo Credit Card, Central and State Govt. issued Photo ID Proof, Defence ID Card, etc.
<b>Residence / Business Proof</b>	Aadhaar Card, Ration Card, Passport, Bank Account Statement, Voter's ID Card, Letter from any recognized public authority, Telephone Bill, Electricity Bill, Water Bill (not more than 3 months old), etc.

Applicant's recent 2 passport-sized photographs

Proof of the minority, if applicable

Statement of account of last 6 months

Quotation of machinery, to be purchased

Additional Documents required for Tarun and Kishore schemes

Unaudited balance sheets of the last 2 years  
Income tax and sales tax returns  
Projected balance sheet for the loan tenure  
Details of the sales achieved till the submission of application form  
Memorandum of Association (MOA), Articles of Association, & Partnership Deed, if any  
Invoices/Quotations of civil work required, assets to be purchased, etc.  
Asset and liability statement  
The above list of documents is for indicative purposes only. The bank may seek additional documents, if required.

#### FAQs

Q1. I am not drawing my pension through Punjab National Bank. Can I apply for PNB's Personal Loan Scheme for Pensioners?

No, to apply for Personal Loan Scheme for Pensioners, you need to draw your pension from Punjab National Bank.

Q2. I am a doctor. Which PNB personal loan is most suitable for me?

Punjab National Bank offers Personal Loan Scheme to Doctors that is the ideal option to opt for.

Q3. Is it possible to reapply for Punjab National Bank personal loan if my application gets rejected?

It is usually advisable to wait 6 months or longer after your personal loan application is rejected before you reapply. You will have to contact the bank for the same.

Q4. How do I apply for Punjab National Bank personal loan offline?

To apply offline for a PNB personal loan, you have to visit in-person at the nearest branch of Punjab National Bank.

#### FAQs on PNB Mudra Loan

Ques. Who can apply for a PNB Mudra Loan?

Applicants for PNB Mudra Loan must be Indian citizens engaged in trading, manufacturing or service sector. The business must be categorized as Micro, Small, and Medium Enterprises (MSMEs). Moreover, enterprises in non-agricultural sectors, such as fish farming or beekeeping can also avail this loan.

Ques. What is the maximum loan amount that PNB Mudra loan will disburse?

The maximum loan amount that applicant's may get through PNB Mudra Loan is Rs. 10 lakh. The bank may require a margin from the customer if it sees fit.

Ques. What are non-farm based agriculture activities and how does it relate to PNB Mudra Loan?

PNB Mudra Loans are not granted to meet the requirements of farm based agricultural needs. However, agriculture allied activities are covered under PNB Mudra Loan. These activities include but are not limited to:

- Fish farming
- Beekeeping
- Poultry
- Livestock rearing, grading, sorting, and aggregation
- Agro industries
- Dairy
- Fishery
- Agriclinics
- Agribusiness centers
- Food & Agro-Processing, and so on

Ques. What is the rate of interest offered by PNB Mudra Loan?

PNB Mudra Loan is offered to MSME at an interest rate of 9.60% onwards.

Ques. Is there any subsidy provided under PMMY scheme under Mudra loan?

No, there is no subsidy for the loan offered by PMMY under Mudra loan.

Ques. How much is the repayment tenure of PNB Mudra Loan?

The maximum repayment period of PNB Mudra loan is maximum 3 years.

PNB Mudra loan caters to the immediate financial needs of MSMEs by providing instant cash at their disposal for business related activities.



## BANKS

### South Indian Bank

Individuals can avail a personal loan up to Rs. 25 lakh from South Indian Bank to meet various personal financial needs. South Indian Bank personal loans come with a flexible repayment tenure ranging up to 60 months, require minimal documentation and are disbursed quickly.



South Indian Bank Personal Loan Highlights	
Interest Rate	10.80% p.a. onwards
Loan Amount	Up to Rs. 25 lakh
Loan Tenure	Up to 60 months
Processing Fee	2% of the loan amount
Prepayment/ Part Payment Charges	2% – 4% of amount pre-paid
Types of South Indian Bank Personal Loans	SIB Personal Loan for Individuals and SIB Group Personal Loan

#### Features of South Indian Bank Personal Loan

**Loan amount:** You can avail a personal loan up to Rs. 25 lakh from South Indian Bank to meet various personal financial needs.

**Flexible repayment tenure:** You can repay your South Indian Bank personal loan within a flexible tenure ranging between 12 to 60 months.

**Fast processing:** Minimal documentation and easy application helps save time and allows quick processing of your personal loan application with South Indian Bank.

#### South Indian Bank Personal Loan Interest Rates

Personal loan interest rates offered to individual borrowers by South Indian Bank are affected by various factors such as income, loan amount, credit score, etc. The following table gives the interest rates for different types of South Indian Bank (SIB) personal loans:

Type of Personal Loan	Interest Rate
Group Personal Loan	10.80 % p.a. onwards
Personal Loan for Individuals (Women)	11.40% p.a. onwards
Personal Loan for Individuals (Others)	11.50% p.a. onwards

### Eligibility Criteria

The following personal loan eligibility criteria must be kept in mind when applying for a South Indian Bank personal loan as an individual borrower:

Particulars of Applicant	Eligibility Criteria
Applicant Type	<ul style="list-style-type: none"> <li>Salaried employees of MNC, PSU, government, listed companies and reputed public and private limited companies</li> <li>Self-employed non- professionals (traders, manufactures, retailers, wholesalers, service providers</li> <li>Self-employed professionals (CA, CS, doctor, ICWA, engineer, architect)</li> </ul>
Age	<ul style="list-style-type: none"> <li><b>Salaried Individuals:</b> 21-60 Years or superannuation age</li> <li><b>Self-employed Individuals:</b> 21-65 Years</li> </ul>
Minimum Gross Monthly Income	Rs. 25,000 (without clubbing of co-borrower/guarantor's income) supported by ITR/Form 16/16A/Banking
Minimum Total Work Experience	2 Years (with at least 1 year in current organisation)
Net Take Home Pay	<ul style="list-style-type: none"> <li>Net take home pay to EMI required is at least 30%, in case monthly income is less than Rs. 1 lakh</li> <li>Monthly average balance calculated on specific dates for a year to be a minimum of 1.25 times of the proposed EMI</li> <li><b>For NRIs:</b> Depends on average monthly remittance to own NRE account or to any resident account of spouse during last 12 months (excluding bulk remittances)</li> </ul>

Some additional factors to consider when applying for a SIB personal loan:

If you are self- employed, you should have been in the current business for the last 3 years

If you are living in rented accommodations, you should have stayed in your current residence for at least a year

If you are an NRI, you will have to apply with a co- applicant (either earning or non-earning) who is a resident Indian

If you are living in rented accommodations, you should be staying in your current place for at least a year

You must provide an undertaking from employer to deduct the EMIs from all the employees who have availed the personal loan and remit to the bank in a single remittance within 5 days from the date of disbursement of salary

The undertaking should contain that in case of resignation, retirement, termination, death, etc. of the employee, the employer shall pay the leave salary/ leave encashment benefits/ arrear payments/ any other ex-gratia payments to be made to the employee directly to the bank to adjust the employee's liabilities with the bank

Types of South Indian Bank Personal Loan

To cater to the varying needs of salaried and self-employed individuals as well as group borrowers, South Indian Bank currently offers two personal loan variants including:

#### 1. South Indian Bank Personal Loan for Individuals:

SIB Personal Loan offers instant funds to eligible salaried and self-employed individuals as well as NRIs to meet various personal as well as business needs. The loan can be easily availed online with minimal documentation and requires no collateral/security. Some key features of SIB Personal Loan are as follows:

Interest rate starts as low as 11.40% p.a. (women)/ 11.50% p.a. (others)

Offers loan amount up to Rs. 10 lakh (under Income Program) and Rs. 7.50 lakh (under Non Income Program)

Offers a flexible repayment tenure ranging between 12 to 60 months

Comes with option for co-applicant

#### 2. South Indian Bank Personal Loan for Group:

SIB Group Personal Loan offers finance to a group of people collectively to meet various personal needs including educational expenses, travel, debt consolidation, etc. The loan can be secured without any collateral or security and requires minimal documentation. Some key features of SIB Group personal loan are:

Interest rate starts as low as 10.80% p.a.

Offers loan amount upto Rs. 25 lakh per employee and Rs. 100 lakh per employer

Comes with a flexible repayment tenure ranging between 12 to 60 months

Offers option for co-applicant

Documents Required for Loan Application

The following documents are required to avail South Indian Bank personal loan:

Salaried individuals	Professionals and Businessmen	NRIs
Passport size photograph		
Bank Statement for last 12 months showing salary credit/ Bank statement from which loans are to be repaid	12 month SB a/c statement or current account	12 month NRE account or resident account of spouse showing inward remittances during last 12 months
Address proof (Aadhaar card/ voter ID card/ PAN card)	<ul style="list-style-type: none"> <li>Address proof (aadhaar card/ voter ID card/ PAN card)</li> <li>Other documents such as MOA, Partnership deed, etc.</li> </ul>	Address proof (aadhaar card/ voter ID card/ PAN card)
Identity proof like PAN etc.		
Income proof like <a href="#">Income Tax Return (ITR)</a> /Form 16 for last 2 years	ITR/AFS/ for last 2 year	Valid passport and visa
Salary certificate/ salary slip	Financials	Salary certificate/ <a href="#">salary slip</a> and remittance details

### Check South Indian Bank Personal Loan Application Status

You can check the status of your South Indian Bank personal loan application using any of the following means given below:

You can login to South Indian Bank's internet banking portal

You can call the South Indian Bank customer care toll-free number 1800 425 1809 or 1800 102 9408. NRI applicants can call on +91 484 2388 555.

You can also send an email to [customercare@sib.co.in](mailto:customercare@sib.co.in)

You can visit the nearby South Indian Bank branch

### Fees and Other Charges

Given below are some of the key fees and charges associated with South Indian Bank personal loan:

Processing Fees	2% of the loan amount sanctioned
Prepayment/ Part Payment Charges	<ul style="list-style-type: none"> <li>Within 1 year: 4% of loan principal prepaid</li> <li>After 1 year: 2% of loan principal prepaid</li> </ul>

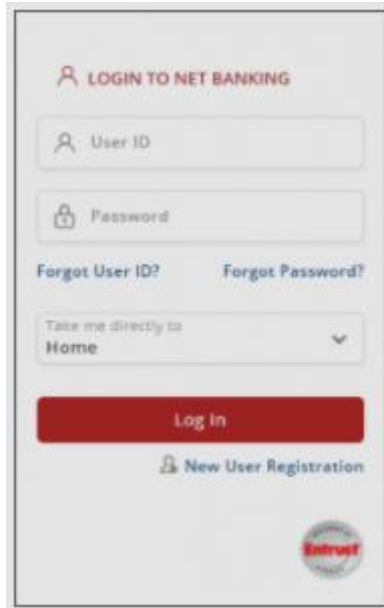
### How to Login on South Indian Bank Portal

Follow the steps given below to login to South Indian Bank's internet banking portal:

Visit the South Indian Bank website

Click on 'Online Banking' and select 'Login (Existing Users)'

Login using your User ID and password



### South Indian Bank Personal Loan Statement

You can avail your South Indian Bank personal loan statement both online and offline:

You can view and/or download your personal loan statement by logging into the South Indian Bank online portal or the mobile application.

Alternatively, you can also visit your nearest South Indian Bank branch and request for a physical copy of your personal loan statement or contact the bank’s customer care via call or email and request for a statement of your loan account.

### EMI Calculation

The table gives a sample of monthly EMI payouts for different South Indian Bank Personal Loan principal amounts, interest rates and loan tenures calculated using Online platforms’s personal loan EMI calculator:

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
1 lakh @ 13% p.a.	8,932	4,754	3,369	2,683	2,275
10 lakh @ 15% p.a.	90,258	48,487	34,665	27,831	23,790
25 lakh @ 17% p.a.	2,28,012	1,23,606	89,132	72,138	62,131

### Comparison of South Indian Bank Personal Loan vs. Other Lenders

The following table gives a comparison of the key features of a personal loan from South Indian Bank with other top lenders in India:

Particulars	South Indian Bank	ICICI Bank	Citi Bank	Bajaj Finserv	Axis Bank	HDFC Bank
Interest Rate	Starting from 10.80% p.a.	Starting from 11.25% p.a.	Starting from 9.99% p.a.	Starting from 12.99% p.a.	12% p.a. onwards	10.75% p.a. onwards
Tenure	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Up to Rs. 25 lakh	Up to Rs. 20 lakh	Up to Rs. 30 lakh	Up to 25 lakh	Rs. 50,000 to Rs. 15 lakh	Up to Rs. 40 lakh
Processing Fee	2% of the loan amount	Up to 2.25% of loan amount plus GST	Up to 3% of the loan amount	Up to 4.13% of the loan amount	Upto 2% of loan amount plus GST	Up to 2.50% of the loan amount

### South Indian Bank Customer care

You can contact South Indian Bank's customer care via any of the following means given below:

**By Phone:** You can call on the bank's 24×7 toll-free number 1800-425-1809 or 1800-102-9408. NRI borrowers can call on (+91)484-2388-555.

**Email:** You can send an email to [customercare@sib.co.in](mailto:customercare@sib.co.in)

**Branch Visit:** You can also visit the nearest South Indian Bank branch to get your queries resolved

### Important Aspects

Given below are a few key aspects that you must consider when applying for a personal loan with South Indian Bank:

To secure the best deal, try and compare various interest rates and charges online before you actually apply for a personal loan.

Assess the complete cost of the loan. Besides interest, other charges like processing fee, late payment fee, etc. should also be taken into consideration before deciding upon a particular personal loan.

It is advisable to check your credit score prior to applying for a personal loan. A good credit score may increase your chances of securing a personal loan, whereas a low credit score can lead to the rejection of your loan application or a higher rate of interest on your personal loan.

Borrow only what you really need and can pay back. Refrain from borrowing more simply because you are eligible to borrow a higher amount.

Avoid making multiple loan enquiries/ applications with several lenders at the same time. It shows you to be credit hungry and may lead to an increase in the number of

hard inquiries for your credit report, which in turn negatively affects the chances of approval of your personal loan.

## Business Loans

South Indian bank is one of the leading private sector banks that also became a scheduled bank in Kerala. The bank provides a range of financial products that include domestic finance, working capital finance, long-term finance, non-fund based finance, supply chain finance, business loan, commercial vehicle loan, etc. The business loan interest rates offered by South Indian Bank starts from 12.40% onwards.

### South Indian Bank Business Loan – 2020

South Indian Bank – Business Loan – 2020	
Interest Rate	12.40% onwards
Age Criteria	Min. 21 years and Max. 65 years
Loan Amount	Min. 5 lakh and Max. Rs. 50 lakh
Processing Fee	2% of the loan amount
Repayment Tenure	Min. 12 months and Max. 48 months
Credit/CIBIL score	Min. 650
Pre-closure Charges	3% of the outstanding loan amount

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges

Business loans offered by South Indian bank can be availed by self-employed professionals, self-employed non-professionals, manufacturers, traders, wholesalers, etc.

### Documents Required for Loan Application

PAN Card – For Company/Firm/Individual

A copy of any of the following documents as identity proof:

Aadhaar Card  
Passport  
Voter's ID Card  
Driving License

A copy of any of the following documents as address proof:

Aadhaar Card

Passport

Voter's ID Card

Driving License

Bank statement of the previous 6 months of current account

Latest ITR along with computation of income, Balance Sheet and Profit & Loss account for the previous 3 years, after being CA Certified/Audited

Tax Paid, Possession Certificate, Title Deeds, Encumbrance Certificate of the property to be mortgaged

Proof of continuation (ITR/Trade license/Establishment/Sales Tax Certificate)

Other Mandatory Documents [Sole Prop. Declaration or Certified Copy of Partnership Deed, Certified true copy of Memorandum & Articles of Association (certified by Director) & Board resolution

For takeover of existing loan, provide the sanction order copies and the account statement

### Factors Affecting the Interest Rate of Business Loan

The business loan can be offered to any person who is running a legitimate business and has good turnover or want to start a new business. Different banks have different criteria and terms to validate and authenticate a person's business. After all the evaluation the loan amount, tenure and rate of interest or even whether to provide loan falls under the purview and authority of the bank. Some of the parameters taken under consideration are:

Credit score of the company or in the case of a new business the owners' credit score

Type of business: Proprietorship, Partnership, Private Limited or Public Limited

Turnover of the business

Profit made by the business

Cash flow of the business

Track record of business

Also Read: How to Get loan for startup business without security in India

### FAQs

Q. What is the South Indian Bank business loan interest rate in 2020?

Ans. The South Indian Bank Business loan interest rates currently starts from 12.40% onwards

Q. What is the loan amount offered by South Indian bank?

Ans. The minimum loan amount offered is Rs. 5 lakh and maximum loan amount offered is up to Rs. 50 lakh.

Q. What is the processing fee charged by South Indian bank?



Ans. The processing fee charged is 2% of the loan amount.

Q. How to calculate Interest/EMI on Business Loan?

Ans. Once your loan specifics are finalized, there are business loan EMI calculators available online which can be used to know your Interest and principle breakdown each month and also keep track of the amount paid and the amount pending which can be useful when planning to prepay the loan.

Q. How to check South Indian Bank business loan status?

Ans. You can check the South Indian Bank business loan status by contacting the customer care number or if you already have an account can login to your account and check the status there. You can also check with your account manager, if you have been allotted one.

Q2. What is the range of the tenure to repay South Indian Bank personal loan?

The tenure to repay South Indian Bank personal loan varies from 12 to 60 months.

Q3. I am working in a MNC. Can I avail South Indian Bank personal loan?

Yes, you can opt for a South Indian Bank personal loan if you meet the eligibility criteria.

Q4. What is the maximum loan amount that I can avail from South Indian Bank?

The maximum amount that you can avail under SIB Personal Loan scheme for individuals is Rs. 10 lakh. Whereas , the SIB Group Personal Loan offers a loan amount up to Rs. 25 lakh per employee and Rs. 100 lakh per employer.

Q5. Is it possible to add my spouse as a co-applicant?

Yes, South Indian Bank permits co-applicants as well.

Q6. Is it possible to apply for a personal loan from South Indian Bank in case I already have an existing personal loan?

Yes, you can have a maximum of 3 outstanding unsecured loans (including the proposed one) with South Indian Bank at the same time.

SBI offers various types of personal loans such as Xpress Credit Loan, SBI Pension Loan, Xpress Elite and Pre-approved Personal Loans that cater to the needs of different borrowers. Personal loans offered by SBI may be used for various purposes such as business expansion, debt consolidation, foreign travel expenses, marriage, home renovation, medical emergency, etc. Currently SBI offers personal loans of up to Rs. 20 lakh with interest rates starting from 9.60% p.a. onwards.



#### **Features of SBI Personal Loan**

- Loan amount: SBI offers a loan amount as high as Rs. 20 lakh to fulfil various personal needs with a single loan
- Loan schemes: SBI offers specific loan schemes to different categories of borrowers such as pensioners, salaried and self-employed
- Flexible tenure: If you opt for SBI personal loan, you can repay it within a flexible tenure ranging from 6 months to 6 years
- Easy application: SBI Personal loan can be availed online without any hassle. The process involves minimum documentation and quick processing

<b>SBI Personal Loan Highlights</b>	
<b>Interest rate</b>	Starting from 9.60% per annum
<b>Loan Amount</b>	Upto Rs. 20 Lakh
<b>Minimum Income for Eligibility</b>	Rs. 15000 p.m.
<b>Eligibility Age</b>	From 21 years upto 60 years at loan maturity
<b>Loan Tenure</b>	Up to 72 months
<b>Types of SBI Personal Loans</b>	Pension Loan, Xpress Credit, Xpress Elite, Xpress Credit Insta Top-up, Clean Overdraft, Pre Approved Personal Loan on YONO & Quick Personal Loan

If you have a salary account with SBI, you can apply for SBI Xpress Credit Personal Loan for cash requirements like medical emergency, vacation, wedding etc. The following are the key features of various SBI personal loans:

<b>Types of SBI Personal Loan</b>	
<b>Type of Personal Loan</b>	<b>Interest Rate (p.a.)</b>
Xpress Elite Scheme Personal Loan	9.60% onwards
Pension Loan (including pre-approved pension loan)	9.75% onwards
Xpress Credit Personal Loan	10.60% onwards
Xpress Credit Insta Top-Up Personal Loan	10.70% onwards
Xpress Credit Non-Permanent Employees Personal Loan	11.50% onwards
Pre-Approved Personal Loan (PAPL)	12.60% onwards
Clean Overdraft Personal Loan	15.65% onwards
Quick Personal Loan	10.85% onwards

#### **A. SBI Xpress Credit Personal Loan**

- SBI salary account is mandatory
- Loan amount ranging from Rs. 25,000 to Rs. 20 lakh
- Loan tenure ranging from 6 months to 60 months

## B. SBI Xpress Bandhan

SBI Xpress Bandhan personal loan is for those who are not having a salary account with SBI. The following are some of the key features of this personal loan:

- Specifically targeted at salaried employees of Defence Establishments/State Governments/Central Govt., Quasi Govt. and a few other top-rated companies
- Minimum Gross Monthly Income required to avail loan is Rs. 50,000
- Maximum EMI to Net Monthly Income ratio of up to 50%
- Offered in the term loan and overdraft variants, the following are the minimum and maximum loan amount sanctioned:

Type of Xpress Bandhan Loan	Loan Quantum	
Term Loan	Minimum	Rs. 25,000
	Maximum	24 times NMI subject to maximum of Rs. 15 lakh
Overdraft	Minimum	Rs. 5 lakh
	Maximum	24 times NMI subject to maximum of Rs. 15 lakh

## C. SBI Personal Loan for Pensioners

State Bank of India offers personal loans to pensioned individuals with the following features:

- Can be availed by central or state government pensioners, defence pensioners as well as family pensioners maintaining SBI pension account
- Maximum loan amount that can be sanctioned under SBI Pension Loan scheme is Rs. 14 lakh
- Pensioners should not be aged over 76 years in order to be eligible for this loan.

The following are the specifics of this SBI personal loan for Central and State Government Pensioners:

Age at the time of Loan sanction	Max Loan Amt (18 months Pension or Rs.)	Repayment Period	Age at the time of full Repayment
Below 72	14.00 lakh	60 months	Up to 77 years
72 – 74 years	12.00 lakh	48 months	Up to 78 years
74 – 76 years	7.50 lakh	24 months	Up to 78 years

The following are the SBI Pension Loan features as applicable to Defence Pensioners:

Age at the time of Loan sanction	Max Loan Amt (36 months Pension or Rs.)	Repayment Period	Age at the time of full Repayment
Below 56 years	14 lakhs	84 months	63 years
56 – 72 years	14 lakhs	60 months	77 years
72 – 74 years	12 lakh	48 months	78 years
74 – 76 years	7.50 lakh	24 months	78 years

For Family Pensioners (including Defence Pensioners), the following pension loan features will apply:

Age at the time of Loan sanction	Max Loan Amt (18 months Pension or Rs.)	Repayment Period	Age at the time of full Repayment
Below 72	5.00 lakh	60 months	77 years
72 – 74 years	4.50 lakh	48 months	78 years
74 – 76 years	2.50 lakh	24 months	78 years

#### **D. Pre-approved Personal Loans to Salaried & Pensioners on YONO App**

If you hold a salary or a pension account with SBI, you might be eligible for a pre-approved personal loan. You can check your eligibility for this loan on the SBI YONO app and apply through the app. Alternately, you can check your eligibility for this SBI personal loan by sending an SMS “PAPL<space><last 4 digits of SBI Savings Bank Account No.>” to 567676. With instant loan processing, minimum documentation and a low processing fee, SBI pre-approved loans are credited to the applicant’s account instantly.

#### **SBI Personal Loan Interest Rates**

The following are the different personal loan interest rates offered by SBI to different categories of borrowers:

Xpress Credit (including PAXC-Pre-Approved Xpress Credit)

Primarily offered to salary account holders of SBI, the Xpress Credit loan interest rates are as follows:

A. For Defence/ Para-Military/ Indian Coast Guard Salary Package Applicants

i) 'Term Loan' facility: In this case, the interest is charged only the total loan amount sanctioned.

2 year MCLR	Spread over 2 year MCLR	Effective Interest Rate with No Reset
7.20%	3.40% – 3.90%	10.60% – 11.10%

ii) 'Overdraft' facility: In this case, the interest is charged only on the amount borrowed that can be less than the loan amount sanctioned.

2 year MCLR	Spread over 2 year MCLR	Effective Interest Rate with No Reset
7.20%	3.40% – 5.40%	10.60% – 12.60%

ii) 'Overdraft' facility: Interest is charged only on the amount borrowed which may be lower than the actual loan amount sanctioned.

2 year MCLR	Spread over 2 year MCLR	Effective Interest Rate with No Reset
7.20%	3.90% – 6.40%	11.10% – 13.10%

For borrowers who are not part of the SBI Salary Package account holders, the following interest rates are applicable:

2 year MCLR	Spread over 2 year MCLR	Effective Interest Rate with No Reset
7.20%	2.65% – 4.15%	9.85% – 11.35%

### **Xpress Credit- Non-Permanent Employees (NPES)**

Salaried employees of Central and State Government, Quasi-Government, Central PSUs, State PSUs, Defence personnel and Educational Institutions of National Repute can get SBI personal loans at the following interest rates:

2 year MCLR	Spread over 2 year MCLR	Effective Interest Rate with No Reset
7.20%	4.30% – 6.40%	11.50% – 13.60%

Interest rates on SBI Xpress Credit personal loans for salaried employees of co-operatives/institutions not covered under regular Xpress Credit loan scheme and unrated corporates are:

2 year MCLR	Spread over 2 year MCLR	Effective Interest Rate with No Reset
7.20%	5.05% – 6.65%	12.25% – 13.85%

### Interest Rates for other SBI Personal Loans

The following are the interest rates applicable in case a borrower opts for any other type of personal loan from SBI:

Type of Loan	Interest Rate
SBI Pension Loan (including PAPNL i.e. Pre-Approved Pension Loans)	9.75%-10.25%
Clean Overdraft	15.65%
Xpress Credit Insta Top-up	10.70%
Pre-Approved Personal Loans (PAPL)	12.60%

Note: Existing customers maintaining salary account with SBI will get 25 bps i.e. 0.25% p.a. concession on the card interest rate.

### Eligibility Criteria

The following are the key eligibility criteria for different types of SBI personal loans currently on offer:

#### A. SBI Xpress Credit Personal Loan

- You must have a salary account with SBI
- You should be an employee of central/state/quasi government organization/central or state govt. PSUs/educational institutions of national repute/selected corporates with or without relationship with the bank
- Your minimum monthly income should be Rs. 15,000
- Your EMI/NMI ratio should be less than 50%

#### B. SBI Xpress Bandhan

- You should not be having a salary account with SBI
- You should be an employee of Central/State Governments/Defence Establishments, PSUs, Quasi Government Bodies, Select Rated Corporates, Educational Institutions of National Repute
- Your minimum monthly income should be Rs. 50,000
- Your EMI/NMI ratio should be up to 50%

#### C. SBI Pension Loan

The following are the key features of the SBI pension loan for different categories of applicants:

##### For Central & State Government Pensioners:

- The pensioner's age should be below 76 years

- Must have SBI pension account and the account needs to be maintained in good standing during the loan tenure
- Applicant needs to submit declaration to treasury preventing transfer pension payment to pension account of any other bank till a NOC is issued by SBI

For Defence Pensioners:

- Applicant should be a pensioner of Armed Forces such as Navy, Army, Air Force, Coast Guard, Para-military Forces (eg. CRPF, CISF, BSF, ITBP, etc.), Rashtriya Rifles, Assam Rifles, etc.
- Pension payment order of the prospective applicant should be maintained with SBI
- Maximum age for loan eligibility is less than 76 years.
- For Family Pensioners:
- Family pensioners consist of authorized members of the pension recipient's family who are eligible to receive pension after the death of the pensioner.
- The maximum age of family pensioner should be 76 years to be eligible for the SBI Pension Loan

D. Pre-approved Personal Loans to the Salaried & Pensioners on YONO

- Applicant must have a salary or a pension account with SBI.
- A pre-approved SBI Personal Loan offer must be available when applicant logs into YONO

E. Pre-approved Personal Loans to Non-salaried (PAPL) On YONO

- You should be having a savings account with SBI with regular deposits
- Your monthly balance should be beyond a specific threshold (threshold depends on the type of SBI a/c)

**Documents Required For Loan Application**

The documents to avail SBI personal loan may vary depending upon the personal loan category you opt for. However, the list of basic documents is as follows:

- Identity proof: Passport, PAN, Voter Identity Card, Driving License, Aadhaar Card
- Address proof: Ration Card, Bank Account Statement, Passport, Driving License, Electricity Bill, Telephone Bill, Sale Deed/Property purchase agreement(for owned properties), Aadhaar Card
- Income proof: Bank Account Statement, Salary Slips, ITR, Form 16

**Check SBI Personal Loan Application Status**

Once you have applied for a SBI personal loan, an application reference number is generated and the following is process to check the status of your loan application:

- Go to the SBI personal loan application status check page
- Enter your loan application reference number



- Enter your mobile number with ISD code
- Click on 'track' to see the status of your PL application

### Fees and Other Charges

The following are the fees and charges specified for various types of State Bank of India personal loans:

#### A. SBI Xpress Credit Personal Loan

Processing Fee	1.50% of the loan amount sanctioned (subject to minimum Rs. 1,000 and maximum Rs. 15,000 plus applicable taxes)
Penal Interest	2% p. m would be charged over and above the applicable interest rate on overdue amount for the period of default
Prepayment charges	3% on loan principal prepaid. No prepayment/ foreclosure charges if account is closed from the proceeds of a new loan obtained under same scheme

#### B. SBI Xpress Bandhan\*

Processing Fee	1% of the Loan amount + Applicable tax
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\*All other charges as per Xpress Credit Loan

#### C. SBI Pension Loan\*

Processing Fee	0.50% of the loan amount + Tax for all other Pensioners including family Pensioners
Prepayment Charge	3% on prepaid amount. No prepayment/ foreclosure charges if the account is closed from the proceeds of a new loan account under the same scheme.

### How to Login on SBI Portal

The following is the process to log into SBI's Internet Banking system:

- Go to the Internet Banking page of SBI – [onlinesbi.com](http://onlinesbi.com)
- Enter your user name and password
- Either enter image captcha or audio captcha
- Click on 'login'

(CARE: Username and password are case sensitive.)

Username\*

New User ? Register here/Activate

Password\*

Forgot Login Password

Enter the text as shown in the image \*

Select one of the Captcha options \*

Image Captcha  Audio Captcha

3gkfe ↻

Enable Virtual Keyboard

Login Reset

For better control & security of your account, you can Lock or Unlock your INB access through link "Lock & Unlock User" available at bottom of this Page.

### **SBI Personal Loan Statement**

Those with existing personal loans with State Bank of India have the option of checking their loan statement by logging into their online banking account. Alternately, they may opt for a physical copy of their personal loan statement by visiting the nearby SBI branch in-person.

### **State Bank of India Personal Loan Restructuring (COVID-19)**

After the end of the moratorium on personal loan EMI payments in September 2020, borrowers including those who were finally affected by the COVID pandemic were expected to start paying their regular EMIs. However, many borrowers are still unable to meet these repayment obligations as a result of job loss, business closure, reduced income, etc. because of the ongoing pandemic. In order to provide much needed relief to such borrowers, SBI has released the RBI-approved personal loan restructuring framework.

This one-time relief may be obtained by eligible borrowers on various types of loans including SBI personal loans subject to applicable terms and conditions. It is important to keep in mind that the decision to allow this benefit will rest with the State Bank of India and it may at its discretion accept or reject your application for relief through outstanding loan restructuring. In order to apply you have to reach out to your home branch in-person or through the SBI Official website.

### *EMI Calculation*

The following is an example of a personal loan EMI calculation for different loan principal amounts, interest rates and loan tenures

Loan principal @ interest	Tenure				
	1 year	2 years	3 years	4 years	5 years
5 lakh @ 10.50%	Rs. 44,074	Rs. 23,188	Rs. 16,251	Rs. 12,801	Rs. 10,746
10 lakh @ 11%	Rs. 88,381	Rs. 44,607	Rs. 32,738	Rs. 25,845	Rs. 21,742
15 lakh @ 11.25%	Rs. 1,32,747	Rs. 70,085	Rs. 49,285	Rs. 38,950	Rs. 32,800
20 lakh @ 11.5%	Rs. 1,77,230	Rs. 93,680	Rs. 65,952	Rs. 52,178	Rs. 43,985

### SBI Customer Care

Existing borrowers of SBI personal loan can contact the bank via various online and offline methods as follows:



SBI Customer Care Toll-free Numbers are 1800-425-3800 and 1800-11-2211

You can also reach the customer care dept. of SBI by calling 080-26599990 (standard charges apply)

You can SMS UNHAPPY to 8008-2020-20

You can also fill and submit the Online Customer Complaint Form

Customer Type *	-Select-	
Account Number *	<input type="text"/>	
Name Of Complainant *	<input type="text"/>	
Branch Code(If other than Home Branch)	<input type="text"/>	Branch Locator
Mobile number *	<input type="text"/>	
E-mail *	<input type="text"/>	
Category Of Complaints*	-Select-	
Products & Services*	-Select-	
Nature Of complaint*	-Select-	
Please Give brief details of your complaint(Max 500 Chars) *	<input type="text"/>	No of Characters entered: 0/500
Please enter the String Shown in Image *		<input type="text"/>
<input type="button" value="Submit"/> <input type="button" value="Reset"/>		

### Important Aspects

The following are some key factors that you should bear in mind when applying for a SBI personal loan:

- Check credit score: A crucial step while applying for a personal loan is to check your credit score. If you have a good credit score, you have more chances of getting your loan approved at a lower interest rate.
- Compare the cost of a personal loan (including interest cost as well as all applicable fees and charges) offered by various lenders Borrow only the amount required: Ensure that you only borrow an amount that you can repay. Borrowing a higher amount than what you need will only add to your interest cost and not have any benefits in the long term.
- Never apply with multiple lenders at the same time: If you apply with multiple lenders at the same time, you might seem to be credit hungry and the lenders might not consider you to be a reliable borrower.



## FAQs on Loan from Banks

**?.** *Can I include my spouse's income for calculating the loan amount?*

*No, you cannot include your spouse's income when applying for a SBI personal loan. However, your spouse can apply for a personal loan separately, if eligible.*

**?.** *.Is it possible to prepay the loan? Are there any penalties?*

*If you prepay your SBI personal loan either in full or part, you will have to pay pre-payment charges of 3% on loan principal amount.*

**?.** *Can I choose between a fixed or floating rate for the personal loan?*

*No, you cannot choose. The loan is provided on fixed rate of interest.*

**?.** *How do I get in touch with SBI customer care?*

*By Phone: You can call the bank at toll- free numbers 1800-425-3800 or 1800-11-2211*

*By email: You can send an email to [contactcentre@sbi.co.in](mailto:contactcentre@sbi.co.in) or you can visit the nearest SBI branch*

**?.** *I don't have a salary account with SBI. Can I apply for a personal loan?*

*Yes, you can apply for a personal loan even if you don't have an account with SBI. SBI Xpress Power Personal Loan is offered to those individuals having no salary accounts with SBI.*

**?.** *How much loan amount can I avail from SBI if I am 73 years old?*

*You can avail a pension loan of up to Rs. 12 lakh from SBI.*

**?. Does SBI use the reducing balance method or flat rate method to calculate personal loan interest?**

SBI currently uses the reducing balance method to calculate interest on personal loans. However, the exact details of the same can only be obtained in the personal loan agreement.

**?. What is the turn-around-time for disbursement of a SBI personal loan?**

State Bank of India does not specify the time required for disbursement of a personal loan subsequent to approval of an application. That said, typically disbursement of personal loan is completed by SBI within 2-4 working days of approval of the application.

**?. What are the SBI personal loan amount limits?**

The minimum amount that you can take as a personal loan is Rs. 25,000 and the maximum loan amount currently is Rs. 20 lakh.

**?. Can I transfer my personal loan from another bank to SBI?**

SBI account holders may periodically receive personal loan balance transfer offers. You can check such offers by logging into your online banking account, on the YONO mobile app or by contacting SBI customer care.

## **Business Loans**

State Bank of India offers business loan to meet the varied needs of large business houses as well as Small and Medium Enterprises (SME). These loans can be secured as well as unsecured. SBI also assists businesses in availing loans under government schemes such as PMPGP, PM Mudra Yojna, CGTMSE and Stand-up India.

### **SBI Business Loan Interest Rates & Features**

Interest Rate	Depends on applicant's profile & business requirements
Processing Fee	From 1% – 5% of the sanctioned loan amount
Loan Amount	Min. Rs. 10,000 – Max. up to Rs. 500 crore*
Collateral	Not required for unsecured business loans
Repayment Tenure	From 12 months – 5 years, may exceed as per business requirements
Loan Disbursement Duration	Depends on case to case

Note: Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank, NBFC and RBI. GST and service tax shall be levied extra on the mentioned charges.

\*Loans up to Rs. 500 crores are offered to Mid-Corporate Group (MCG) for Lease Rental Discounting.

### **SBI Business Loan Eligibility Criteria**

Age	Min. 18 years & Max. 65 years
Business Existence	Min. 2 years
Annual Turnover	Depends on business volume and requirements
Business experience	Min. 2 years
ITR	Last 1 year
Profitability	Last 2 years in profit
Citizenship	Indian citizen with no previous defaults with any financial institution

### **SBI Business Loans Documents Required**

The documentation requirements for SBI Term Loan differ on the basis of the type of loan. Here we have compiled a list of some common business documents which may be needed at the time of application.

- Business Plan
- Duly Filled Application form
- Passport-sized Photographs
- PAN Card of Primary Applicant or of the Enterprise
- KYC Documents of applicant, partners, co-applicants, promoters, if any
- Identity Proof: Voter ID, Passport, Driving License, Aadhaar Card, etc. are accepted by the bank
- Address Proof: Driving License, Voter's ID, Passport, Telephone Bill, Electricity Bill (Not older than 3 months), Sale Agreement / Bank Statement (not older than 3 months) Registered Lease Deed, etc. are accepted by SBI
- Ownership proof of either residence or office either in the name of the applicant or jointly with family members
- Proof of Business Continuity– Any one of the following document can be submitted-Bank Statement, ITR, Certificate of Incorporation, Shops & Establishment Certificate, Partnership Deed or Sales Tax Challans
- Financial Documents of the Business such as Profit & Loss Statement and Balance Sheet (duly audited by a registered CAs)

## Interest Rates of SME Loans offered by SBI

SME/Business Loan Interest Rate – 2020	
Supply Chain Finance	8.00% onwards
CGTMSE	7.40% onwards
Doctor Plus	9.00% onwards
PMEGP/KVIC	10.45% onwards
SBI Asset Backed Loan	9.30% onwards
SBI Asset Backed Loan for Commercial Real Estate	10.05% onwards
Electronic Dealer Finance Scheme	7.55% onwards
SME Construction Equipment Loan	8.50% onwards
SBI Fleet Finance Scheme	7.75% onwards
Warehouse Receipt Financing	8.00% onwards
Lease Rental Discounting	10.10% onwards
Arthias Plus Scheme	8.00% onwards
Dal Mill Plus	7.90% onwards
Cotton Ginning Plus	7.90% onwards
SME Credit Card	9.50% onwards
Weavers Credit Card	9.75% onwards
Artisan Credit Card	9.75% onwards
Medical Equipment Finance Scheme	9.50% onwards
SBI e-Smart SME e-Commerce Loans	9.00% onwards

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank, NBFC and RBI. GST and service tax shall be levied extra on the mentioned charges.

Note: SBI 1 yr MCLR effective from 10 June, 2020 is 7%

On 16 June 2020, SBI disbursed approx. Rs 8,700 crore from the Rs 3 lakh crore funding under Emergency Credit Line Guarantee Scheme (ECLGS) for the MSME sector.

In addition to the SME Business Loans, SBI caters to the Mid-Corporate Group that are defined as entities availing aggregate limits of above ₹ 50 Crores and up to ₹ 500 Crores. Financial assistance is extended to these entities in the form of working capital finance, project finance, corporate term loans, structured finance, dealer financing, loan syndication, construction equipment loans, etc.

### Steps to apply for Business Loan in SBI Bank

To apply for SBI Business Loan or SBI Term Loan, you need to follow below mentioned steps:

- Step 1: Firstly, check your eligibility before applying for a business loan with SBI

- ☛ Step 2: To check your eligibility, fill in your basic details like age, required loan amount, type of business, business vintage, annual turnover, profit and other related information
- ☛ Step 3: Fill in the loan application form and deposit all the required documents, as defined by SBI
- ☛ Step 4: After form submission, SBI's representative will proceed with the loan formalities
- ☛ Step 5: Once the documents are verified and loan get approved, the sanctioned loan amount shall get disbursed in the mentioned bank account within specified time duration or working days

### How to Track SBI Business Loan Application Status Online

Follow these 3 simple steps to track the application status:

- ☛ Step 1: Fill in the your reference number that you must have received after loan application submission.
- ☛ Step 2: Enter your registered mobile number with ISD code
- ☛ Step 3: Click on the below Tab 'Track' to get the actual status of your loan application



### SME Loans from SBI Bank

#### 1- SBI Asset Backed Loan

This business loan can be taken for the purpose of building current and fixed assets of a business. Such assets may be needed for business modernization, capacity expansion, arranging for short-term working capital, etc. It is a drop-line overdraft facility wherein applicant can withdraw funds from his/her current account up to a certain limit.

#### Features



Minimum Loan Amount	Rs. 10 Lakh
Maximum Loan Amount	Rs. 20 Crore
Repayment Tenure	From 12 months to 180 months (Max. 18 months moratorium period)
Processing Fee	1% of the limits with maximum cap of 10 Lakh
Margin	Minimum 25% cash margin for NFB facility

### Eligibility Criteria

- Applicant must be a customer of SBI, availing credit facility from them
- A business must have marketable assets to offer as collateral to the bank
- Takeover of existing business loan from other banks can also be done provided the borrower has a satisfactory track record

### 2- SBI Loan for Commercial Real Estate

Business houses can take this type of loan from SBI to purchase a commercial property which could be a retail space, warehouse, restaurant, hotel, storage space, gym or office building. This loan is also offered in the form of a drop-line overdraft.

### Features

Minimum Loan Amount	Rs. 10 Lakh
Maximum Loan Amount	For Tier II and Tier III branches- 20 Crore For Tier I branches- 50 Crore
Repayment Tenure	From 12 months to 72 months
Processing Fee	1% of the limits with maximum cap of 10 Lakh
Margin	25% for both working capital and fixed assets

### Eligibility Criteria

- Applicant must have availed a credit facility from SBI
- The business must have marketable assets which can be offered as collateral to the bank
- Takeover of existing business loan from other banks can also be done provided that the borrower has a satisfactory track record

### 3- SBI Doctor Plus Scheme

This term loan is offered by SBI to medical practitioners, especially those of allopathic discipline. Hospitals, X-ray labs, pathological clinics, nursing homes and

polyclinics are also eligible. The loan proceeds can be used for buying equipment, setting up a new clinic or drug store or for expanding existing medical premises.

#### Features

Minimum Loan Amount	Rs. 10 Lakh
Maximum Loan Amount	Rs. 5 Crore
Repayment Tenure	3-7 years (moratorium period of 6 months)
Processing Fee	50% concession on card rates
Margin	15% uniformly

#### Eligibility Criteria

- Individuals/Partnerships/ Corporate/Trusts
- Promoters/applicants should be registered practitioners and must be qualified to practice allopathy

#### 4- SBI Fleet Finance

This SBI Business Loan is a type of term loan targeted for fleet operators such as goods transport or passenger transport. The loan proceeds can be used for purchasing new vehicles.

#### Features

Minimum Loan Amount	Rs. 50 Lakh
Maximum Loan Amount	Rs. 10 Crore
Repayment Tenure	Up to 66 months
Processing Fee	1% of the limit
Margin	<p>For Cost of Chasis : 5% (score b/w 35-60%) &amp; 0% (above 60% score)</p> <p>For Cost of Body : 45% (score b/w 35-60%) &amp; 40% (above 60% score)</p> <p>For fully built model : 10% (score b/w 35-60%) &amp; 5% (above 60% score)</p> <p>Other expenses : Min. 50%</p>

#### Eligibility Criteria

- Fleet operators having more than 2 years' experience in the field
- Fleet operators should have at least 10 vehicles in the fleet
- Loan can be taken for the purpose of buying minimum 10 new vehicles or a minimum loan of ₹ 50 Lakh must be availed
- Transport operators holding national/state route permit and other necessary permits required

### 5- SBI SME eBiz Loan

This is a cash credit facility by SBI launched to provide financial assistance to people who sell products online through e-commerce portals.

#### Features

Minimum Loan Amount	50 Lakh
Maximum Loan Amount	5 Crore
Nature	Cash credit
Processing Fee	1st year: 1% of sanctioned limit 2nd year and onwards: 0.35% of sanctioned limit

#### Eligibility Criteria

- The applicant must be registered as a seller on an e-Commerce portal for selling products online with at least 6 months track record on any of the major e-Commerce player

### 6- SBI Simplified Small Business Loan

This is again a drop-line overdraft facility offered to business units engaged in manufacturing or service activities. The SBI Working capital loan or Small Business Loan can be taken for the purpose of building fixed assets and current assets of the business.

#### Features

Minimum Loan Amount	Rs. 10 Lakh
Maximum Loan Amount	Rs. 25 Lakh
Repayment Tenure	Up to 5 years
Processing Fee	₹ 7,500
Margin	10% which will be ensured through stocks and receivable statement

### 7- Medical Equipment Finance

This SBI Business Loan is offered to path labs, diagnostic centers, nursing homes, etc. for the purchase of medical equipment.

## Features

Minimum Loan Amount	Rs. 10 Lakh
Maximum Loan Amount	Rs. 20 Crore
Repayment Tenure	3-7 years (6 month moratorium period)
Processing Fee	50% concession on card rates
Margin	15% uniformly

## Eligibility Criteria

- Individuals, Corporate enterprises, partnerships, trusts and societies can apply for this loan
- Minimum 3 years of operation is mandatory at a diagnostic center or other such eligible practices
- Applicant should have an ITR
- The medical center should have all regulatory/statutory approvals
- It should have tie-up with/employed qualified doctors

## SME Government Schemes

### 1 – Prime Minister Employment Generation Programme (PMEGP)

Implemented by the Khadi and Village Industries Commission (KVIC), this scheme offers financial assistance to individuals who wish to set up new enterprises. The maximum project cost in the manufacturing sector should be ₹ 25 Lakh and ₹ 10 Lakh in the business/services sector.

- Any individual above 18 years of age is eligible for this financial assistance. The applicant must have passed the 8th standard for projects costing above ₹ 10 Lakh in the manufacturing sector or above ₹ 5 Lakh for projects belonging to the business/service sector.
- Societies, self-help groups, production cooperative societies and charitable trusts are also eligible provided that they have not availed financial assistance under any other government scheme.

Applicants can fill out an online form and take a printout of the same along with Detailed Project Report and other required documents and submit at the respective office.

### 2 – Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)

The Ministry of Micro, Small & Medium Enterprises (MSME) has launched CGTMSE to make bank credit available to SMEs without the hassle of collateral or third-party guarantee. The main objective of the scheme is that the lender should give utmost importance to project viability and provide funding purely on the primary security of the assets financed. Moreover, the lender availing guarantee facility should endeavor

to give composite credit to the borrowers so that the borrowers obtain both term loan and working capital facilities from a single agency.

The Credit Guarantee scheme (CGS) reassures the lender bank that in case a MSE unit fails to discharge its liabilities, the Guarantee Trust would cover the loss incurred by the lender up to 50/75/80/85 per cent of the credit facility. The maximum credit cap is set at ₹ 200 Lakhs.

### 3 – Stand up India

Under the Stand-up India scheme, bank loans will be provided between ₹ 10 Lakh and ₹ 1 Crore to at least one Scheduled Tribe (ST) and Scheduled Caste (SC) borrower and at least to one woman borrower per bank branch. This loan is offered for setting up a Greenfield enterprise in manufacturing, trading or the services sector.

Applicants can fill out an online form. They can also choose a preferred lender. Alternately, they can visit a branch of their preferred bank and apply directly.

### 4 – Pradhan Mantri MUDRA Yojana (PMMY)

Launched by the Prime Minister in 2015, PMMY helps non-corporate, non-farm small/micro enterprises secure financial assistance. Loans can be availed from commercial banks, Regional Rural Banks, Cooperative Banks, Small Finance Banks, MFIs, as well as from Non-Banking Financial Companies (NBFCs). Loans up to ₹ 10 Lakh can be availed under the scheme. Products are classified as Shishu, Kishore and Tarun to categorize the enterprises according to growth and funding needs of the beneficiary micro unit/entrepreneur.

- Shishu : Loan amount up to ₹ 50,000
- Kishor : Loan amount above ₹ 50,000 and up to ₹ 5 Lakh
- Tarun : Loan amount above ₹ 5 lakh and up to ₹ 10 Lakh

### **SBI Supply Chain Finance**

SBI has added a financial feature to its range of products that is supply chain finance for the benefit and convenience of its customers. Supply chain finance will add strength in financing supply chain partners with the help of SBI. SBI has launched an online platform for providing funding support to supply chain partners of renowned and established corporate enterprises.

SBI provides financing services through its two products, such as Electronic Vendor Financing Scheme (e-VFS) and Electronic Dealer Financing Scheme (e-DFS).

This platform can be accessed via its online portal:  
<https://scfu.onlinesbi.com/vfim/login.htm>

### Benefits of online platform:

- Offers hassle-free paperless online banking service
- Customization as per business requirements is possible
- Platform is integrated with Corporate Enterprise Resource Planning Software (ERP)/SAP

Types of Supply Chain Finance Products offered by SBI:

1. Electronic Vendor Financing Scheme (e-VFS): The buyers can easily upload the details of invoices raised by their respective vendors on SBI's online platform that results in instant credit to vendor account.

2. Electronic Dealer Financing Scheme (e-DFS): Sellers make online requests to SBI's online platform for debiting dealer's account by providing details of invoices raised on their respective dealers that results in immediate credit to corporate seller's account.

### SBI Business Loan Customer Care

SBI Toll-free Number- 1800 11 2211 / 1800 425 3800

Call on 080-26599990; normal call charges may apply. Toll-free numbers can be accessed from all landlines and mobile phones in India.



### FAQs on Loan from Banks

**?** What is the interest rate charged by SBI for its range of business loans?

The interest rates offered by SBI depends on particular loan option, applicant profile and business requirements.

**?** Can I take Government loan scheme like Mudra Yojana from SBI?

Yes, SBI do offered loans under various Government schemes like PEMGP, Stand-up India, Mudra loan scheme and many more.

**?** What are the popular business loans offered by SBI?

The popular business loans offered by SBI are as follows:

- SBI Asset backed loan
- SBI loan for commercial real estate
- SBI Doctor Plus Scheme
- SBI Fleet Finance
- Medical Equipment Finance
- e-vendor & e-dealer finance scheme
- Lease rental discounting

- Export packing scheme and many more

? How can I get in touch with SBI customer care?

You can call on their Toll Free Number 1800-11-2211 / 1800-425-3800 regarding any query.

? How is working capital finance typically structured at SBI?

Working Capital Loans are offered to meet the daily business requirements of its customers. Working capital loans are structured as a joint contribution of credit features like demand loan, cash credit, bill discounting and non-funded credit facilities.

? How does SBI approve working capital loans?

SBI's team of experienced professionals check the applicant's profile and business requirements and various eligibility factors before sanctioning any working capital loan.

? What are the tenors for which SBI extends working capital finance?

The maximum tenor offered by SBI for its working capital loan is up to 12 months, being as short-term loans.

Tamilnad Mercantile Bank offers personal loans up to Rs. 2 lakh at an interest rate starting at 14.70% p.a. Tamilnad Mercantile Bank personal loan is offered with repayment tenure of up to 60 months, quick disbursal and involve minimal documentation. The following are key details of this unsecured loan:



<b>Tamilnad Mercantile Bank Personal Loan Highlights</b>	
<b>Interest rate</b>	Starting at 14.25% p.a.
<b>Loan Tenure</b>	Up to 60 months
<b>Eligible Applicant Category</b>	Salaried Individuals
<b>Eligible Applicant Age</b>	Less than 54 years
<b>Processing Fees</b>	1% of loan sanctioned

#### Features of Tamilnad Mercantile Bank Personal Loan

**Loan amount:** You can avail a personal loan up to Rs. 2 lakh from Tamilnad Mercantile Bank to deal with various personal financial requirements.

**Flexible tenure:** Tamilnad Mercantile Bank Personal Loans come with a flexible repayment tenure ranging up to 60 months, which borrowers can choose as per their own convenience.

**Minimum documentation:** Minimum documentation is required to avail a personal loan from Tamilnad Mercantile Bank which ensures easy application and quick processing.

**Quick disbursal:** Once all the necessary documents are received and verified and the loan is approved, the loan amount gets disbursed to your account within a few days.

#### Tamilnad Mercantile Personal Loan Interest Rates



Tamilnad Mercantile Bank offers personal loans at an interest rate starting at 14.70% p.a. However personal loan interest rate offered to a specific applicant depends upon factors such as applicant profile including his/her credit score, age, customer segment, loan amount and tenure desired, etc.

#### Eligibility Criteria

To avail a Tamilnad Mercantile Bank personal loan, the following eligibility criteria needs to be taken into consideration:

You should be below 54 years of age

You should be a permanent employee of a reputed corporate/business house, govt. department, recognised educational institution, etc.

#### Documents Required for Loan Application

You need to furnish the following documents to avail a personal loan from Tamilnad Mercantile Bank:

#### Application form

Proof of income (salary slips and bank statements) and certificate from the employer for the take home salary

Undertaking from the employer to deduct the installment from the salary and remit to the Bank or Undertaking from the employer to allow deduction from salary account, if necessary

Guarantee consent letter from third party, if necessary

Undertaking from the employer that the applicant will not be relieved from the service under VRS without the consent of the Bank

#### Fees and other Charges

Some of the key fees and charges associated with Tamilnad Mercantile Bank personal loan are given below:

Processing Fees	1% of the loan amount plus applicable taxes
Foreclosure Charges	As per loan agreement
Cheque/ECS Swap Charges	Rs. 500 per instances

\*GST at applicable rate additional.

#### How to Login on Tamilnad Mercantile Bank Portal

To login to Tamilnad Mercantile Bank's internet banking portal simply follow the steps given below:

Visit the Tamilnad Mercantile Bank website.

Click on 'Internet Banking'.



3. Login using your user id and password to view your account details including personal loan statement, EMI details, outstanding balance etc, details online.

#### Tamilnad Mercantile Bank Personal Loan Statement

You can avail your Tamilnad Mercantile Bank personal loan statement both online and offline:

Online: To get your personal loan statement online, you can visit the bank's website and login to the net banking portal using your login credentials. You can also avail the statement by logging into the Tamilnad Mercantile Bank mobile application.

Offline: To avail a physical copy of your personal loan statement, you can visit the nearest Tamilnad Mercantile Bank branch office or call up the customer care number.

#### EMI Calculation

Tamilnad Mercantile Bank personal loan interest rate starts at 14.70% p.a. Given below is an example of EMI calculation using the personal loan EMI calculator for varying loan amounts, tenures and interest rates:

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
50,000 @ 14.70% p.a.	4,506	2,417	1,726	1,384	1,182
1 lakh @ 16% p.a.	9,073	4,896	3,516	2,834	2,432
2 lakh @ 20% p.a.	18,527	10,179	7,433	6,086	6,086

#### Comparison of Tamilnad Mercantile Bank Personal Loan vs. Other Lenders

The following table gives a comparison of the key features of a personal loan from Tamilnad Mercantile Bank with other top lenders in India:

Particulars	Tamilnad Mercantile Bank	Axis Bank	HDFC Bank	Bajaj Finserv	Citi Bank
Interest Rate	Starting from 14.70%	12% to 24%	10.75% onwards	Starting from 12.99%	Starting from 9.99%
Tenure	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Up to Rs. 2 lakh	Rs. 50,000 to Rs. 15 lakh	Up to Rs. 15 lakh	Up to Rs. 25 lakh	Up to Rs. 30 lakh
Processing Fee	1% of loan amount plus applicable taxes	2% of loan amount plus GST	Up to 2.50% of the loan amount	Up to 4.13% of the loan amount	Up to 3% of the loan amount

### Tamilnad Mercantile Bank Customer Care

You can contact Tamilnad Mercantile Bank's customer care using any of the following means given below:

**By Phone:** You can call on the All India National toll free number 180-0425-0426 or (+91)9842-461-461 (chargeable)

**Email:** You can also send an email at [customerservice@tmbank.in](mailto:customerservice@tmbank.in)

**SMS:** You can get your queries answered through SMS. Simply type "HELP" and send it to (+91)9842-461-461

**Branch Visit:** You can also visit the nearby Tamilnad Mercantile Bank branch to get your queries resolved

### Important Aspects

Given below are some key aspects that you must keep in mind when applying for a personal loan with Tamilnad Mercantile Bank:

**Check your credit score:** Before applying for a personal loan it is always good to check your credit score. It is one of the primary things that lenders consider when lending money to a person. A low credit score can result in an increase in the interest rate charged by the lender or to an outright rejection of your loan application.

**Avoid Multiple Simultaneous Loan Applications:** Refrain from applying for a personal loan with several lenders at the same time. It not only shows you to be credit hungry but may also increase the number of hard inquiries for your credit report, which may negatively affect the chances of approval.

**Evaluate the complete cost:** Evaluate the complete cost of the loan. Interest is not the only cost that you need to pay. Other fees and charges like processing fees, late payment fees, etc. must be taken into account when finalizing upon a particular personal loan.

**Compare and choose:** Before applying for a particular personal loan, compare the interest rates and charges levied by various lenders to secure the best deal.

Borrow wisely: Borrow only what you need and can pay back. Avoid borrowing simply because you are eligible to borrow a higher amount

## Business Loans

Tamilnad Mercantile Bank (TMB) is considered as one of the fastest growing private sector banks in India. The bank specialises in providing banking and financial services to its customers nationwide. Being a provider of banking products, bank focuses on offering types of business loans along with other loan products. The trader/service loan interest rate offered by bank starts from 10.80% onwards. Trader/Service Loan offered by Tamilnad Mercantile Bank is suitable for all general business community and MSME sector.

Tamilnad Mercantile Bank – Trader / Service Loan 2021	
Interest Rate	10.80% onwards
Loan Amount	Max. Up to Rs. 50 lakh
Processing Fee	0.50% of the loan amount + taxes
Repayment Tenure – Term Loan	Up to 84 months (capex)
Repayment Tenure – Demand Loan	Up to 35 months
Repayment Tenure – OD	Fresh loans – Up to 60 months
Margin	Up to 20%
Penal Interest	1% p.a. over and above the rate of interest on the balance outstanding

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

The loan amount can be used to meet working capital needs of retails, traders, manufacturers, Micro and Small Enterprises, small businesses, and professional & self-employed people. Tamilnad Mercantile Bank's Trader/Service loan can be availed by individuals, proprietorships, partnership firms, Limited Liability Partnerships (LLPs) and Private Ltd. Companies engaged in any trading and/or service activity.

<b>Tamilnad Mercantile Bank – MSME Credit Scheme – 2021</b>	
Interest Rate	9.80% onwards
Max. Loan Amount – Single Borrower	Up to Rs. 25 crore
Max. Loan Amount – Group Borrowers	Up to Rs. 50 crore
Repayment Tenure	Working Capital – 1 year (Renewable) Term loan – Max. up to 7 years
Processing Charges	1% of the loan amount + taxes
Prepayment Charges	Term Loan – 2% of outstanding amount + Taxes Working Capital – 1% of limit + taxes
Primary Security	Working Capital Limits: Stock and receivables Term Loan: Assets Acquired
Collateral Security	Nil on loans up to Rs. 10 lakh offered to MSEs
Documentation Charges	Nil up to Rs. 25 lakh

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges

#### Features of MSME Credit Scheme

Scheme offers both fund based and non-fund based loans

Provides funding to MSMEs at attractive interest rates to meet their working capital needs

Scheme can be availed by individuals, limited companies, partnerships, Hindu Unified Families (HUFs) and proprietary firms

Collateral security is waived off, if the limit is eligible and covered under Credit Guarantee Fund Scheme (CGFSI) for Small Scale Industry

#### Types of Business Loans

Below mentioned are the interest rates of various types of business loans offered by Tamilnad Mercantile Bank:

<b>Business Loan Type</b>	<b>Interest Rate (p.a.)</b>
MSME Credit	9.80% onwards
Micro Entrepreneurs	10.35% onwards
Pharma Trade Finance	10.80% onwards
Working Capital	11.55% onwards
Standup India Finance	11.10% onwards
Doctor	10.80% onwards

Note: The mentioned interest rates, fees and charges are subject to change and depend on the sole discretion of the bank and RBI. GST and service tax shall be levied extra on the mentioned charges.

Tamilnad Mercantile Bank offers business loans under various categories and types with offered maximum loan amount as follows:

Banana Cultivation – Up to 70% of scale of finance

Brackish Water Shrimp Farm – Up to Rs. 2500 lakh

Channel Finance – Depends on pre-sanction appraisal

Easy Mortgage Loan – Up to Rs. 50 lakh

Genset Finance – Up to Rs. 25 lakh

Inland Fisheries Farm – Up to Rs. 1000 lakh

Mahalir Loan – Up to Rs. 10 lakh

Micro Entrepreneurs Scheme – Up to Rs. 10 lakh

Pharma Trade Finance – Up to Rs. 600 lakh

Tractor Loan – Up to Rs. 6 lakh

Vehicle Finance (Commercial / Corporate/ Educational Institutions) – Up to Rs. 500 lakh

Toll Free Number: 1800-425-0426

#### FAQs

Q1. What is the minimum interest rate offered under business loan types?

Ans. The minimum interest rate is offered under MSME loan category which is 9.80% onwards.

Q2. What is the maximum repayment period offered by Tamilnad Mercantile Bank?

Ans. The maximum repayment period is up to 84 months.

Q3. What is the processing fee of business loan offered by the bank?

Ans. The processing fee charged is 1% of the loan amount plus taxes.

Q4. What is the maximum loan amount that I can avail for my business?

Ans. The maximum loan amount offered by Tamilnad Mercantile Bank is Rs. 2500 lakh under the category of Brackish Water Shrimp Farm.

#### FAQs

Q1. What is the maximum amount that I can avail on a personal loan from Tamilnad Mercantile Bank?

The maximum amount that you can avail on a Tamilnad Mercantile Bank Personal Loan besides other factors also depends upon whether the borrower remits the loan installment or whether his/her employer remits the installment on his/her behalf.

In case the employer deducts and remits the installment: 6 times of Gross Salary as per the latest Salary Slip with a maximum of Rs. 2 lakh.

In case the borrower remits the installment directly: 6 times of Gross Salary as per the latest Salary Slip with a maximum of Rs. 1 lakh.

Q2. What is the tenure option available on Tamilnad Mercantile Bank personal loans?

Tamilnad Mercantile Bank Personal Loans come with a repayment tenure ranging upto 60 months.

Q3. Is any security required to avail a personal loan from Tamilnad Mercantile Bank?

Lien over bonus, salary and other emoluments

Hypothecation of assets created from loan proceeds

Suitable Third Party Guarantee (if needed)

Q4. Can a self-employed individual apply for Tamilnad Mercantile Bank personal loan?

No, only a permanent employee (salaried professional) can apply for Tamilnad Mercantile Bank personal loan.

Q5. Can I apply for Tamilnad Mercantile Bank personal loan to buy household items?

Yes, you can apply for Tamilnad Mercantile Bank personal loan to buy household items or to deal with any other personal expense.

Q6. What should be the minimum credit score to apply for Tamilnad Mercantile Bank personal loan?

The bank does not specify a minimum credit score to avail a personal loan. However, applicants with a credit score of 750 or above increases the chances of securing a personal loan as well as availing a personal loan on favourable terms.

## BANKS

### Union Bank of India

Union Bank of India offers personal loans of up to Rs. 15 lakh that individuals can use to meet various personal financial needs -both planned ones and in case of an emergency. Common uses of an Union Bank of India personal loan include purchase of consumer durables, meeting emergency medical expenses, paying for a home renovation, etc. This unsecured loan from the bank is disbursed quickly and can be availed with minimal documentation making it a popular borrowing option. The interest rate for this loan starts at as low as 10.10% p.a. and the repayment tenure can extend up to 60 months.



Union Bank of India Personal Loan Highlights	
Interest rate	Starting at 8.90% p.a.
Loan Amount	Up to Rs. 15 lakh
Loan Tenure	Up to 60 months
Processing Fees	As per applicable guidelines
Types of Loans	Union Personal Scheme for Salaried Individual other than Government Employees, Union Personal Loan – Non Salaried and Personal Loan Under Special Retail Lending Scheme for Government Employees

#### Features of Union Bank of India Personal Loan

Loan amount: The highest loan amount for first time personal loan borrowers with Union Bank of India is Rs. 5 lakh while the amount is much higher at Rs. 15 lakh in case of existing personal loan borrowers of Union Bank with good track record



Flexible tenure: The tenure to repay Union Bank of India Personal Loan can be as long as 60 months and offers flexibility to the borrower

Fast processing: Union Bank of India ensures that your personal loan application is processed quickly (if you meet the eligibility criteria) so that you can avail funds as soon as possible

Minimum documentation: Union Bank of India Personal Loan can be availed with minimum documentation such as basic KYC and income proof documents

#### Union Bank Personal Loan Interest Rates

Union Bank of India Personal Loan interest rate starts at 8.90% p.a. but can be higher depending on the type of applicant and the personal loan variant opted for. Specific interest rates on personal loan are available to an applicant depending upon the individual's applicant profile. Interest rate charged on Union Bank personal loans under specific schemes is given below:

Type of Union Bank of India Personal Loan	Rate of Interest (p.a.)*
Union Personal (under salary tie-up)	12.10% onwards
Union Personal (no tie-up)	13.10% onwards
Union Personal (non-salaried)	14.20% onwards
Employer undertaking available (Govt. employee)	8.90% onwards
Employer undertaking not available (Govt. employee)	11.60% onwards

\*These rates apply to applicants with a CIBIL score of 700 or higher. Subject to periodic change:

The rates for these loans that are applicable to applicants with CIBIL score lower than 700 are as follows:

Type of Union Bank of India Personal Loan	Rate of Interest (p.a.)*
Union Personal (under salary tie-up)	12.20% onwards
Union Personal (no tie-up)	13.20% onwards
Union Personal (non-salaried)	14.30% onwards
Employer undertaking available (Govt. employee)	8.90% onwards
Employer undertaking not available (Govt. employee)	11.70% onwards

#### Types of Union Personal Loan Products

Depending upon the type of employment/applicant, Union Bank of India offers 3 types of personal loans:

1. Union Personal Scheme for Salaried Individual other than Government Employees: Salaried individuals other than government employees can avail this type of loan to meet various financial needs including the purchase of consumer durables. Some features of this loan are given below:

One can avail a loan amount up to Rs. 10 lakh- Rs. 10 lakh in case of tie-up and Rs. 5 lakh (for First Time borrowers) and Rs. 10 lakh (for existing borrowers with a satisfactory repayment record of 2 years) even in case of no salary tie-up

Comes with a repayment period of up to 60 months (5 years) or one year prior to age of retirement for applicant (whichever is earlier)

No collateral/security is required

2. Union Personal Loan – Non Salaried: Self-employed individuals/professionals can avail this type of loan to finance various financial needs including travel, marriage, purchase of consumer durables, etc. Some features of this type of loan are mentioned below:

First time/new borrowers can avail a loan amount up to Rs. 5 lakh, whereas existing borrowers with satisfactory repayment record of 2 years or more can avail a loan amount up to Rs. 10 lakh

Comes with a repayment period not exceeding 60 months (5 years)

Unsecured loan that requires no security or collateral except for personal guarantee

3. Personal Loan Under Special Retail Lending Scheme for Government Employees: Government employees can avail this type of loan to meet various financial requirements including the purchase of consumer durables. Some features of this type of loan are given below:

One can avail a loan up to Rs. 15 lakh (subject to repayment capacity)

Requires no security/collateral except for guarantees

Maximum repayment period is lower among one year prior to retirement of applicant or 60 months

Eligibility Criteria

To avail Union Bank personal loan, the following eligibility criteria needs to be considered:

In case of Union Personal Scheme for Salaried Individual other than Government Employees:

– You should be at least 18 years old

– You must have a reasonable residual service to ensure that the complete loan amount is repaid one year before retirement

– Must not be staff member of the Union Bank of India or a government employee

Few other eligibility criteria for Union Bank of India Personal loan are as follows

Applicants with Tie-Up	Applicants without Tie-up
1. You should be a permanent/ confirmed employee of reputed private institutes/organization in India	1. You should be a permanent/ confirmed employee of reputed private institutes/organization in India
2. These organizations/institutes should be operating within the jurisdiction of respective ZLCC (Zonal Level Credit Committee)	2. You should be customer of the bank for at least 6 months prior to applying for the personal loan
3. You might or might not maintain a salary account with us	3. You should necessarily maintain salary account with us

In case of Union Personal Loan – Non Salaried:

-You must have a regular source of income

-You should be at least 25 years old at the time of application

-Your age at the end of repayment has to be maximum 60 years

-You should be a customer of Union Bank for at least 24 months prior to submitting your personal loan application

-You need to maintain a savings/ current account in good standing with Union Bank of India featuring an AQB (average quarterly balance) of Rs. 25,000 and above for at least the last 4 quarters

In case of Personal Loan Under Special Retail Lending Scheme for Government Employees:

-You should be at least 18 years old at the time of applying for the Union Bank of India personal loan

-You should be a permanent employee of Government organizations (Central / State), PSUs, Central / State Government undertakings, Defence, armed personnel, Ministries / Departments under the Ministries, officers in All India Services, Teaching & non-teaching staff at Government Schools & Colleges

-The employee should be the main applicant to avail this loan

-The employee may or may not have a salary account with the bank. However, employees who do not have a salary account with the bank will be eligible only for Term Loan facility

Documents required for Loan Application

The following documents are needed to apply for a personal loan with Union Bank:

Duly filled application form

PAN card

Proof of identity: Passport/ Aadhaar/Driving Licence/Employee ID Card (Any One)

Proof of address: Telephone Bill/Electricity Bill/Aadhaar Card (Any One)

Proof of income: Last three year ITR, last three year Form-16/letter from the employer and last 6 months' salary slip

Proof of out-goes: LIC Policies (if any), loan repayment statement (if any), any other valid proof of any out- go

2 photographs

Note: Additional documents may be required depending on the applicant's profile.

Check Union Personal Loan Application Status

To check the status of your Union Bank personal loan application simply follow the steps given below:

Go to the official website of Union Bank. On the right hand side of the homepage, click on 'Apply Online' and select 'Many more'.



2. On the page that opens next, click on 'Loan Application Status'.



3. Next, enter the 'Acknowledgement No' and click on 'Search' to check the status of your personal loan application.



### Fees and other Charges

The following are some of the key fees and charges other than interest charges associated with Union Bank of India personal loan:

Processing Charges	As per loan agreement
Prepayment Charges	Nil
Foreclosure Charges	Nil

### How to Login on Union Bank of India Portal

You can login to the Union Bank portal by following the steps given below:

Step1: Visit the official website of Union Bank. On the homepage, click on 'Online Banking' and select 'Union Bank Net Banking'.



Step2: On the page that opens next, click on 'Retail User Login'. Click on 'Continue to Login'.

Step3: Enter your User id and verification code and click on 'Login'



### Union Bank of India Personal Loan Statement

Customers can avail the statement of their Union Bank personal loan via any of the following means:

Online Method: Customers can avail their personal loan statement by logging into the bank's net banking portal using their login credentials.

Offline Method: In case you wish to avail a physical copy of your personal loan statement, you can visit the nearest branch office or call up the customer care

### EMI Calculation

The rate of interest for Union Bank of India personal loan starts at 10.10% p.a. The table below shows monthly EMI payout examples for different loan principals, interest rates and tenures:

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
5 lakh @ 10.10% p.a.	43981.2	23095.55	16157.08	12705.32	10648.14
7 lakh @ 12% p.a.	62194.15	32951.43	23250.02	18433.68	15571.11
10 lakh @ 14% p.a.	89787.12	48012.88	34177.63	27326.48	23268.25

### Comparison of Union Bank Personal Loan vs. Other Lenders

The following is a comparison of Union Bank of India personal loan verses personal loan offers from other leading lenders in India:

Particulars	Union Bank	Axis Bank	ICICI Bank	Citi Bank	HDFC Bank
Interest Rate	10.10% to 14.20	11.49% to 17.49%	11.25% to 22.00%	Starting from 10.50%	10.75% to 21.30%
Tenure	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Up to Rs. 10 lakh	Rs. 50,000 to Rs. 15 lakh	Up to Rs. 20 lakh	Up to Rs. 30 lakh	Upto Rs. 15 lakh
Processing Fee	0.50% of loan amount. Min. Rs. 500 plus GST	2% of loan amount	Up to 2.25% of loan amount	Up to 3% of the loan amount	Upto 2.50% of the loan amount

### Union Bank Customer Care

Customers can contact the bank's customer care via any of the following ways:

**Call:** You can get in touch with the bank's customer care department by calling on the numbers given below:

All-India Toll-Free Number	1800-222-244 / 1800-208-2244
Chargeable Landline Number	080-61817110
NRIs only Dedicated Number (chargeable)	(+91) 806-181-7110

**Online Chatbot:** You can also get your queries resolved via the online chatbot 'Ask UVA' available on the bank's website.

**Branch Visit:** You can visit the nearest Union Bank branch/Union Loan Point to get your queries answered

### Important Aspects

To avail the best deal, different interest rates and charges should be compared prior to applying for a personal loan

Avoid applying for a personal loan with several lenders at the same time. It may result in an increase in the number of hard inquiries for your credit report and may adversely affect the chances of approval

Consider the complete cost of the loan. Interest is not the only cost that you need to pay. While deciding upon a particular personal loan, you must also consider other charges like prepayment fee, processing fee, late payment fee, etc.

Borrow only according to your need. Don't borrow simply because you are eligible for a personal loan.

It is advisable that you check your credit score before applying for a personal loan. It is one of the first things that lenders look at when evaluating a loan application. Low credit score may lead to an increase in the interest rate charged by the bank or rejection of your loan application.

## **Business Loans**

Union Bank of India supports micro, small and medium enterprises (MSMEs) through its wide array of business loan schemes. Union bank business loan interest rate depends on the loan scheme, credit profile of the applicant and other such factors. Let us delve into various types of business loans that the bank offers its customers.

### **Purpose of Union Bank Business Loans**

Below are some of the common reasons for which Union Bank Business Loans are needed:

**To upgrade or expand business:** One needs extra funds to maintain and expand their business. Purchase of new land for expansion or renovating an existing space might be a reason to apply for business loan

**To increase working capital:** At times, small scale industries do not have sufficient working capital to carry out daily operational activities. In such cases, availing short term business loans can be helpful

**To purchase raw materials and equipment:** Often small businesses need to collect raw-materials or purchase new equipment to meet up the rising demand in the market. In such cases, loans from banks prove worthwhile for the company when they do not have enough capital at hand

**To improve credit history:** Before applying for a loan, a company or an individual must maintain a good credit history. Paying loan EMIs and other credit instalments on time lead to a good credit score

### **Types of Union Bank Business Loans – 2021**

Union Bank of India offers a variety of business loans as per client's needs. Some of the popular loan schemes are discussed below:

#### **Union Start-Up**

This scheme is for the "Start-up" units to support them in innovating, producing and commercializing new products or services driven by technology or intellectual property as per the Start-up India Scheme



Loan amount varies between Rs. 10 Lakhs to Rs. 5 Crore

Collateral is not necessary

No processing charges will be levied

Loan can be availed as working capital or term loan

The repayment period of working capital is 12 months

Union Liqui Property

The interest rate offered under this scheme is 9.50% onwards

This loan is applicable for all business firms carrying out business operations for at least a period of 2 years. Individuals, HUF, and firms involved in Real Estate and other speculative activities cannot apply for the scheme

Applicants must have the expected credit score.

Firms should have all the needful statutory approvals/NOCs from respective authorities

Loan amount can range from Rs. 10 lakh to Rs. 10 crore. The amount can be used in purchase of equipment, machinery, or meeting up working capital for daily requirements or clearing high debts

Maximum loan tenure is 10 years including moratorium period of up to 6 months.

Moreover, the interest is to be paid as and when due

Collateral and guarantee are mandatory

The loan can be availed as term loan as well as overdraft facility

Union High Pride

Other than trading units, this loan is available for all MSME units involved in manufacturing or service operations for at least 1 financial year and income tax returns should have been submitted thereof

The credit rating of the account must be as per the guidelines

Loan quantum ranges between Rs. 1 crore to Rs. 25 crore

The loan repayment period is as per the extant norms prescribed in loan policy of the bank

The rate of interest applicable:

1% less than the applicable rate for MSME subject to minimum applicable MCLR

25% less than the applicable rate for MSME subject to minimum applicable MCLR on compliance of any of the following conditions:

External credit rating of BBB and above

100% and above collateral coverage

Union Nari Shakti

This loan is specially designed for women entrepreneurs who own and manage small firms and micro enterprises. In the case of partnership concern or company, the majority partners should be women. In the case of company, the majority of directors must be women. Proprietorship, Limited Companies etc. can apply for this loan

Interest rate offered under this scheme is 8.75% onwards

Loan amount can be as low as Rs. 2 lakh and go as high as Rs. 1 crore

No collateral security needed up to loan amount of Rs. 10 lakh

The maximum repayment period is 7 years

## Union Trade

This loan is available for all retail and wholesale traders including departmental store dealers in groceries and consumer durables, malls and supermarkets

New and existing proprietorship, partnership concerns (including LLPs), limited companies engaged in the trading activity are also eligible to apply for the scheme

The company must be registered under sales tax / VAT / Shop & Establishment Act

Maximum working capital that can be sanctioned is Rs. 2.5 crore and maximum term loan amount possible is Rs. 5 crore. The ceiling will be 75% of the cost of the project or asset

Maximum repayment period is 7 years including moratorium period

Apart from the above schemes, Union Bank provides many more schemes to suit the business needs of firms of various categories.

## Documents Required for Loan Application

Following set of documents must be submitted while applying for business loan:

Duly filled in Application form

ID proof like Voter ID card, Driving License, Aadhaar Card, PAN Card, etc.

Address proof like Aadhaar Card, Passport, Driving License, etc.

The bank might ask for more information and proofs to support it. To avail business loan or get further knowledge about various loans available, one can visit nearby Union Bank branch or apply online at online lending websites from the comfort of your home.

## Mudra Loan

Union Bank is a government-owned bank that offers Mudra loans, in addition to its other banking and financial products and services. The bank offers Mudra (Micro Units Development and Refinance Agency) loan at an interest rate of 9% onwards. Mudra loans are collateral-free loans offered under Pradhan Mantri Mudra Yojana (PMYY) initiated by Government of India.

The Mudra scheme is an initiative to develop SMEs in India that will eventually help in the growth and development of India's economy. MSMEs involved in manufacturing, trading and services sectors can avail Mudra loan for income and employment generation purposes. Enterprises which are engaged in agriculture and allied activities are also eligible for taking loans under this scheme.

Through the Micro Units Development Agency (MUDRA), Government has initiated to finance the MSMEs, so that income and employment can be generated and in return will help the economic growth of this country. The Mudra Yojana is categorized into 3 schemes: Shishu, Kishor and Tarun which are further classified on the basis of their growth, development and funding requirements.

## Shishu

Under this category the loan offers the amount up to Rs. 50,000. This category is mainly for the people who want to start their own business.

## Kishor

Under this category the loan offers the amount ranging from Rs. 50,000 to Rs. 5 lakh. This category is mainly for the people who want to expand their business and needs some extra funding in their business. The start-ups can also avail for this category too.

## Tarun

Under this category the loan offers the amount ranging from Rs. 5 lakh to Rs. 10 lakh. The businesses that have already been established themselves fall under this category. Here the loan helps in expanding their business and also offers help in buying assets. This is the maximum amount of loan offered in this scheme.

## Union Bank Mudra Loan Interest Rate

The rate of interest offered by Union bank from Mudra loan scheme is from 9% – 10.25%.

## Benefits of Union Bank Mudra Loan

There are some benefits of this MUDRA scheme and they are as follows:

To provide help to the Lower Income Groups (LIGs) and neglected section of country in setting up and developing their business

To help the Small scale and Micro enterprises grow and develop their enterprises

To help in creating easy access to finance for the unbanked and also help to lower the cost of finance

Thus, MUDRA loan will help all small business owners to gain easy access to finance and regulate the policy guidelines for this loan.

## Eligibility Criteria

There are criteria of eligibility and on basis on that the loans are given to the applicant. The eligibility criteria are as follows:

Small Manufacturing Unit

Micro Scale Business Unit

Medium Scale Business Unit

Agriculture sector activities: To start; establish or expand an agriculture business, such as an apiary, a poultry farm, a dairy farm, a livestock farm, etc.

Food sector activities: To purchase machinery or set up of business in making papad, jam and jellies, biscuit and bread, or selling of fruits and vegetables, etc.

Service sector activities: To set up a salon, boutique, chemist, shop, dry cleaning, photocopying facility, etc.

Textile sector activities: Artisans, who want to start, establish or expand their business in chikan work, zari work, embroidery, stitching, knitting, etc.

Transport sector activities: Purchase of vehicles for carriage of passengers or goods such as e-rickshaw, small goods transport vehicle, taxi, autorickshaw, etc.

Calculate your Monthly EMI on – Business Loan EMI Calculator

### Documents Required for Loan Application

The following documents will be required for applying for MUDRA scheme, the list of documents is as follows:

Identity Proof: Aadhar card, Voter ID card

ID Proof of SC/ST category, if any applicant falls under this category

2 Passport size photographs of applicant

Quotation of items and machinery to be purchased

Business License

Business Proof Statements

Business Certificate

Details of Suppliers and Machineries

FAQs

Ques. Is there any MUDRA loan for women?

Ans. The government have clarified that women of SC/ST and OBC category would be preferred while giving loans under this scheme.

Also Read: Top 5 Business Loan Schemes for Women Entrepreneurs

Ques. Do all banks give MUDRA loan?

Ans. Yes, all the banks such as all scheduled commercial banks in public and private sector; Regional Rural Banks (RRBs); all Micro Finance Institutions (MFI); Small Business Finance companies and NBFCs and scheduled urban and state co-operatives.

Ques. Are loans which are covered under MUDRA are collateral free loans?

Ans. Yes, the loans covered under MUDRA are collateral-free loans. However assets created out of the bank loan to be charged with the bank.

Ques. Are the loans subsidised by the central government?

Ans. No, these loans are not subsidised by the central or state governments.

Ques. Generally what is the processing time for loans under the MUDRA scheme?

Ans. Generally it takes 7- 10 days for processing of lower amount like Shishu loan while other categories have processing time varying from bank to bank.

#### FAQs

Q1. What is the maximum personal loan amount that can be sanctioned by Union Bank of India?

Union Bank offers personal loans up to Rs. 10 lakh that individuals can use to meet various financial requirements.

Q2. What is the loan repayment tenure?

You can repay a Union Bank personal loan within 12 to 60 months. You can choose any repayment tenure as long as it is within this range subject to eligibility criteria specified by the bank.

Q3. How can I repay the personal loan?

You can repay the personal loan in EMIs (Equated Monthly Installments). Customers can either use the Standing Instruction facility for EMI payments or pay their loan EMIs through internet banking.

Q4. Am I eligible for a personal loan from Union Bank, in case I already have a home loan from them?

Yes, you are eligible for a personal loan from the bank even if you already have another loan from them. However, this is subject to your repayment record on the present loan. The bank might also need to make an assessment of your repayment capacity (putting all the loans together), to check if you meet the norms, and whether additional security/guarantee will be required.

Q5. Do I have to pay any additional charges for a Union Bank personal loan?

Yes, customers are required to pay processing fees along with interest rate charges when they avail a personal loan from Union Bank. However, personal loan under the Special Retail Lending Scheme for Government Employees by Union Bank of India does not currently have any processing charges.

Q6. How do I contact Union Bank in case I wish to apply for a personal loan from them?

Customers can apply for a personal loan from Union Bank via any of the following ways mentioned below:

Branch Visit: You can apply for a personal loan from the bank by visiting the nearest branch office or through special retail lending outlets known as Union Loan Points.

Call up the Union Bank Customer Care: You can also get in touch with the bank's representatives by calling up the customer care on 1800 22 22 44 / 1800 208 2244 (all India toll-free number).

Q7. Do I need to provide a collateral/security to avail a personal loan from Union Bank?

No, customers need not provide any collateral/security to avail a personal loan from the bank. However, the bank does require you to provide the guarantee of one co-employee and spouse (or the guarantee of a third party having equivalent means and having TransUnion CIBIL score of 700 or above in case of the absence of the spouse) to avail the loan.

Q8. Can a government employee who does not have a salary account with Union Bank of India avail a personal loan from them?

Union bank's Special Retail Lending Scheme for Government Employees requires you to have a salary account with the bank to avail a personal loan. However, in case you do not have one, you can still be eligible for the term loan facility.

Yes Bank offers personal loans up to Rs. 40 lakh at an interest rate starting from 10.99% p.a. Both salaried and self-employed individuals can avail these collateral free loans from the bank to meet a variety of personal expenses. Read this article to know key details about Yes Bank personal loan.



Yes Bank Personal Loan Highlights	
Interest Rate	10.99% p.a. onwards
Loan Amount	Up to Rs. 40 lakh
Loan Tenure	Up to 60 months
Processing Fees	Up to 2.50% of loan amount sanctioned
Types of Yes Bank Personal Loans	Quick Loan, Home Renovation Loan, Wedding Loan and Travel Loan

#### Features of Yes Bank Personal Loan

**Unsecured Loan:** No need to pledge any collateral in order to secure the loan.

**Flexible Repayment Options:** You can choose loan repayment tenure of up to 5 years as per your convenience. You can also check the EMI payout for different tenure and choose the combination best suited to your requirements.

**Quick Approval:** You can use Yes Bank mPower Bot for 1-minute in-principle approval of your loan application. Subsequent to submission of documents, the bank will confirm its decision within 5 working days from the receipt of your application documents.

**Speedy Disbursal:** Yes Bank personal loan may be disbursed within as short a time period as a few hours after your loan application is processed and sanctioned.

**Competitive Interest Rate:** Yes Bank personal loan interest rate starts at 10.99% p.a.

Online Application: You can easily avail Yes Bank personal loan using the online loan application service with minimal documentation.

Personal Loan Balance Transfer: You can transfer your high-cost personal loan from another bank or NBFC to Yes Bank at a lower interest rate. Moreover, you can avail a top up loan on the same if you need to access additional funds.

Doorstep Banking: Yes Bank offers doorstep banking services. A representative will visit your office or home for completion of application and documentation processes.

Part Pre-payment: You can partly pre-pay your personal loan after making 12 EMI payouts.

### Yes Bank Personal Loan Interest Rate

The rate of interest for Yes Bank personal loan starts from 10.99% p.a. Actual personal loan interest rates offered to applicants may vary based on criteria such as applicant profile, loan amount and other factors.

### Types of Yes Bank Personal Loans

Type of Personal Loan	Interest Rate (p.a.)
Personal Loan for Holiday	Starting at 10.99%
Personal Loan for Wedding	
Personal Loan for Home Renovation	
Quick Loan	

Following are the 4 types of personal loans currently offered by Yes Bank:

Yes Bank's Personal Loan for Holiday: It can be used to cover a variety of expenses, such as flight tickets and hotel charges.

Yes Bank's Personal Loan for Wedding: It can be used for your own wedding or that of a family member to cover various expenses related to jewelry, clothing, decoration, catering, etc.

Yes Bank's Personal Loan for Home Renovation: It can be used to renovate or redecorate your house as per your and your family's needs.

Yes Bank's Quick Loan: It is a pre-approved personal loan offered to select credit card members. It is known for immediate disbursal and can be used for multiple purposes such as travel, home renovation, medical expenses, etc.

### Eligibility Criteria

Both salaried and self-employed individuals can apply for a personal loan from Yes Bank subject to the key eligibility conditions as mentioned below:

For Salaried



A salaried employee aged 21 to 60 years with a minimum monthly income of Rs. 18,000 can apply for Yes Bank personal loan. Other key factors that may impact eligibility for a personal loan from Yes Bank include:

Credit Score and credit history

Monthly Income

Pre-existing EMIs and other recurring expenses

Stable employment history

Period spent living at the current residence

Whether the place of residence is rented, owned or mortgaged

Prior relationship with bank

For Self-Employed

For self-employed applicants, the minimum age to apply for a personal loan from Yes Bank is 21 years. Apart from the factors mentioned above, additional factors affecting the eligibility of self-employed individuals applying for Yes Bank personal loan are as follows:

Business stability proven by current business registration certificate or equivalent document

Stable income history proven by certified account statements/P&L statement, etc.

Documents Required for Loan Application

The common documents required to apply for a personal loan with Yes Bank include the following:

Duly filled application form

Proof of identity (passport, Aadhaar, Driving License, Voter's ID)

Proof of address

Specific document required for Salaried:

Proof of income – Salary Slip/Salary Certificate of salaried applicant

Proof of employment – Signed and stamped company letterhead certifying employment period for salaried

Specific document required for Self-Employed:

Proof of Income – Certified P&L statement or acknowledged Income Tax Returns/Bank Statements

Proof of Business – Business registration certificate or equivalent

Note: Additional documents may be required depending on the applicant's profile.

Check Yes Bank Personal Loan Application Status

While Yes Bank does not provide an online platform for checking your personal loan application status with Yes Bank online, you can do so by contacting Yes Bank customer care.

You can send an email to the bank at [yestouch@yesbank.in](mailto:yestouch@yesbank.in). Remember to mention your application reference number and mobile number.

Alternatively, you can send a SMS 'HELP' space <Customer ID> to (+91)9552220020.

If you are in India, call 1800-1200 (Toll Free) or (+91)2261219000 to seek assistance regarding your loan account

If you are outside India, call (+91)2230993600 or 1877-6598-044 (USA/CANADA) or 8081-7851-33 (UK) or 8000-3570-3089 (UAE).

### Fees and Other Charges

The following are some of the key fees and charges associated with a personal loan from Yes Bank:

Loan Processing Fees	Up to 2.5% of the loan amount subject to a minimum of Rs. 999
Foreclosure Charges (allowed after 12 EMI payouts)	<ul style="list-style-type: none"> <li>• Between 13-24 months – 4% of Principal Outstanding</li> <li>• Between 25-36 months- 3% of Principal Outstanding</li> <li>• Between 37-48 months- 2% of Principal Outstanding</li> <li>• More than 48 months- NIL</li> </ul>
Part Pre-payment Charges (allowed after 12 EMI payouts)	2% + applicable taxes on part prepayment amount repaid
Duplicate No Dues Certificate / No Objection Certificate (NOC)	Rs. 250 per event
Charges for late payment of EMI	24% per annum on amount outstanding from the date of default
Stamp duty and other statutory charges	As per applicable state laws
Cheque swapping charges	Rs. 750 each time + taxes
Cheque bounce charges	Rs. 750 per instance + taxes
Loan cancellation*/ Rebooking charges	Rs. 1000 + taxes
Legal/ incidental charges	At actual
Duplicate repayment schedule charges	Rs. 750 per instance
Statement of account charges	Rs. 750 per instance

\*In case of loan cancellation, both cancellation charges and interest will be borne by the customer. Cancellation is allowed within 15 days from the date of loan disbursement.

### How to Login on Yes Bank Portal?

You can register and login to the Yes bank net banking portal using,

Your debit card details and customer ID, or  
Your credit card details.

The following is the step-by-step procedure for the logging into the Yes Bank net banking platform:

Step 1: Go to the Yes bank online portal

Step 2: The following web page will be displayed. Enter your Login ID, password, captcha and click login.

Alternately, you can perform other tasks such as paying your Yes bank personal loan EMIs online without logging into your Internet banking account. The following are the steps for making EMI payment without Yes Bank portal login:

Step 1: Visit the Yes Bank portal to pay your personal loan EMI online.


**STEP I**

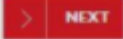
Enter your YES BANK loan account number twice :

Loan account number

Re-enter loan account number

Enter Captcha

N 3 Q R N A 



Step 2: Enter and Re-enter your loan account number and captcha. Click “Next”.

Step 3: Enter the payment details and you will be redirected to the payment interface of your chosen bank.

Step 4: Enter your details to authenticate and complete the payment.

Step 5: Note down the transaction reference number on successful payment for your records and future reference.

#### Yes Bank Personal Loan Statement

Yes Bank provides its current personal loan customers with 2 options to get their personal loan statement and payment schedule as follows:

**Online Method:** You can check/download your Yes Bank personal loan statement by logging into Internet banking provided your personal loan account is linked to your online banking credentials.

**Offline Method:** In case you want to receive a physical copy of your personal loan amortization schedule/loan statement, you can visit a nearby branch/call customer care to request it. Do keep in mind that additional charges may be applicable in such cases.

#### EMI Calculation

The following is a sample of monthly EMI payouts that are applicable to different loan amounts and different tenures:

Loan Amount (Rs.) and Interest Rate	Monthly EMI Payout (Rs.)				
	1-year loan tenure	2-year loan tenure	3-year loan tenure	4-year loan tenure	5-year loan tenure
2 lakh @ 11% p.a.	17,878	9,321	6,547	5,169	4,384
15 lakh @ 14% p.a.	1,34,680	72,019	51,266	40,989	34,902
5 lakh @ 15% p.a.	45,129	24,243	17,332	13,915	11,894

### Yes Bank Personal Loan Top Up

A top-up loan refers to a loan sanctioned over and above an existing personal loan that has not been paid off in full yet. Not all Yes Bank customers are eligible for a top-up personal loan. You can contact Yes Bank customer care to know if you qualify for a Yes Bank top up loan.

### Comparison of Yes Bank Personal Loan vs Other Lenders

Comparison Criteria	Yes Bank	HDFC Bank	Citibank	ICICI Bank	Bajaj Finserv
Interest Rate	10.99% onwards	10.75-21.30%	10.50% onwards	11.25-22.00%	12.99% onwards
Tenure	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months	12 to 60 months
Loan amount	Rs. 1 lakh to Rs. 40 lakh	Upto Rs. 40 lakh	Upto Rs. 30 lakh	Upto Rs. 20 lakh	Upto Rs. 25 lakh
Processing Fee	Upto 2.5% of the loan amount + taxes	Upto 2.50% of the loan amount	Upto 3% of the loan amount	Upto 2.25% of loan amount plus GST	Up to 4.13% of the loan amount (including taxes)

### Yes Bank Customer Care

You can contact Yes Bank's customer service department by phone, e-mail address, SMS or Yes Robot:

Phone (For India)

1800 1200 (Toll Free)

+91 22 6121 9000 (charges applicable)

Phone (For Outside India)\*

+91 22 3099 3600

1877 659 8044 (USA/CANADA)

808 178 5133(UK)

8000 3570 3089(UAE)

\*international call rates may apply

E-mail Address: yestouch@yesbank.in

SMS: Send 'HELP' space <CUST ID> to +91 9552220020

Yes Robot: You can also use the Yes Robot, the Yes Bank chat bot (virtual assistant) in order to get in touch with a Yes Bank customer service representative.

### Important Aspects

Following are some of the key aspects that you should consider before applying for a personal loan Yes Bank:

Make sure you meet the eligibility criteria of the bank before applying.

Maintain a good credit score, as it is reflective of your repayment ability.

Check the documents required to apply for Yes bank personal loan and submit accordingly.

Do not make multiple loan applications at the same time, as it can lower your chances of approval as you would be perceived as a credit-hungry individual.

Maintain a low debt-to-income ratio, preferably less than 50%.

### **Business Loan**

YES Bank offers Business Loans to self-employed individuals and entrepreneurs in an effort to provide them financial support in starting a new venture or expand an existing one. The bank offers a wide range of YES Bank Business Loan Schemes to cater to different monetary requirements of individuals and business sectors.

#### Types of YES Bank SME Loans – 2021

YES Bank Business Loan is an unsecured credit facility given to self-employed professionals, sole proprietorships, partnerships, limited liability partnerships, closed held and private limited companies. Both non-professional individuals (such as traders, manufacturers and service providers) and professionals (such as doctor, CA, CS and architects) can apply for YES Bank Business Loan. YES Bank Business Loans can be availed for purchasing equipment or machineries, setting up office, working capital requirements and expanding of business.

Loan Amount – Up to Rs. 50 lacs

Loan Tenure – From 12 months to 60 months (Flexible)

Collateral Free – YES Bank loans for retail business does not requires collateral

Interest rates and other charges – Interest rates and other loan charges for YES Bank business loan are transparent and communicated to customers in writing

YES SME Loans

YES Bank offers business loans to micro, small and medium enterprises for the growth of MSME sector. Different businesses under MSME category are supported by YES Bank Business Loans. Some of the YES Bank Business Loans schemes offered under YES SME loans are as follows:

(1) YES SAMRIDDHI – It is a financing proposition to meet the monetary requirements of businesses involved in services, trading and manufacturing businesses.

The loan scheme has turnover-based lending approach for assessing the credit limit  
Maximum loan amount: Rs. 4 crores and Rs. 2 crores (in case of non DP linked Overdraft (OD))

Fund based credit: cash credit, overdraft, working capital loan, term loan, drop line OD and export credit

Non-fund based credit: Letter of credit, buyers credit and bank guarantee

Trade related facility: CMS limits and forward cover

Parameterized template based fast track sanction with local credit delegation

Loan against residential/commercial/industrial/NA plot

(2) YES SUYOG – This loan scheme finances SME businesses in services, trading and manufacturing sectors.

Relaxation of collateral coverage on the basis of high scores

Preferential pricing for credit profiles with good scores

Appraisal based on score card

Fund-based credit: cash credit, overdraft, working capital demand loan, term loan, drop line OD and export credit

Non-fund based credit: Letter of credit, buyers credit and bank guarantee

Trade related facility: CMS limits and forward cover

Maximum loan amount: Rs. 2 crores

Loan against residential/commercial/industrial/NA plot/SLBC/BG/FD/surrender value of LIC

(3) SMART OVERDRAFT – Quick overdraft facility for MSMEs involved in trading and manufacturing. Also for professionals like Doctors, Engineers, Architects and Chartered Accountants.

Balance sheet is not needed for analysis

Credit assessment is based on customer's banking transactions

Fund based limits (overdraft and drop line overdraft)

Loan amount: From Rs. 20 lakh to Rs. 1 crore

Loan against residential/commercial/NA plot/SLBC/BG/FD/Surrender value of LIC

(4) CASH BACKED Lending Program – Financing option for service providers, traders and manufacturers.

Fast processing with minimal documentation

Best for immediate and non-fund based credit needs of SMEs

Non-fund based credit: Buyer's credit, letter of credit or bank guarantee

For domestic business, the margin is 100% of Letter of Credit, Bank Guarantee or Standby Letter of Credit

Letter Of Credit: 180 days /up to 3 years in case of Supplier's Credit LC  
Bank Guarantee: 36 months (including claim Period)  
Letter Of Undertaking: up to 1 year period for arranging BC for non-capital goods and up to 3 years for arranging BC for Capital Goods  
(5) YES GST – Quick financing for MSME businesses.

Assessment of limit on the basis of turnover according to GSTR 1 returns  
No balance sheet or bank statement is required for assessment.  
Up to 1 crore rupees financing through fund-based OD or Drop-line OD facility  
Faster approval with quick documentation  
Charge on current assets such as stock and book debts is not necessary to be hypothecated  
YES Bank Agri and Food Loans  
To support the MSME in grass root level YES bank works in rural sectors YES bank adopted cluster-based growth strategy for seamless execution.

(1) AGRI JOINT LIABILITY GROUP – Finances the economically weaker and financially excluded segments of the society living in rural, semi-urban and urban India.

Direct financing, in partnership with other institutions  
Team loan provided to individual members of the group  
Over 60 agro-commodities are financed  
Longer tenure of credit facility extending up to 11 months based on commodity shelf life  
Quick loan sanction within one day for cases up to Rs. 2 crores

(2) KRISHAK SAHYOGI – The scheme finances Arthias Commission Agents and Traders dealing in Agri Commodity. The scheme is also for Agri Input Dealers, which includes dealers and sellers of fertilizers, pesticides, seeds, cattle feed, poultry feed and agricultural equipment.

Loan amount: From Rs. 20 lakh to Rs. 5 crore  
Turnover/working capital cycle based lending approach for assessment of credit limits  
Fund based cash/credit, overdraft facility  
Non fund based bank guarantee available  
FD/surrender value of LIC/NSC/IVP/RBI and relief bonds are accepted  
Exclusive charge on stock and book debt by way of hypothecation, Residential/Commercial can be accepted

(3) SMALL AGRICULTURE ENTERPRISE LOAN – The scheme finances individuals involved in farming and business units engaged in trading and manufacturing and commission agents.

Peak and non-peak facility for Agri processors



Assessment of credit limits is on the basis of turnover

Loan Amount: From Rs. 20 lakh to Rs. 5 crores

Fund based credit: cash/credit facility, overdraft, working capital demand loan, short term loan and term loan

Drop line overdraft, export credit, non-fund based LC, buyer's credit and bank guarantees are also available

For Horticulture and plantation crops, term loan given for up to 10 years

#### (4) COMMODITY FINANCE AGAINST AGRICULTURAL COMMODITIES

Loans for farmers, processors and agri-intermediaries and owners of agriculture commodities

Loan for the purchase of commercial vehicles and refinance product for working capital needs

Quick loan sanction within one day for cases up to Rs. 2 crores

No security except pledging of agri-commodities

Longer tenure of up to 12 months based on commodity shelf life

#### Frequently Asked Questions (FAQs)

Q1. What is the turnaround time for disbursement of a Yes Bank personal loan?

The turnaround time for disbursement of a Yes Bank personal loan tends to vary from one applicant to another. But, typically a personal loan application is approved within five days of receipt of application form and the required documents.

Q2. What are the different types of Yes Bank personal loan?

Yes Bank offers a variety of personal loans such as

Yes bank's personal loan for wedding

Yes Bank's personal loan for home renovation

Yes Bank Quick loan

Q3. Does Yes Bank provide pre-approved loan?

Yes Bank may offer its existing customers the option of availing pre-approved loan. Such offers are usually for a limited time-period that are generally based on the applicant's prior relation with the bank and his/her repayment history.

Q4. Does Yes Bank offer personal loan balance transfer?

Yes, you can avail a personal loan balance transfer facility with Yes Bank. This allows you to transfer your high-cost pre-existing personal loan with some other lender to Yes Bank at a lower rate of interest. The rates and features applicable to a personal loan balance transfer offer differ from one applicant to another.

Q5. What is the maximum limit for Yes Bank personal loan?

The maximum limit for Yes Bank personal loan is Rs. 40 lakh.

Q6. What is Yes Bank personal loan interest rate?

The rate of interest applicable to a Yes Bank personal loan starts from 10.99% onwards.

Q7. What is the maximum limit for Yes Bank quick loan?

Yes bank quick loan is offered to selected credit card members. The maximum limit for this loan is generally within the credit card limit of the applicant.

Q8. Can I prepay my Yes Bank personal loan?

Yes, you can pay your Yes Bank personal loan before completion of the designated loan tenure. However, prepayment option is only available after payment of 12 EMIs and pre-payment charges of up to 4% are applicable in such cases.

Q9. Do I need collateral for a Yes Bank personal loan?

No, you need not pledge any collateral/security to avail a Yes Bank personal loan.

Q10. What are the required documents for Yes Bank personal loan?

Following is a short list of common documents that are required to apply for Yes Bank personal loan:

Application form

Proof of identity

Proof of address

Proof of income

Additional documents that may be required will be specified by the bank at the time of application submission.



## **GOVERNMENT AGENCIES**

### **National Minorities Development & Finance Corporation**

The National Minorities Development & Finance Corporation (NMDFC) was incorporated on 30th September 1994, with the objective of promoting economic activities amongst the backward sections of notified minorities. To achieve its objective, NMDFC is providing concessional finance for self-employment activities to eligible beneficiaries belonging to the minority communities, having a family income below double the poverty line. The authorised share capital of NMDFC which stood Rs.650 crore in 2004 now stands at Rs.1500 crore.

#### **About NMDFC**

The National Minorities Development & Finance Corporation (NMDFC) is functioning under the administrative control of the Ministry of Minority Affairs, Government of India, with an objective to promote the economic & developmental activities for the benefit of the "Backward Sections" amongst the notified Minorities, preference being given to the occupational groups & women. The NMDFC is a Public Sector Undertaking, registered under the Section 25 of the Companies Act 1956, as a "Company not for profit".

#### **Aims & Objectives**

To promote economic and developmental activities for the benefit of "Backward Sections" amongst the Minorities, preference being given to the occupational groups and women;

To assist, subject to such income and/or economic criteria as may be prescribed by the Government from time to time, individuals or groups of individuals belonging to the Minorities by way of loans and advances for economically and financially viable schemes and projects; under micro-financing scheme, group of individuals belonging to the minorities will include such groups in which pre-dominantly (75% and above) members belongs to the Minority Community. In very exceptional cases this may include those groups also where upto 60% members belong to Minority Community provided other members belong to Weaker Sections including Scheduled Castes / Scheduled Tribes, Other Backward Classes and disabled as per the EGM held on 01.11.1999 & CG approval vide letter 3/17/T-1/2000/D/8278 Dt. 09.02.2000;

To promote self-employment and other ventures for the benefits of Minorities;

To grant loans and advances at such rates of interest as may be determined from time to time in accordance with the guidelines or schemes prescribed by the Central Government or by the Reserve Bank of India;

To extend loans and advances to the eligible members belonging to the Minorities for pursuing general/professional/technical education or training at graduate and higher level;

To assist the up-gradation of technical and entrepreneurial skills of Minorities for proper and efficient management of production units;

To assist the State level organisations dealing with the development of the Minorities by way of providing financial assistance or equity contribution and in obtaining commercial funding or by way of refinancing;

To work as an apex institution for co-ordinating and monitoring the work of all corporations/boards/other bodies set up by the State Government/Union Territory Administrations for, or given the responsibility of assisting the minorities for their economic development and

To help in furthering the Government policies and programmes for the development of Minorities.

#### Target Groups

The TARGET GROUPS for NMDFC with regard to direct benefit are the persons belonging to the Minority Communities . Minority Communities as per the National Minorities Commission Act, 1992 are MUSLIMS, CHRISTIANS, SIKHS, BUDDHISTS and PARSIS. Govt. of India vide notification dtd. 27.01.2014 has included the Jain community as a Minority members in addition to already notified five communities.

At present, the families having annual income up to Rs. 98,000 in Rural areas and Rs. 1,20,000 in urban areas are eligible under the NMDFC schemes. As a special initiative of NMDFC, a new annual family income eligibility limit of up to Rs. 6.00 lacs has been introduced with effect from September, 2014 by adopting the “Creamy Layer” criterion currently followed amongst the OBC community by Government of India.

#### Term Loan Scheme

This scheme is for individual beneficiaries and is implemented through the SCAs. Under the Term Loan Scheme, projects costing up to Rs 20.00 Lakhs are considered for financing. NMDFC provides loan to the extent of 90% of the project cost subject to a maximum of Rs 18.00 lacs. The remaining cost of project is met by the SCA and the beneficiary. However the beneficiary has to contribute minimum of 5% of the project cost. The rate of interest charged from the beneficiary is 6% p.a. on reducing balance method.

Assistance under Term Loan Scheme is available for any commercially viable and technically feasible venture, which for the purpose of convenience, are classified into the following sectors.

Agriculture & allied

Technical trades

Small business

Artisan and traditional occupations

## Transport and services sector

S. No.	Parameters	Scheme Details
1	Loan Amount	Up to Rs 20.00 Lakhs
2	Rate of Interest for beneficiaries	6% p.a.
3	Rate of Interest for SCAs	3% p.a.
4	Moratorium period	6 months
5	Repayment period for beneficiaries	5 years
6	Repayment period for the SCAs	8 years
7	Means of Financing NMDFC: SCA:Benef. contribution	90 : 5 : 5
8	Utilization Period	3 Months

## Educational Loan Scheme

This scheme is also for the individual beneficiaries and is implemented through the SCAs. The NMDFC extends educational loans with an objective to facilitate job oriented education for the eligible persons belonging to Minorities. Under this scheme, loan of up to Rs 15.00 Lakhs is available at the rate Rs 3.00 lakhs p.a. for 'technical and professional courses' of durations not exceeding five years. Further, for courses abroad, maximum amount of Rs 20.00 lakhs is available @ Rs 4.00 lakhs per annum for a course duration of maximum 5 years. Funds for this purpose are made available to the SCAs at an interest rate of 1 % p.a. for on-lending to the beneficiaries at 3% interest p.a. The loan is payable in maximum five years after completion of the course.

S. No.	Parameters	Scheme Details
1	Loan Amount Maximum	Loan amount / beneficiary -Up to Rs 20.00 Lakhs for 'Courses Abroad' with a maximum duration of 5 years @ Rs 4.00 Lakhs per annum.
2.	Rate of Interest for beneficiaries	3%p.a.
3.	Rate of Interest for SCA	1%p.a.
4.	Moratorium period	6 months after completion of the course or getting a job, whichever is earlier.
5.	Delegated authority to SCA to sanction loan	SCAs are advised to sanction/disburse loan based on ground reality.
6.	Repayment period for beneficiaries	5 years
7.	Repayment period for the SCA	5 years
8.	Means of Financing NMDFC : SCA : Beneficiary contribution	90 : 5 : 5

## Micro Financing Scheme

Under the Micro Financing Scheme, micro-credit is extended to the members of the Self Help Groups (SHGs), specially the minority women scattered in remote villages and urban slums who are not able to take advantage of the formal banking credit as

well as the NMDFC programmes, through its SCAs. NMDFC is implementing the scheme on the pattern of Grameen Bank of Bangladesh and Rashtriya Mahila Kosh (RMK). The scheme requires that the beneficiaries are organized into Self Help Groups (SHGs) and get into habit of Thrift & credit, however small.

The scheme envisages micro-credit to the poorest among the poor through NGOs of proven track-record and their network of Self Help Groups (SHGs). It is an informal loan scheme which ensures quick delivery of loan at the door steps of the beneficiaries. Under this scheme, small loans up to a maximum of Rs 1.00 lacs per member of SHG are provided through the NGOs / SHGs. The scheme is implemented through the SCAs as well as the NGOs. Funds are given to the NGOs /SCAs at an interest rate of 1%, which further on-lend to the SHGs, at an interest rate not more than 7% p.a. The repayment period under the scheme is maximum of 36 months.

Sl.No	Parameters	Scheme Details
1.	Loan Amount	Up to Rs 1.00 lac per member of SHG
2.	Rate of Interest for SCA	1% p.a.
3.	Rate of Interest for NGOs by SCAs	2% p.a. (Margin for SCA 1 %)
4.	Rate of Interest for SHGs by NGOs	7% p.a. (Margin for NGO 5%)
5.	Rate of Interest for SHGs by SCAs	7% p.a. (Margin for SCA 6%)
6.	Rate of Interest for Beneficiaries/SHGs	7% p.a.
7.	Rate of Interest for NGOs by NMDFC directly	1 % p.a. (Margin for NGO 6% p.a.)
8.	Moratorium period	3 months
9.	Delegated authority to SCA to sanction loan to NGOs/Federation	Limit of Rs 25 Lakhs per NGO/Federation.
10.	Repayment period for the Beneficiaries	3 years
11.	Repayment period for the SCAs/NGOs	4 years / 3 years
12.	Utilization Period for the SCAs /NGOs	3 months / 1 month
13.	Means of Financing NMDFC : SCA : Beneficiary contribution	90 : 5 : 5

## Mahila Samridhi Yojana

It is a unique scheme linking micro-credit with the training to the women members to be formed in to SHGs, in the trades such as tailoring, cutting and embroidery, etc. It is being implemented by NMDFC, through the State Channelising Agencies of NMDFC as well as NGOs. Under the Mahila Samridhi Yojana, training is given to a group of around 20 women in any suitable women friendly craft activity. The group is formed into Self Help Group during the training itself and after the training, micro-credit is provided to the members of the SHG so formed. The maximum duration of the training is of six months with maximum training expenses of Rs 1,500 p.m. per trainee. During the training a stipend of Rs 1,000 p.m. is also paid to the trainees. The training cost and stipend is met by NMDFC as grant. After the training, need

based micro credit subject to a maximum of Rs 1.00 lac is made available to each member of SHG, so formed at an interest rate of 7% p.a.

## Promotional Schemes

### Vocational Training Scheme

The Vocational Training Scheme of NMDFC aims at imparting skills to the targeted individual beneficiaries leading to self/wage employment. The scheme is implemented through the State Channelising Agencies, which organize need based vocational training programmes in their States with the help of local Government owned / recognized training institutes in trades having potential for self/wage employment. The cost of the training programme is upto Rs.2000 per candidate per month for courses of maximum duration of 6 months. Stipend @ Rs.1000 per month per trainee is also offered during the training. As per the scheme 90% of the training cost is met by NMDFC as a grant while the remaining 10% is borne by the SCA. The SCAs are required to submit their proposals to NMDFC in the prescribed formats for approval / release of funds.

### Marketing Assistance Scheme

The Marketing Assistance Scheme is meant for individual crafts-persons, beneficiaries of NMDFC as well as SHGs and is implemented through both SCAs as well as NGOs. With a view to support the crafts-persons to promote marketing & sale of their products at remunerative prices, NMDFC assists the SCAs and NGOs in organizing State / District level exhibition at selected locations. In these exhibitions, handloom / handicraft products of Minority crafts-person are exhibited and sold. Such exhibitions also serve the purpose of organizing “buyer seller meet”, which is considered very useful for product development and market promotion, for domestic market as well as for exports. NMDFC provides grants for organizing exhibitions, as per the specific guidelines of the scheme, after due appraisal of the proposals.

### Assistance for Design Development/Skill Up-gradation

In this fast changing world people’s perception, likings and tastes are changing rapidly. Therefore the handloom & handicraft items, produced by the crafts-person have to be in line with the latest designs and aesthetics as well as competitive in terms of cost. Crafts-person may require exposure to new designs and training to upgrade their skills to meet this challenge. NMDFC considers proposals furnished by the SCAs as well as NGOs for organizing design development / skill development training programmes for the benefit of crafts-persons belonging to the Minority Communities. After due appraisal, depending upon the merits of the proposals, NMDFC provides grant for organizing such programmes.



## **Illustrative List of Schemes**

### **AGRICULTURAL & ALLIED SECTOR**

- Pump set with Shallow
- Bullock driven Cart
- Tubewell
- Dairy Unit
- Jasmine cultivation
- Mushroom Cultivation
- Poultry (Broiler)
- Power Tiler

### **ARTISANS SECTOR**

- Barber Shop (Rural/Urban)
- Carpentry
- Cotton Weaving
- Laundry Unit (Dhobi)
- Powerloom Project
- Wood Carving
- Handloom Weavers Silk
- Embroidery Works

### **SMALL BUSINESS SECTOR**

- Bakery Shop Book Shop
- Cycle Rickshaw Repair
- Dhaba Unit
- Cable T.V./Dish-antenna
- Electric/Electronic Shop
- Electric/Manual Typewriter
- Fast Food Restaurant
- Foot Wear Shop
- Fruit & Vegetable Shop
- Fruit/Veg. Vendor (mobile)
- General Store
- Juice and Cold Corner
- Meat Shop
- Pan Shop
- Pest./Fertilizer/Seed Shop
- Photocopy Center

- Ready made Garments
- Reksin Works
- Small Business
- Bangle Shop Book Binding
- STD/ISD/PCO Shop
- Sweet/Namkeen Shop
- Tea Shop
- Tyre Repairing Shop
- Hardware Store

#### TECHNICAL TRADE SECTOR

- Advertising Agency
- Aluminum Fabrication
- Arc Welding
- Architect Consultancy
- Audio/Video Servicing
- Auto Repair (2 Wheeler)
- Autoelectric Workshop
- Automobile Repair (LMV)
- Automobile Repair (HMV)
- Babui/Jute Rope Mfg.
- Battery Servicing
- Videography
- Beauty Parlour
- Bicycle Hiring and Repair
- Civil Engg. Consultancy
- Dental Clinic
- DTP Unit
- Electric Motor Rewinding
- Small Restaurants
- Stationery Shop
- Electric Repair Shop
- Electronic Repair Shop
- Flour Mill
- Foot Wear Manufacturing
- Gas Welding Fabrication Unit
- Lathe Machine
- Laundry Unit (Modern)
- Medical Shop
- Oil Expeller
- Photography Plumber Shop

- Printing Press
- Spray Painting Unit
- Tailoring Shop
- Tailoring cum Readymade Garments
- Videography

#### TRANSPORT SECTOR

- Autorickshaw Diesel
- Autorickshaw Petrol
- Car Texi/Maruti Van Jeep Taxi
- Loading Autorickshawuse

## GOVERNMENT AGENCIES

### National Backward Classes Finance and Development Corporation

National Backward Classes Finance and Development Corporation (NBCFDC), a Government of India Undertaking has been established under the aegis of Ministry of Social Justice & Empowerment which provides financial assistance to the poor members of Backward Classes through Channel Partners (State Channelising Agencies (SCAs)/Banks ). The Corporation provides loan assistance for their self-employment ventures in the following sectors:-

- 1) Agriculture and Allied Activities
- 2) Small Business/Artisan & Traditional Occupation
- 3) Transport Sector & Service Sector
- 4) Technical & Professional Trades/Courses

#### B. Eligibility for Loan & Certification required

(a) The applicant should belong to a caste covering under the Other Backward Classes list as notified by State/Central Government from time to time. Relevant Caste Certificate to be issued by relevant authority of District Administration.

(b) Annual family income should be below Rs.3.00 Lakh per annum irrespective of rural or urban area. Following certifications to establish the income criteria can be used by the applicant :-

(i) Certificate of income issued by Competent Authority of State Government/Distt. Administration or Antyodaya Anna Yojana(AAY) Card or Below Poverty Line(BPL) Card.

(ii) Annual family income certificate may be considered by the SCAs/Banks/SSCs on self-certification of the beneficiaries with endorsement of the same by any Gazetted Officer notified by State/Central Government.

(iii) In case of loan being applied at Bank (Channel Partner), Self-Certification assessed and endorsed by Branch Manager can be used for providing the loan.

(iv) For Landless agriculture labour, marginalized farmers (those with upto One hectare land holding) and small farmers (those with upto Two hectare land holding), as assessed by the Banks through their standard processes and belonging to the Backward Classes will be automatically treated as part of the target group as per following considerations:-

1) Landless agriculture labour and marginalized farmers with land holding less than One hectare will be deemed as having annual family income below Rs.1.50 Lakh per annum.

2) Small farmers i.e. those with land holding between One and Two hectares will be deemed as having annual family income below Rs.3.00 Lakh per annum.

### C. Types of Loans

#### 1 Term Loan Scheme

(i) General Loan Scheme: Under this scheme, loan assistance is available for various income generating activities in various sectors such as Agriculture and Allied Sector, Small Business/Artisan & Traditional Sector and Transport & Service Sector. Loans are given upto 85% of the project cost subject to a maximum of Rs.15.00 Lakh per beneficiary. Loans upto Rs. 5.00 Lakh are provided at an interest rate of 6% per annum (p.a.). Loans above Rs. 5.00 Lakh and upto Rs. 10.00 Lakh are provided at an interest rate of 7% p.a. Loans above Rs. 10.00 Lakh and upto Rs. 15.00 Lakh are provided at an interest rate of 8% p.a. The loan repayment period is 8 years.

(ii) New Swarnima Scheme: Under this scheme, loan assistance is available for women of Backward Classes to inculcate the spirit of self-reliance among them. Loans are given upto 95% of the project cost. The maximum loan limit per beneficiary is Rs. 2.00 Lakh at an interest rate of 5% p.a. The loan repayment period is 8 years.

(iii) Education Loan Scheme: Under this scheme, loan assistance is available to the students of Backward Classes. The applicant should have obtained admission for any professional or technical courses approved by appropriate agency such as AICTE, Medical Council of India, UGC etc. in a duly accredited/recognized institute and have minimum 50% marks in qualifying exam. Loans are given upto 90% of the course fees for studies in India and upto 85% of the course fees for studies outside India. Maximum loan limit per student is Rs.15.00 Lakh for studying in India at an interest rate of 4% p.a. (3.5% p.a. for girl student). Maximum loan limit per student is Rs.20.00 Lakh for studying abroad at an interest rate of 4% p.a. (3.5% p.a. for girl student). Loan is to be repaid in 15 years with moratorium period of 5 years.

#### 2 Micro Finance Scheme

(i) Micro Finance Scheme: Under this scheme, loan assistance is available to Self Help Groups (SHGs) to provide credit facilities for the target group especially for mixed group beneficiaries. Loans are given upto 90% of the project cost. Maximum loan limit per Group is Rs.15.00 Lakh and loan per beneficiary in SHG is Rs.1.25 Lakh at an interest rate of 5% p.a. Under this scheme repayment period is 4 years.

(ii) Mahila Samriddhi Yojana: Under this scheme, loan assistance is available to Self Help Groups (SHGs) to provide credit facilities for the target group especially women beneficiaries. Loans are given upto 95% of the project cost. Maximum loan limit per Group is Rs.15.00 Lakh and loan per beneficiary in SHG is Rs.1.25 Lakh at an interest rate of 4% p.a. Under this scheme repayment period is 4 years.

(iii) Small Loan: Under this scheme, loan assistance is available to individuals to provide credit facilities for the target group. Loans are given upto 85% of the project cost. Maximum loan limit per beneficiary is Rs.1.25 Lakh at an interest rate of 6% p.a. Under this scheme repayment period is 8 Years.

(iv) NBFC-MFI Loan: Under this scheme, loan assistance is available through Micro Finance Institutions (MFIs) to SHGs. Loans are given upto 90% of the project cost. Maximum loan limit per Group is Rs.15.00 Lakh and loan per beneficiary in SHG is Rs.1.25 Lakh at an interest rate of 12% p.a. Under this scheme repayment period is 4 Years.

# In case of Banks, NBCFDC loan will be available up to 100%, however, disbursement will be made as per specific demand of Bank.

\* For Persons of the target group with Disabilities (40% or more) a special concession of 0.25% on rate of interest is provided.

Formation of SHGs under NBCFDC's Micro Finance and Mahila Samriddhi Yojana:-

NBCFDC recognizes Self Help Groups (SHGs) in which predominantly (60% and above) members belong to Backward Class provided other members belong to weaker sections (as per income or economic criteria prescribed by Govt.) including Scheduled Castes/Scheduled Tribes/Minorities and Person with Disabilities (PwD).

#### D. Vanchit Ikai Samooh aur Vargon ki Aarthik Sahayta (VISVAS) Yojana

For the year 2020-21 NBCFDC has introduced subvention scheme- Vanchit Ikai Samooh aur Vargon ki Aarthik Sahayta (VISVAS) Yojana for the benefit of SHGs comprising of all OBC beneficiaries with loans/borrowings up to Rs.4.00 Lakh and for OBC individual beneficiaries with loan/borrowing up to Rs.2.00 Lakh. Under the said scheme eligible SHGs or Individual beneficiaries will be eligible for subvention @5% p.a. The objective of the proposed Scheme is to provide direct benefit of lower rate of interest to the eligible Self-Help Groups (SHGs)/ individual beneficiaries who have availed loans through Public Sector Banks (PSBs), Regional Rural Banks (RRBs) or similar financial institutions.

## SKILLING OF MARGINALIZED SECTIONS

### BACKGROUND

The Ministry of Social Justice & Empowerment (MoSJ&E), caters for empowerment of the socially, educationally and economically marginalized sections of the society including SCs, OBCs, Sr. Citizens, victims of alcoholism and substances abuse, transgender persons, De-notified Tribes (DNTs), EBCs, Safai Karamcharies, Waste Pickers and Manual Scavengers. Most of the persons of target group are having minimal economic assets; therefore, provision of training and enhancing their competencies is essential for economic empowerment/ upliftment of these marginalized target groups.

Many of the persons of target group belong to the category of rural artisans who have become marginalized owing to coming of better technologies in market. There is also a need to empower the women amongst the target group, who, due to their overall domestic compulsions, cannot be involved in wage employment which normally involves long working hours and sometimes migration to other cities. Similar challenges are faced by members of Sanitation Workers & Waste Pickers communities who find it difficult to get into mainstream alternate occupations and are forced to therefore engage in self-employment activities.

Similarly, the youth amongst the target group, owing to their educational backwardness also find it difficult to obtain employment with good compensation after undergoing short-term skilling courses. On the other hand it is observed that the long term vocational courses being conducted by ITIs with better market prospects are having large number of vacancies in the SC and OBC categories.

In view of the above, there is a dire need to go beyond routine skilling and instead enhance their competency levels so that artisans may improve on their revenue generation capacities within their practicing vocations, the women may enter into self-employment thereby financially empowering themselves without neglecting their domestic activities and the youth may acquire long-term training and specialization in employable vocations giving them better standing in the job market. They would either require to undergo long term programmes including ITI courses with better market for jobs or alternatively imparted some entrepreneurial development training enabling them to offer some financing and start their own small ventures.

With the above in mind, a National Action Plan for the marginalized persons of SC, OBC, EBC, DNT, Sanitation workers including waste pickers, manual scavengers, transgenders and other similar categories named 'Pradhan Mantri Dakshta Aur Kushalta Sampann Hitgrahi' (DAKSH) Yojana is proposed to be put in place with a multi-pronged strategy to improve the all-round competency and adeptness of and10

lakh persons of these categories over the next four years, beginning with nearly 1.5 lakh youth in the first year i.e. 2020-21

## **CATEGORIZATION OF SKILLING PROGRAMMES**

The MoSJ&E aspires to train persons from its target group over the period of 2020-21 to 2023-24, broadly in the following sub-categories:

### **A. Up-skilling/Recognition of Prior Learning (RPL):**

#### **Target Group:**

Marginal rural artisans belonging to SC/OBC/EBC/DNT categories and other such entrepreneurs in addition to sanitation workers, waste pickers and their dependant who constitute the bottom of the pyramid.

#### **Curriculum:**

The training would be in situ, and the trainers would approach the artisans in their works locations. On the vocation of practice such as pottery, weaving, clay & bamboo, metal work, carpentry, waste segregation, domestic workers along with financial and digital literacy etc. The trainer has to be a master craftsman or designer or a person who is well associated with the vocation. The training would consist of improving the implements, designs and processes so that the income would double from the occupation.

Specifically in respect of sanitation workers including waste pickers and manual scavengers the curriculum will include the programmes on safe & healthy sanitation practices and RPL for waste pickers, for which QPs have been developed by NSKFDC and Skill Council for Green Jobs

Certification would be aligned with the standard process of Institute of Excellence coordinating the training programme.

### **(c) Period of Training:**

The duration of the training programmes will be 32 to 80 hours and spaced over upto one month, duly keeping in mind the occupational hours of the trainees.

### **(d) Training Cost:**

The training cost will be limited to extent of Common Cost Norms (CCN) as applicable from time to time.

### **(e) Other Expenses:**



As the trainees are already employed, they will be paid Rs.2500/- per person per programme, in the form of stipend, for duration of training of Up-skilling/RPL, towards compensation of their wage loss, during the period of training.

(f) Share of Training Type:

Upskilling/Reskilling will comprise of 30% of all training conducted by NSFDC and NBCFDC and 50% of training conducted by NSKFDC.

B. Short Term Courses (focus on self employment):

Target Group:

Most disempowered groups belonging to SC/OBC/EBC/DNT and Sanitation Workers/Manual Scavengers/Waste Pickers (including dependents) categories who are illiterate/semi-illiterate and unemployed. Special focus on women, members of the transgender and beggars communities etc - with primary objective of training and providing assistance to start self-employment venture.

Curriculum:

The Curriculum of the training programmes will be as per National Skill Qualification Framework (NSQF)/National Occupational Standard (NOS), issued by Ministry of Skill Development and Entrepreneurship, Govt. of India in various job roles with focus on self employment opportunities such as self-employed tailors training, furniture making, food processing, carpet weaving, beautician workers, leather work, latex harvesting, tyre fitting along with financial and digital literacy etc. Every skill imparted shall have a component of Entrepreneurial Development Programme (EDP).

(c) Period of Training:

The duration of the training programmes will be normally 200 hours to 600 hours and upto 5 months, as stipulated in National Occupational Standards (NOS) and Qualification Packs (QPs). Every training will have a component of linkage with Banks for assistance to start a self employment venture.

(d) Training Cost:

The training cost will be as per Common Cost Norms as applicable and amended from time to time.

(e) Other Expenses:

For non-residential training programmes, the trainees will be paid stipend (compensation of transportation charges), @ Rs.1500/- per month for SC candidates, Rs.1000/- per month to OBCs/EBCs/DNTs and Rs.1500/- per month to Sanitation Workers (including waste pickers) and their dependents.

For residential training programmes, wherever necessary, the trainees will be provided boarding and lodging and expenses compensated as per CCN, for complete duration of the training programmes. No stipend will be separately payable except in case of Safai Karamcharis; Waste Pickers & their dependants who will be paid Rs.500/- per month.

In case of Manual Scavengers and their dependants, Rs.3000/- per month (in compliance of the MS Act, 2013.) will be paid as stipend for both non-residential and residential training.

For conducting skill development training programme for the sensitive target groups such as Transgenders, Beggars, Victims of Substance Abuse etc. the training providers would require additional facilitation for mobilization, handholding, post placement support, providing toolkit and other measures. Keeping in view of the above, following may be admissible in case of programme for these sensitive target groups:

Handholding support for refreshment, conveyance and counseling  
etc. @ Rs.1000/- p. m.

Tool-kit @ upto Rs.5000/- per trainee

Mobilization and handholding @ Rs.500/- per trainee.

Stipend amount @ Rs.1000/- p.m. for non-residential training as already stipulated in SDTP scheme of NBCFDC subject to 70% overall attendance

(f) Share of Training Type:

Short term training will comprise of 20% of all training conducted by NSFDC and NBCFDC and 40% of training conducted by NSKFDC.

Entrepreneurial Development Programmes (EDP):

Target Group:

SC and OBC youth who have preferably undergone skill training under the PMKVY and are having an entrepreneurial bent of mind.

Curriculum:

The Curriculum of the training programme will essentially be modelled on the programmes of Ministry of Rural Development being implemented by the RSETIs.

The training would consist of sessions on Effective Communication Skills, Risk Taking Behaviour, Business Opportunity Guidance, Market Survey, Systematic Planning, Banking – Deposits, Advances and Lending, Costing & Pricing, Time Management, Working Capital and its Management, Business Plan Preparation etc.

Period of Training:

The duration of the training will normally 80 hours (10 days) or as stipulated by MoRD.

Training Cost:

The training cost will be reimbursed as per the norms of MoRD for compensation which are broadly modelled as per the Common Cost Norms.

Other Expenses:

Payment will be made as per Common Cost Norms/Guidelines of MoRD or other relevant Government documents, as in vogue.

Assessment and certification charges of Rs.1500/- per candidate will be payable to assessing and certification body.

Share of Training Type:

EDP will comprise of 30% of all training of NSFDC and NBCFDC.

D. Long Term Courses (for global class skills) :

Target Group:

SC, poor OBC, EBC, DNT youth and Sanitation Workers/Manual Scavengers/Waste Pickers (including their dependants), transgenders etc who have been educated upto 10th class or more and having aspirations to be employed in sectors having good demand in job market with starting compensation of the range of at least Rs.20,000/- p.m & above with opportunities for placement abroad.

Curriculum:

The Curriculum of the training programmes will be as per NSQF, NCVT, AICTE, MSME, and other reputed certification programmes including those run by State Government entities in areas such as production technology, plastic processing, apparel technology, health care sector, tourism, aviation, nursery teachers training etc. Certification provided will be aligned with the processes of the concerned training programmes.

(c) Period of Training:

The duration of the training programmes will be six months and above and usually upto 1 year, as stipulated by the concerned board/regulatory body of the training centre.

(d) Training Cost:

The training cost will be as per Common Cost Norms for NSQF job roles or as stipulated by concerned board as applicable and as amended from time to time.

(e) Other Expenses:

For non-residential training programmes, the trainees will be paid stipend (compensation of transportation charges), @ Rs.1500/- per month for SC candidates, Rs.1000/- per month to OBCs/EBCs/DNTs and Rs.1500/- per month to Sanitation Workers (including waste pickers) and their dependents.

For residential training programmes, wherever necessary, the trainees will be provided boarding and lodging and expenses compensated as per CCN, for complete duration of the training programmes. No stipend will be separately payable except in case of Safai Karamcharis; Waste Pickers & their dependants who will be paid Rs.500/- per month.

In case of Manual Scavengers and their dependants, Rs.3000/- per month (in compliance of the MS Act, 2013.) will be paid as stipend for both non-residential and residential training.

(f) Share of Training Type:

Long Term Training will comprise 20% of all training of NSFDC and NBCFDC and 10% of all training of NSKFDC.

The above four programmes will be implemented through the three Apex Corporations National Scheduled Castes Finance and Development Corporation (NSFDC), National Backward Classes Finance & Development Corporation (NBCFDC) & National Safai Karamcharis Finance and Development Corporation through whom an estimated 4.25 lakh persons will be trained during next four years, which will include 92,000 in the year 2020-21.

## METHODOLOGY OF IMPLEMENTATION

### **Notional Allocation**

A Notional Allocation based on the SC population of the State (for SC candidates) and on the overall population of the State in the case of training of OBC/EBC/DNT,

sanitation workers including waste pickers & other categories has been made for the year 2020-21. This allocation also takes into consideration the share of the various types of training as stipulated for the three Corporations at 2 (A) to (D) above and the need to have a minimum batch size.

### **Training Partners**

The Corporation will extensively rely on State Skill Development Missions (SSDMs) who are expected to have ground level knowledge of the skill aspirations and employment opportunities in their state as also access to literature on Skill Gap analysis carried out by NSDC.

In addition to above the Corporation over the past five years have identified some credible Training institutes (mostly government or having significant government holding) as also Sector Skill Councils (constituted under the aegis of MSDE) and some foundations/trusts of Corporate excellence who have a good track record of conducting relevant skill training programmes and placing the trained candidates. \

### **Allocation of Programmes**

For 2(A), 2(B) and 2(D) Expression of Interest (EOI) will be floated seeking proposals from SSDMs and the agencies identified

While SSDMs are expected to submit proposal in sync with the aspirations and employment opportunities in the state, to eliminate chances of the other councils/institutes not submitting the state relevant proposal, they will be asked to have the proposals duly endorsed by relevant District Skilling authority or SSDM authorized functionary confirming that the proposals are relevant to the district/state for enabling wage/self-employment.

In case of NSKFDC, the training agency will require to submit the proposal duly endorsed by Municipalities, Cantonment Boards, Gram Panchayat, Railways, and Government Hospitals etc. confirming availability of sufficient numbers of the target group who can be imparted training in proposed vocation.

After receipt and scrutiny of the proposals, the concerned Corporation will allocate numbers to the applicants giving due consideration to the past record of the agency in implementing the programme, assessment of employability of the job roles on offer etc. Specifically in case of NSKFDC, preference will be given to training of Manual Scavengers (MS). If required, the applicants will be called for interactions and also to resubmit modified proposals.

In case of in-sufficient proposals from a state, the number may be transferred to other states with good track record and from where the proposals have been received.

Specifically with respect to 2(C) i.e. EDPs, an MoU is being signed with NACER, the National Centre for Excellence of RSETIs who are under the aegis of Ministry of Rural Development for carrying out EDP programmes and building bank linkages for primarily rural youth many of whom belong to the target group of the Corporations. Simultaneously other reputed government/ government promoted agencies carrying out EDP will also be engaged with, subject mutual consultations and consensus.

### **Implementation of Programmes**

Mobilization of the candidates will be done through various means of publicity by the training agencies.

Selection Committee Meetings will be held for selection of the candidates which will have to mandatorily include a functionary of the Central/State govt. and their undertaking or PSBs/RRBs esp. in case of private training partners.

Training courses will be in alignment with NSQF/AICTE/NCVT etc. guidelines.

Training will be conducted as per Common Norms, NCVT etc. guidelines

Third party assessment and certification of the candidates will be done after successful completion of the training programme.

The trained candidates will be facilitated for placement in wage/self-employment.

### **OUTCOME**

The targeted outcome of the competency enhancement training programmes will be as under:

(4.1) Up-skilling Programmes: Enhancement of earnings of livelihood as self certified by the beneficiaries.

(4.2) Short Term Training Programmes: The overall placement of the trained persons should be 70% in wage/self employment.

(4.3) Entrepreneurship Development Programme: After completion of EDP training, at least 70% candidates should be self-employed and/or wage employed to earn their livelihood.

(4.4) Long Term Training Programmes: The overall placement of the trained persons should be 70% in wage/self-employment with at least 70% of those employed being in wage employment.

### **MONITORING**

The implementation of the training programmes will be monitored as under:

The Apex Corporations will directly monitor all the training programmes. This will include participation either directly or through their representatives in the Selection Committee Meetings, review of Selection Committee meeting minutes having details of the trainees, e-based and direct surveillance of the training programmes, consolidation of details of trained beneficiaries in the designated portal etc.

## CONVERGENCE WITH ITI SYSTEM OF VOCATIONAL EDUCATION

A vibrant system of training exists in the ITIs set-up under erstwhile Ministry of Labour and presently with MSDE. These ITIs offer vocational selective long term courses with good employability. However the capacity of these ITIs is not being fully utilized especially in respect of seats reserved for the SC category including sanitation workers, manual scavengers and their dependants.

The Ministry will therefore put in place an incentive system to facilitate Long Term courses for six lakh persons, belonging to these target groups, in the industry linked ITIs which have good job employment potential. For this the Ministry will establish linkages with MSDE/DGET and devise a system for incentivizing the ITIs to mobilize poor SC and dependents of sanitation workers including waste pickers and manual scavengers and mentor them during course of training. In this manner a total of 6,00,000 youth will be trained by filling reserved vacancies prevailing within ITI system in next 4 years beginning with 50,000 in the first year 2020-21.

To start with, a provision of Rs.6000/- per trainee is being made for incentivising the groups as mentioned above and accordingly Rs.30.00 Crore is budgeted for this activity.

### Target Group:

SC candidates as also dependents of sanitation workers including waste pickers and manual scavengers and with minimum 10th pass, selected a basis by a suitable process.

### Curriculum:

The Curriculum of the training programmes will be as per NCVT in various trades having good employment potential as assessed by ITI.

### (c) Period of Training:

Duration of the training programmes will be as per norms of MSDE/ DGT.

### (d) Training Incentive:

A training incentive of upto Rs.6000/- per trainee for any specific purpose as mutually agreed upon by MoSJE & MSDE.

(e) Payment of training expenses:

The MoSJ&E will release the funds towards mobilization/mentoring and or training of target group to MSDE/ affiliated agencies directly based on mutually agreed procedure.





## Government Agencies from Kerala

## **GOVERNMENT AGENCIES**

### **Kerala Financial Corporation**

KFC is a trend setter and path breaker in the field of long term finance, playing a major role in the development and industrialisation of Kerala. It was established as the Travancore Cochin Financial Corporation on 01.12.1953. Consequent to the reorganization of states on linguistic basis in November 1956, Kerala State was formed and the Travancore Cochin Financial Corporation was renamed as Kerala Financial Corporation.

Now KFC has 16 Branch Offices with its Head Quarters at Thiruvananthapuram and Zonal Offices at Kozhikode, Ernakulam and Thiruvananthapuram

The provisions of SFCs Act 1951 as amended in 2000 control and guide the functions of Corporation. The main objective of KFC is the rapid industrialization of the state by extending financial assistance to Micro, Small and Medium Enterprises in manufacturing and service sector. SFCs Act empowers KFC to formulate suitable loan schemes for achieving the above said objectives. Corporation can give financial assistance for setting up of new units and for the expansion / modernization / diversification of existing units in both manufacturing and service sectors. Since inception KFC has disbursed over Rs. 3000 Crores to more than 40,000 projects, spread over the length and breadth of the State.

The Corporation is the first PSU in Kerala and first SFC in India to initiate Corporate Social Responsibility activity. As part of its Corporate Social Responsibility, KFC has set up KFC-CARE (Centre for Assistance and Rehabilitation) to rehabilitate and serve the marginalized sections of the community.

The Corporation has now emerged as a financial supermarket giving the customers a wide range of products and services. The Corporation is one of the best State Financial Corporations in the country with a competent tech savvy team of professional at the core of services. All along our constant endeavour has been to bring a sharper focus on the requirements of our customers and to provide the highest levels of service. KFC now means more than term loans. Corporation also provides Working Capital finance and Short Term Finance apart from schemes focused at the weaker sections of the society. Modernisation schemes for SSIs, Special schemes for Resorts, Hospitals, TV Serial Production etc are some of the innovative schemes introduced to suit changing customer requirements. KFC has also set up KFC Consultancy Division with a view to render excellent Consultancy Services to our Clients as a Total Solution provider. KFC has also has made a small

beginning to nurture and develop a new managerial cadre that can dream, envision and create a new future by starting the KFC Training Division. We offer training programmes which are at par, with the programmes offered by any institutions of advanced learning in India.

### **Chief Minister's Entrepreneurship Development Programme**

The Chief Minister's Entrepreneurship Development Programme (CMEDP) has announced 2,000 loans for potential entrepreneurs without demanding any security or collateral.

Up to a maximum of Rs 1 lakh will be sanctioned to entrepreneurs. The CMEDP, launched to help those who have lost jobs due to the COVID-19 outbreak, is implemented by the Kerala Financial Corporation (KFC).

Fifty per cent of the loan amount will be sanctioned in advance, within a week of loan approval. Applications by women and physically-challenged persons will be sanctioned on a fast-track mode. The interest rate is 7 per cent with 3 per cent interest subvention and repayment period is three years.

The KFC is offering easy repayment modes like Google Pay. According to Thachankary, this will be the most liberal and fastest loan available in the state. The corporation will also help the applicant to obtain MSME registration and PAN card.

#### Eligible Units

- MSME Units
- Startups
- Units referred by NORKA
- Kudumbasree Units
- Agro-based Projects
- Electric Vehicles

#### Not Eligible Units

- Bar Hotels
- Transport
- Crusher
- Trading
- CRE Projects
- Contractor Loan
- Cinema / Serial Production

#### Eligibility of Promoters

- Age of two thirds of promoters should be less than 50 Years
- None of the promoters should be permanently employed
- CIBIL Score more than 650
- Promoters should not be member of any other entity promoted under the scheme

### Application Procedure

- Online enquiry submission
- Document submission
- Branch verification
- Online Interview
- Training
- Sanction & Disbursement

### **Startup Loan Schemes**

#### Loan for executing purchase orders

- Should have secured a firm purchase order from a Government / PSU / Reputed Private Sector Enterprise
- Maximum Loan Rs. 10 crore

#### Venture Debt Funding

- For IT Hardware and Software Enterprises
- Should have undergone due diligence by a SEBI accredited Venture capital Fund
- Maximum Loan Rs. 10 crore

#### Seed Loan Assistance

- Should be working on development of socially relevant product which addresses any of the Sustainable Development Goals prescribed by UNO
- Loan up to Rs. 1 crore
- Repayment period up to 3 years

### **Other Loan Schemes**



#### **Term Loan**

- To meet loan term requirements for projects
- New and existing enterprises
- Loan upto 8 crore for non corporates and upto 20 crore for Corporates



### **Working Capital Loans**

- Loan upto 80% of working capital requirement
- Working Capital Term Loans
- Revolving Fund Loans



### **Modernisation Scheme**

- Expansion / Modernisation / Upgradation
- Hotels, Hospitals, Resorts, Multiplexes, Manufacturing units etc.
- Loan up to 90% of expansion cost.



### **Short Term Loans**

- New and Existing Enterprises
- Should be prompt in servicing existing liabilities
- Up to 4 years repayment period



### **Contractor Loans**

- For executing Govt. Contract works
- Loan up to 80% of contract value
- Equipment Finance Facility



### **Startup Loans**

- Loan up to 10 crore for executing purchase orders from Govt. / PSU / Reputed private sector enterprises.
- Seed loan assistance up to 1 core for developing socially relevant products prescribed by UNO.



### **Bill Discounting Facility**

- For Govt. Contractors and PSUs
- Loan up to 100% of Promissory Note
- Interest rate 10.50%



### **Guarantee Facility**

- For Govt. Contractors and MSMEs
- Covers 100% of guarantee required
- Commission 0.5% per quarter

## GOVERNMENT AGENCIES

### Kerala State Financial Enterprise

The company started functioning on 6 November 1969, with Thrissur city as its headquarters. It started with a capital of Rs 2,00,000, and had 45 employees and 10 branches. It has now 568 branches and eleven regional offices at Thiruvananthapuram, Kollam, Kottayam, Ernakulam, Thrissur, Kozhikode, Kannur, Attingal, Alappuzha, Kattappana and Malappuram. KSFE is a Miscellaneous Non-Banking Financial Company (MNBFC) and is fully owned by the Government of Kerala. KSFE does not come under the regulation of Reserve Bank of India since it is not a Non-Banking Financial Company.

KSFE is one of the two chit fund companies owned by the government in the whole of India.[citation needed] The other company is Mysore Sales International Limited (MSIL) owned by the government of Karnataka. KSFE's purpose at founding was to provide an alternative to unscrupulous private-sector chit fund organisers. In 2000, it had 77% of the capital volume of the chit fund business in Kerala, though just 37.5% of the number of chit funds.

Although Chitty is in essence a loan/advance scheme, for subscribers whose chitties are not getting prized and, at the same time they are in need of money, relief has been provided by two loan schemes built within the chitty scheme, viz. Chitty Pass Book Loan and Chitty Loan.KSFE offers other loan/advance schemes, comparable to those given by banks and other financial institutions, and the same includes:

#### Car Loan

Loan offered by KSFE for buying new cars. This loan can be availed by salaried persons having a net monthly pay exceeding Rs.10,000 and self-employed professionals/businessmen/income tax assessee having an average annual income more than Rs.2 lakhs for the last 3 years. The minimum period of loan is 6 months and the maximum is 60 months. The interest rate payable for loans upto 35 months is at 12.00% per month and the rate is 14.00% if the loan period exceeds 35 months.

#### Consumer/Vehicle Loan

##### Purpose

KSFE CVL Scheme helps you in acquiring white articles, vehicles etc., which you have always dreamed of owning

##### Available for

The articles for which CVL is made available include all consumer durable articles including computers, motor vehicles -two & four wheelers, certain durable medical equipments for clinics, agricultural equipments / appliances etc.

What is the maximum amount of advance?

The maximum amount of advance is Rs.30,00,000/- under this category.

Security Acceptable

Types of security acceptable for chitty prize money are acceptable in the case of CVL also.

Interest Rate

13.00% (simple) is the interest rate applicable and for defaulted accounts 15.00%(simple) .

Duration

The duration of the advance is between 12 months and 60 months.

### **KSFE Gold Loan**

Purpose: The Scheme is intended to provide short term loans for people who are urgently in need of money, on the security of gold ornaments.

Loan Limit: Maximum loan amount in this scheme is limited to Rupees 25 Lakhs per individual per day.

Interest Rate: Upto and including Rs.10,000/- 8.50% per annum(simple)

Rs. 10001 to Rs.20,000/- 9.50% per annum(simple)

Above Rs.20000/- and up to & including Rs.25,00,000/- 10.50% p.a. (simple)  
(Minimum Interest Rs.25/- for loans above Rs.5000/-)

Period of Loan: Maximum period of loan is 12 months. Loanee can renew the loan for a further period of one year, after remitting the due interest and this facility can be availed up to 36 months.

Business Hours: Gold loan counter will be open from 10.00 AM to 4.30 PM on all working days.

### **Kanakadhara Loan**

The scheme aims at providing loan for the purchase of gold ornaments for marriage purposes. All persons eligible to enter into a contract under the Indian Contract Act are eligible for the loan, provided the loanee has repaying capacity and produces security which is sufficient and acceptable to the Company as per the norms in vogue. As this loan is given only for marriage purposes, genuine proof of the same should be produced to the satisfaction of the company. The loanee will be given opportunity to purchase BIS. 916 Hallmarked gold ornaments from reputed jewelers who are approved by the Company on the basis of their application, and scrutiny and Goodwill of the Jewelers.

### **KSFE Haritham Loan Scheme**



KSFE Haritham Loan Scheme is for the supply and installation of solar panels, bio-gas plants, solar water heaters as well as for the purchase of energy saving household durables viz., fridge, washing machine, air conditioners etc. having 3 star rating and above.

### **KSFE Home Loan**

KSFE helps you build your dream home. KSFE Home Loan is also available for purchasing land for housing, renovation of existing house and for the outright purchase of house/flat. To avail this loan scheme, one must fulfill/meet any one of the following criteria: the applicant must be a salaried person, businessmen who are income tax assesses, NRIs, persons earning rental income or professionals like doctors/engineers/lawyers/chartered accountant. The principal is repayable within a period of 360 months (i.e, 30 years) or applicant's attainment of 70 years of age, whichever is earlier.

Rates:

Rs.10 lakhs & below: 9.00% p.a. (yearly diminishing)

Above Rs.10 lakhs & upto 1 Crore: 9.75% p.a (yearly diminishing)

( Max. period 30 years or attainment of 70 years of age whichever is earlier)

[up to the fixation of EMI- 13.25%(simple)]

(Penal rate 18% per annum on EMI)

### **KSFE Personal Loan**

Our customers are valuable for us. KSFE offers a loan scheme for the customers which allows the customer to take a maximum of Rs.25,00,000 (Rs.25 lakhs) as advance for a duration up to 60 months. KSFE personal loan can be availed by the customers of KSFE with a good track record of one year or more.

### **Passbook Loan**

Passbook loan facility of KSFE is available to up to date non-prized chitty subscribers, provided that the subscriber has made no default in the remittance of installment. No security, other than the passbook is required to avail this facility.

The interest rate of the advance below 10 lakh is 12.00% (simple) and for defaulted accounts 14.00%.

The interest rate of the advance above 10 lakh is 12.5% (simple) and for defaulted accounts 14.5%.

### **Sugama (Akshaya) Overdraft Scheme**

The objective of the scheme is to provide an overdraft facility to Government Employees, Employees of Public Sector undertakings and Aided Schools/Colleges up to a sum of Rs.50,000/- on the basis of their own salary certificate. In case of

employed couples coming under above category, overdraft upto Rs.5,00,000/- can be availed.

The loanee shall open a Sugama (savings) Account with any of the Branches of his/her choice. He/She can deposit and withdraw any amount as in the case of normal Sugama Account. Whenever the account is overdrawn, interest will be charged @ 13.00%, only for the specific number of days and amount overdrawn. If the account shows a credit balance, the account holder is eligible for normal Sugama interest @ 5.5% on the basis of monthly minimum balance. The period of this overdraft facility is 36 months. It can be renewed subject to conditions.

With this scheme, the employees coming under the above category will be benefitted to meet any financial exigency at a low cost. Since the loanee has the option to withdraw the amount as per his/her requirement and as the interest is charged only to that extent, the loanee can save the cost of interest as far as possible.

### Chitty Loan

What is Chitty Loan For?

Chitty Loan is a bridge between your actual financial need and the delay in chitty getting prized in your favour

When am I eligible for a chitty loan?

If you are a non-prized subscriber in a chitty and remitted 10% of the total number of instalments promptly, you are eligible for an advance up to 50% of the total chitty amount or sala (gross subscription to be remitted per month multiplied by the number of instalments in the Chitty).

What is the maximum amount of advance?

The maximum amount of advance is Rs.75,00,000/- under this category.

How are the Principal and the interest of the Chitty loan settled?

The principal of the advance is settled by adjustment from the Chitty prize money and the interest has to be remitted every month.

What is the interest rate?

The interest rate of the advance below 10 lakh is 12.00% (simple) and for defaulted accounts 14.00%.

The interest rate of the advance above 10 lakh is 12.5% (simple) and for defaulted accounts 14.5%.

## **GOVERNMENT AGENCIES**

### **Kerala State Backward Classes Development Corporation Ltd**

Kerala State Backward Classes Development Corporation Ltd (KSBCDC) is a Private Limited Company fully owned by the Government of Kerala, registered under the Companies Act 1956 on 28-02-1995 with its Registered Office at Thiruvananthapuram. The Corporation has offices in all the 14 Districts of the State and 20 Taluk level Sub District Offices. Our Mission is "Freedom from Poverty and Backwardness" of the targeted communities in the State of Kerala.

Authorized Share Capital of the Company is 100 Crores and the paid up capital is 100 Crores. It was decided to enhance to 150 Crores. KSBCDC is the State Channelizing Agency of two National Agencies – National Backward Classes Finance Development Corporation (NBCFDC) and National Minorities Development Finance Corporation (NMDFC). It focuses on the implementation of various schemes for the welfare of backward classes and minorities in the State. It is a Non Banking Financial Company registered under Reserve Bank of India and primarily engaged in financial lending to the peoples belonged to backward and minority communities living below double the poverty line for setting up of employment ventures. Various schemes funded by National Agencies include loan assistance for self employment, education loans, micro finance etc. Other assistance are also provided by us like marriage assistance, assistance for seeking foreign employment, working capital, computer loan, house maintenance, personal loan etc.

It has exhibited a more professional approach in its activities when compared with other Government enterprises in the similar sector. It has been able to almost fully computerize its activities, facilitating online monitoring. We have also be able to tie up with State Bank of Travancore in arranging facility for repayment of loans by beneficiaries.

It has been identified that certain factors for choosing KSBCDC loans. They are speedy disposal, low interest rate, accessibility, discounts and rebates for prompt repayment, cordial relationship, simple mortgage facilities, and entrepreneurship support, low processing fees, facility for pre-closure of loans etc.

## **NBCFDC Schemes**

National Backward Classes Finance and Development Corporation (NBCFDC), a Government of India Undertaking under the aegis of Ministry of Social Justice & Empowerment and has an authorized share capital of Rs.1500 Crore against which the Ministry has so far released Rs.1024 Crore.

NBCFDC was incorporated on 13 January, 1992 under Section 8 of Companies Act 2013 (earlier Section 25 of the Companies Act, 1956) as a Company not for profit with an objective to promote economic and developmental activities for the benefit of Backward Classes and to assist the poorer section of these classes in skill development and self employment ventures. Schemes are implemented through State Channelising Agencies (SCAs) nominated by respective State Government/UT.

### Eligibility

Members of Backward Classes having annual family income less than double the poverty line (i.e. Rs.3,00,000/- in rural areas and Rs.3,00,000/- in urban areas) are eligible to obtain loan from NBCFDC.

NBCFDC assists a wide range of income generating activities which include agricultural and allied activities, small business/artisan and traditional occupation, transport sector & service sector, technical and professional trades/courses.

### Types of Loan & Pattern of Finance

a) Term Loan : Maximum loan limit : Rs. 15 Lakh per beneficiary.

NBCFDC Loan : upto 85% of the project cost in general scheme. Balance 15% to be shared by SCA/Beneficiary.

b) Micro Finance: Maximum loan limit : Rs. 1,00,000/- per beneficiary/member of the SHG.

NBCFDC Loan : upto 90% to 95% of the project cost. Balance 5%-10% to be shared by SCA/Beneficiary.

### Activities which can be financed

The Corporation can assist a wide range of income generating activities under following broad sectors:

#### Agriculture & Allied Activities

Small Business/Artisan & Traditional Occupation  
Transport Sector & Service Sector  
Technical and Professional Trades/Education loan for professional Courses

The SCAs are to disburse loans for viable projects as per needs and choice of beneficiaries under above mentioned broad sectors.

Types of loan:

Term Loan

(a) New Swarnima for Women

Under this scheme, women belonging to backward classes living below double the poverty line can obtain loan upto Rs.2,00,000/- @ 5% p.a.

NBCFDC loan : 95% of Project Cost.

(b ) Education Loan Scheme

NBCFDC provides Educational Loans to the students of Backward Classes living below double the poverty line for pursuing general/ professional/technical courses or trainings at graduate and / or higher levels. Maximum loan limit in India is Rs.10 lakh and abroad is Rs.20 Lakh. The rate of interest is 4% p.a. and girl students will get at special concessional rate of interest @ 3.5% p.a.

NBCFDC loan :90% for study in India and 85% for study abroad.

Micro Finance

(a) Micro Finance Scheme : NBCFDC's Micro Finance Scheme is implemented by SCAs through accredited NGOs/Self-Help Groups. The maximum loan limit per beneficiary is Rs.60,000/-. The rate of interest 5% p.a. from SCA to Beneficiary.

NBCFDC loan : 90% of Project Cost

(b) Mahila Samridhi Yojana (Micro Finance Scheme for Women) : NBCFDC's Mahila Samridhi Yojana is implemented by SCAs through accredited NGOs/Self-Help Groups (SHGs).

The maximum loan limit per beneficiary is Rs.1,00,000/-. The rate of interest is 4% p.a. from SCA to Beneficiary.

NBCFDC loan : 95% of Project Cost. [www.ksbcd.com](http://www.ksbcd.com)

(c) Krishi Sampada : To provide concessional loans under Micro Finance to small farmers, vegetable vendors of the target group for requirement of funds during Rabi & Kharif or any cash crop. The loanee can obtain loan upto Rs.1,00,000/- @ 4% p.a.

NBCFDC loan : 95% of Project Cost

#### Other Developmental Activities

Training & Development : The Corporation provides financial assistance for Skill Development Training Programme and for entrepreneurial skills of eligible members of Backward Classes living below double the poverty line. Financial assistance is provided through SCAs/National Level/State Level Training Institutes, to create an ecosystem of empowerment of Backward Classes (Target Group) by Skilling on a large scale with high standards and to promote a culture of entrepreneurship which can generate wealth and self-employment or wage employment leading to sustainable livelihood for target group population in the country.

Marketing Linkages : Besides other developmental activities, the Corporation is promoting, marketing facilities for the artisans of the target group by providing opportunities to participate in the Country's leading fairs like India International Trade Fair, Dilli Haat and Suraj Kund Crafts Mela etc. as well as in the exhibitions/fairs organized in their respective States. The event not only give much needed marketing exposure to these artisans, but also provide an opportunity to market their products at good price which usually they find difficult in their own places. NBCFDC helps traditional BC Artisans by way of providing them platform to exhibit their products in the exhibitions to establish marketing linkages. NBCFDC also motivates the SCAs to organize or participate in exhibitions to showcase the schemes of the Corporation and also to exhibit the diverse products and services for which NBCFDC has provided financial assistance to the members of Backward Classes in different parts of the Country through SCAs. The objective of such exhibitions is to generate awareness about the NBCFDC schemes as well as to give exposure to the artisans of the target group to a bigger market. Beneficiaries are also being provided to and fro expenses, etc. NBCFDC also motivates its beneficiaries to take benefit of Online Portals.

## NMDFC Schemes

SI No	Name of the Scheme	Terms and Conditions
1	Self Employment Loan - 1	Maximum loan amount - Rs. 20 lakhs
		Interest rate- 6%
		Repayment period - 60 months
		Age limit - 18 – 55
		Annual income - Below Rs. 98,000 in rural areas and Rs. 1,20,000 in urban areas
2	Self Employment Loan - 2	Maximum loan amount - Rs. 30 lakhs
		Interest rate
		Male - 8%
		Female - 6%
		Repayment period - 60 months
		Age limit - 18 – 55
		Annual income - Below Rs. 6,00,000
3	Education Loan - 1	Maximum loan amount
		To Study In India - Rs. 10 lakhs @ Rs.3,00,000 per annum.
		To Study Abroad - Rs. 20 lakhs @ Rs.4,00,000 per annum.
		Interest rate - 3%
		Repayment period - 60 months
		Age limit - 16 – 32
4	Education Loan - 2	Maximum loan amount
		To Study In India - Rs. 20 lakhs @ Rs.4,00,000 per annum.
		To Study Abroad - Rs. 30 lakhs @ Rs.6,00,000 per annum.
		Interest rate
		Male - 8%
		Female - 5%
		Repayment period - 60 months
		Age limit - 16 – 32
5	Micro-Credit Schemes (Through CDS / NGO)	The Maximum Amount (CDS / NGO) : Rs. 50,00,000/-
		Rate of Interest to CDS / NGOs : 3%
		Rate of Interest to the Beneficiary of SHG : 5%
		Repayment period - 36 months

## KSBDCDC Schemes

Apart from the schemes of the National Corporations, KSBDCDC is implementing other welfare schemes also for Minority and Other Backward Communities utilizing its own fund.

SI No	Name of the Scheme	Terms and Conditions
1	Marriage Assistance Scheme	Maximum loan amount - Rs. 2 Lakhs
		Interest rate - 6%
		Repayment period - 60 months
		Age limit - 18 – 60
		Annual income - Below Rs 3,00,000
2	Suvarnashree (Multi-purpose loan)	Maximum loan amount - Rs. 3 Lakhs
		Interest rate - 9%
		Repayment period - 72 months
		Age limit - 18 – 55
		Annual income - Below Rs. 3,00,000
3	Working Capital Loan	Maximum loan amount - Rs. 3 Lakhs
		Interest rate - 8%
		Repayment period - 72 months
		Age limit - 18 – 55
		Annual income - Below Rs. 3,00,000
4	Business Development Loan	Maximum loan amount - Rs. 5 Lakhs
		Interest rate - 9%
		Repayment period - 72 months
		Age limit - 18 – 60
		Annual income - Below Rs. 8,00,000
5	Vidhyashree Loan	Maximum loan amount - Rs. 3 Lakhs
		Interest rate - 6%
		Repayment period - 60 months
		Age limit - 18 – 32
		Annual income - Below Rs. 3,00,000
6	Vehicle Loans	Maximum loan amount - Rs. 8 Lakhs
		Interest rate - 9%
		Repayment period - 84 months
		Age limit - 18 – 55
		Annual income - Below Rs. 8,00,000
7	Swastha Griha (House Maintenance) Loan	Maximum loan amount - Rs. 5 Lakhs
		Interest rate - 10%
		Repayment period - 72 months
		Age limit - 18 – 55
		Annual income - Below Rs. 8,00,000
8	Personal Loan	Maximum loan amount - Rs. 5 Lakhs
		Interest rate - 11%
		Repayment period - 72 months



		Age limit - 18 – 55
		Annual income - Below Rs. 8,00,000
9	Ente Veedu - Housing Scheme	Maximum loan amount - Rs. 5 Lakhs
		Interest rate - 7.5%
		Repayment period - 180 months
		Age limit - 18 – 55
		Annual income - Below Rs. 1,20,000
10	Ente Veedu - Housing Scheme (Credit Line - 2)	Maximum loan amount - Rs. 10 Lakhs
		Interest rate - 8%
		Repayment period - 180 months
		Age limit - 18 – 55
		Annual income - Below Rs. 3,00,000
11	Ashwasa Kiranam	Maximum loan amount - Rs. 3 Lakhs
		Interest rate - 8%
		Repayment period - 60 months

## GOVERNMENT AGENCIES

### Kerala State Womens Development Corporation

#### Financing Schemes

Credit line 1:- persons having annual family income of up to Rs. 98,000/annum in rural areas and Rs. 1.20 lakhs/annum in Urban areas.

Credit line 2:- persons having an additional household income of Rs. 6 lakhs/annum can also avail the scheme facility

#### TERM LOAN

1. Self-employment loan up to a maximum of Rs. 20,00,000/- for credit line 1 and a maximum of Rs. 30,00,000/- for credit line 2.

The scheme is to promote self-employment among the members of the minority communities. Any viable projects can be considered under the scheme.

The beneficiaries are expected to utilize the amount along with the loan amount for the project.

#### ELIGIBILITY

The applicant must belong to the minority community as notified by central Government and state government from time to time.

Age of the applicants must be between 18 and 55.

Rate of interest – 6%

Penal Interest – 6%

#### EDUCATION LOAN SCHEME

NMDFC introduced the Educational Loan Scheme with the objectives to facilitate job oriented education amongst the weaker section of the Minorities.

#### OBJECTIVES

The identified courses should be such which have the utmost probability of equipping the beneficiaries for jobs, and should be shorter duration at the most 5 years. Educational loan should be given for courses, which are within the reach of the targeted group and have the least possibility of being misused.

#### ELIGIBILITY

1.The applicant should be in the age group of 16-32 years.

2.Confirmed admission in the intended course is the basic requirement for availing the loan. However, application for loan can be made in anticipation of admission. Similarly, loan can also be sanctioned in anticipation of admission.

3.Women and Physically challenged candidates would be given preference.

4.Selection out of the eligible candidates will strictly be on merit.

## ELIGIBLE COURSES

i) The course of study should have good potential in the job market. Any Technical/Professional courses including Diploma & Degree courses may be considered.

ii) The duration of the course will not exceed five years. However, shorter duration courses may be preferred.

iii) The College/Institute should have been offering the courses for the last 3 years and should be recognized by the Central/State Government or by appropriate authority such as AITCE.

### Purpose of The Loan And Maximum Loan Amount

Loan will be admissible for expenditure on the following items:

i) Admission fee and tuition fee.

ii) Cost of books, stationery and other instruments required for the course.

iii) Examination fee

iv) Boarding and lodging expenses

Sl No.	Parameters	Scheme Details	
		Credit 1	Credit 2
1	Loan Amount	Max. 15 Lakhs/ Beneficiary for profession or job oriented courses in India with max duration 5 years @ 3 lakhs/annum	Max. 20 Lakhs/ Beneficiary for profession or job oriented courses in India with max duration 5 years @ 4 lakhs/annum
		Max. 20 Lakhs/ Beneficiary for courses abroad with a max duration of 5 years @ 4 lakhs/annum	Max. 30 Lakhs/ Beneficiary for courses abroad with a max duration of 5 years @ 6 lakhs/annum
2	Rate of interest for beneficiaries	3% per annum	5% per annum
3	Repayment period for Beneficiaries	5 Years	5 Years

### Scheme 3

#### MICRO FINANCE SCHEME [Loan through NGOs]

SI No.	Parameters	Scheme Details	
		Credit 1	Credit 2
1	Loan Amount	Up to Rs. 1 Lakh per member of SHG	Up to Rs. 1.5 Lakh per member of SHG, Rs.30 Lakhs for a group of 20 members in 1 SHG
2	Rate of interest for beneficiaries	Max 7% per annum	Max 8% per annum
3	Repayment period for Beneficiaries	3Years	3Years
4	Utilization period	3 Months/ 1 month	3 Months/ 1 month
5	Sanctioning Amount	Limit of Rs. 25 lakhs per NGO/ Federation This limit is increased to rs. 50 Lakhs in case of 100% track record for the past 2 years	Limit of Rs. 25 lakhs per NGO/ Federation This limit is increased to Rs. 50 Lakhs in case of 100% track record for the past 2 years

#### **SCHEMES FOR BACKWARD CLASSES (Financial Assistance from NBCFDC)**

Under this scheme, women belonging to the backward classes are provided with the loan for opening or developing of a venture.

#### Scheme 1

##### TERM LOAN

The scheme is to promote self-employment among the members of the Backward Classes. Any viable projects can be considered under the scheme.

Beneficiary contribution need not be collected from the beneficiary under this scheme. The beneficiaries are expected to utilize the amount along with the loan amount for the project. The maximum loan that can be disbursed under this Scheme is 85% of the project cost or Rs.10,00,000/- whichever is lower and is limited to the amount requested by the beneficiary.

##### ELIGIBILITY

1. The applicant must belong to any one of the notified Backward Classes of the state.
2. The annual family income of the applicant must be below Rs.3,00,000/- in both urban areas and rural areas.
3. Age of the applicants must be between 18 and 55.
4. The applicant should not be a beneficiary to any of the Self Employment loan under any scheme of any other Corporation/Bank/Agency

##### Rate of interest

For loan amount up to Rs.5 Lakh : 6% p. a

For loan amount above Rs.5 Lakh : 8% p. a

## EDUCATION LOAN SCHEME FOR BACKWARD CLASSES

Towards the fulfillment of the overall objectives of empowerment and development of Backward Classes in the country, we promises financial assistance on loan basis to eligible beneficiaries.

### OBJECTIVES

To extend Education loan to the members of Backward Classes for pursuing Professional or Technical education at graduate and higher level.

### ELIGIBILITY

- i) The loan shall be granted to members of backward classes, as notified by State Government from time to time.
- ii) The annual income of the applicant's family should be below double the poverty line i.e., Rs.98,000/- p.a. in rural areas and Rs.1,20,000/-p.a. in urban areas.
- iii) The applicant should have obtained admission for any Professional/Technical Courses through Entrance Test/ Merit based selection process. Course should be approved by appropriate authority such as AICTE, Medical Council of India, UGC etc.
- iv) Priority will be given to women, physically impaired and dependent of war widows.
- v) Distant education/Off-campus programs are not covered under this scheme.
- vi) Age Limit : 16-32

### COURSES COVERED

All professional and technical courses at graduate and higher level approved by appropriate authority such as AICTE, Medical council of India, UGC etc.

### PURPOSE OF LOAN

Admission fee & Tuition fee

Books, Stationery & other instruments required for the course

Examination fee

Boarding & lodging expenses

Insurance premium for student borrower for policy during the loan period.

Travel expenses/passage money for studying aboard

MAXIMUM LOAN LIMIT 90% of the expenditure of the course subject to maximum loan limit of RS.10 lakh per student or Rs.2.50 lakh p.a. (for studying within India) &

85% of the expenditure of the course subject to maximum of Rs.20 lakh per student (for studying abroad), the balance will be borne by student/SCAs.

Rate of interest: 3.5%

#### REPAYMENT PERIOD

The moratorium, besides being co-terminus with the course for which loan has been obtained by the students, will have a further six months period for starting repayment after the completion of the course.

#### SECURITY & MONITORING OF EDUCATION LOANS

The SCAs would ensure security of loan, tracking of beneficiaries' students and their monitoring during the loan period. The Education loan scheme would envisage providing education loan to the eligible students pursuing their higher professional courses in approved institutions only.

#### **LOAN SCHEMES FOR SCHEDULED CASTE (NSFDC SCHEMES)**

Scheme 1

##### **SELF-EMPLOYMENT LOAN SCHEME**

#### ELIGIBILITY

The loan shall be granted to women members of scheduled classes as notified by the central government and state government from time to time.

The family income of the applicant must be below Rs.3,00,000/- p.a in both rural areas and urban areas.

Applicant must be in the age group of 18-55 years.

#### Maximum Amount of Loan

The maximum amount under this scheme is Rs. 3,00,000

#### Rate of interest and Repayment

Loans are extended at 6% interest p.a and a penal interest 6% to be repaid in 60 equal monthly installments. The minimum time of repayment is 36 months.

Scheme 2

MAXIMUM LOAN LIMIT of RS.10 lakh per student or Rs.2.50 lakh p.a. (for studying within India) & a maximum of Rs.20 lakh per student (for studying abroad), the balance will be borne by student/SCAs.

Rate of interest: 4%

#### REPAYMENT PERIOD

The moratorium, besides being co-terminus with the course for which loan has been obtained by the students, will have a further six months period for starting repayment after the completion of the course.

For more details contact our regional offices.

## **MICRO FINANCE SCHEME**

Scheme 1

Micro Financing through SHGs

In order to cater to the Micro Finance needs of small entrepreneurs belonging to the target group, the corporation has introduced a scheme for micro financing through nominated channeling agencies. It is desirable to disburse loans through self help groups by SCAs under micro finance scheme. This scheme is carried out through legally registered SHGs which consist of up to 20 persons.

### **ELIGIBILITY**

1. The annual family income of the applicant must be below Rs.1,20,000/- in urban areas and Rs.98,000/- in rural areas.
2. In a SHG/ NGO 75% of the members can be from backward classes and remaining 25% members may be from other weaker section including SC/ST/handicapped etc.

### **Maximum Limit of Loan**

The maximum amount of loan that can be extended is Rs.10,00,000/- to an NGO

### **Pattern of Finance**

- i) NBCFDC Loan : 90%
- ii) KSWDC Loan : 5%
- iii) Beneficiaries Contribution : 05%

Rate of Interest – 4% p.a.

Penal Interest- 6% p. a

### **REPAYMENT PERIOD**

Loan is to be repaid in quarterly installments within 48 months (including the moratorium period of six months on the recovery of principal)

**SCHEMES FOR FORWARD CLASSES** (Financial Assistance from State Government)

Loans are granted to economically weaker women of general/ forward communities for self employment.

#### ELIGIBILITY

The loan shall be granted to women members of general category

Income of the applicant's family should be below double the poverty line i.e. Rs. 1,03,000/- p.a. in urban and Rs.81,000/- p.a. in rural areas.

The age in between 18 and 55 years.

Deed or salary certificate as security

Any income generating projects is eligible for loan.

Maximum loan amount is Rs 3,00,000/- . The entire loan amount for women of general communities has to be met from the fund provided by the State Government. 95% is proposed to be channelized under the plan scheme of the State Government and the balance 5% as beneficiary contribution.

Rate of Interest and Repayment mode:

Loans are extended at 6% interest p.a. to be repaid in 60 monthly installments penal interest at a rate of 6% p.a.



## GOVERNMENT AGENCIES

### Kerala State Co-operative Federation for Fisheries Development Ltd

#### Genesis

Matsyafed, the Kerala State Co-operative Federation for Fisheries Development Ltd., was registered on 19th March 1984 as an Apex Federation of primary level welfare societies in the coastal fishery sector with the objective of ensuring the economic and social development of the fishermen community by implementing various schemes aimed at promoting the production, procurement, processing and marketing of fish and fish products.

#### Mission

To improve the economic and social well-being of the the fishermen in Kerala through direct interventions in fish production, procurement and marketing.

#### Vision

Over the years, 'Matsyafed' has partnered with 'Kerala Fisherfolk ' to maintain a productive and sustainable fishing that is committed to the protection and replenishment of fishery resources. Together, we have a created a record of innovation in investment, production, procurement and marketing. Our vision continues to be hand-holding the fisherfolk through a process of credit, technological innovations and capacity building, for a total community development by enabling them to wipe out the existing pockets of poverty and facilitating them to merge with the mainstream society.

#### Strategy

- to achieve this mission and fulfill our vision, an integrated strategy has been charted which infringes on daily life of the fisherfolk and ensures their total development step by step.
- To enhance the producer control over the fishing inputs by providing them with cheap institutional credit
- To ensure right of first sale of fish to the producer fishermen (to check exploitation by auctioneers)
- To ensure the supply of quality fishing equipments at reasonable rate

- To procure and market fish and fish related products of traditional fishermen
- To train and equip the fisherfolk in latest technologies of fishing, fish handling, fish processing and marketing for developing a sustainable fishery
- To develop tools and capabilities of the affiliated primary members to improve the overall productivity and quality of life of fisherfolk
- To enhance the supply of financial instruments through direct and indirect linkages with the leading financial institutions
- To enhance the production of fish and prawn seeds for replenishment of existing resources and ensuring sustainable fishery
- To provide fuel (kerosene & diesel) for fishing purposes, directly, to weed out intervention of middlemen
- To provide Interest-free loan to fisherwomen vendors to curb informal credit mechanisms in the sector.

### **NBCFDC & NMDFC SELF EMPLOYMENT LOAN SCHEMES**

Term loans and microfinance loans are provided to eligible members of primary societies by channelising funds from National Backward Classes Development & Finance Corporation (NBCFDC) and National Minorities Development & Finance Corporation (NMDFC), since 1997. 85% of the project cost is financed by NBCFDC , in the case of fishermen belonging to backward classes or NMDFC, in case of fishermen belonging to Minority Communities. 10% of the project cost being the State Channelising Agency's share is met by the State Govt.

Self employment loans to the tune of Rs.807.69 lakhs has been provided to 1042 fishermen with the fund channelised from NMDFC and NBCFDC.

### **SELF HELP GROUPS, WOMEN EMPOWERMENT & MICRO CREDIT**

Though the initial focus of the Federation was to ensure the socio-economic development of the traditional fisherfolk by making the producer fishermen become owners of fishing inputs, leading to enhanced self-esteem & income, it soon became evident that a sustainable economic development of the sector would be possible only through a continuous financial support mechanism. There is a huge requirement for working capital in the sector , as the fisherfolk are not amenable to the habit of saving. This unrestrained way of life leads to a condition of perpetual indebtedness. Daily consumption needs, requirement of short term working capital for fish vending, requirement for special needs such as weddings, educational requirements, medical contingencies etc. lead the fisherfolk to the informal credit system where loan sharks ruthlessly exploit their vulnerability. The exorbitant rate of interest on loans in the informal system results in the fishermen family getting caught in a vicious cycle of indebtedness from which they cannot escape. In order to address this need of the fisherfolk and prevent income erosion the Federation initiated the formation of the

self help groups among fishermen family members and encouraged them to set up micro enterprises. Credit linkages with National Backward Class Finance & Development Corporation (NBCFDC) and National Minority Finance Development Corporation (NMDFC) at 6% interest per annum was arranged for the SHGs. Interest free loans to fish vendors was also arranged with the support of state government. In the last seven years Matsyafed could facilitate the formation of 15888 self help groups and could give a loan of about 256 crores as micro credi

# GOVERNMENT AGENCIES

## National Employment Services - Keralam

### **Mission**

Provide gainful employment to all jobseekers in the State of Kerala either through paid employment or self employment and to provide vocational/educational guidance and other service to the utmost satisfaction of the stake holders.

### **Vision**

To provide a platform of interface between stakeholders for responsive transparent and efficient employment service in order to meet skill needs of a dynamic society.

### **Kerala Self Employment Scheme for the Registered Unemployed**

The scheme was sanctioned vide G.O.(P)No.40/99/Labour dated 30.03.1999

Bank loan up to Rs. 1,00,000 is given for starting self-employment ventures to individuals, out of which 20% is re-imbursed as Government subsidy through Employment Department. The spouse or parents of the beneficiary will be the guarantor. Beneficiary contribution is not mandatory.

### Eligibility

All unemployed persons in the live Register of Employment Exchanges between the age limit 21 – 50 with annual family income not exceeding Rs.1,00,000/-

### Preference

Educational Qualification should suit the project selected. Preference will be given to those with professional or technical qualification, ITI / ITC holders, woman having graduation and beneficiaries of unemployment dole scheme.

Students are not eligible for applying under KESRU

### Implementation

Application forms are available free of cost from the Employment Exchange where the candidate is registered and is to be submitted there along with the project report and income certificate from the village officer. After a preliminary verification in the Employment Exchange the applications which are found eligible are forwarded to the District Employment Exchange concerned for scrutiny.

Scrutinised applications are submitted by the District Employment Officer to the District Committee for sanctioning loans through Nationalised Banks, District Co-operative Banks, Scheduled Banks and KSFE. Sanctioning authority is the District Committee for KESRU where District Panchayat President is the Chairman and Employment Officer (Self Employment) is the Convener. Regional Deputy Director of Employment is the appellate authority.

KESRU beneficiaries are not eligible for Unemployment dole and will not be submitted against temporary vacancies but will be considered for regular vacancies.

### **Multi-Purpose Service Centres / JOB CLUBS**

This scheme was sanctioned vide GO(P)No.143/2007/Labour date 28.10.2007.

MPJC is a group oriented self-employment scheme for development of enterprises in the unorganised sector. This scheme contemplates establishment of multi-purpose service centres under duly constituted groups of qualified and registered unemployed persons, in the unorganised sector.

Bank loan up to Rs. 10,00,000 is given for starting self-employment group ventures of 2 to 5 members, out of which 25% subject to maximum of Rs. 2,00,000/- is reimbursed as Government subsidy through Employment Department. The scheme is incorporated with Credit Guarantee Scheme.

In the job club there should be 2 to 5 members and one among them will be the team leader. Other members will be partners. A partnership agreement is to be signed by them. They are individually, collectively and equally responsible for satisfying the conditions stipulated by the financial institutions in respect of providing security/ guarantee, for the successful implementation of the project and for the repayment of the loan amount.

#### Eligibility

All unemployed persons in the live Register of Employment Exchanges between the age limit 21 – 45 with relaxation in the upper age limit of three years to OBC applicants and 5 years to SC/ ST/PH applicants are eligible. The annual family income should not exceed Rs.1,00,000/-. Beneficiary contribution is 10%.

#### Preference

Educational Qualification should suit the project selected. Preference will be given to those with professional or technical qualification, experience, ITI /ITC / Polytechnic certificate holders, graduate woman and beneficiaries of unemployment dole scheme.

### Implementation

Application forms are available free of cost from the Employment Exchange where the candidate is registered and is to be submitted there along with the detailed project report and income certificate from the village officer.

Primary verification as regards to age, income, skill and qualification to implement the project, correctness of the documents submitted etc will be done in the District Employment Exchange by the Employment Officer of the Self Employment Unit.

Scrutinised applications are submitted by the District Employment Officer to the District Committee for sanctioning loans through Nationalised Banks, District Co-operative Banks and Scheduled Banks. Sanctioning authority is the District Committee for MPSC/JC where District Panchayat President is the Chairman and District Employment Officer is the Convener. Government of Kerala is the appellate authority.

MPSC/JC beneficiaries are not eligible for Unemployment dole and will not be submitted against temporary vacancies but will be considered for regular vacancies.

When the loan is sanctioned a joint loan account is to be opened in the names of all the job club members. 10% of the total project cost is to be remitted in this loan account. Then the financial institution will inform the District Employment Officer about the sanctioning of the loan. The District Employment Officer will send the subsidy amount to the loan account of the beneficiaries.

### Monitoring

The Director of Employment is the controlling officer of the scheme. The scheme is monitored through the District Employment Officers.

### **Saranya - Self Employment Scheme for the Destitute Women**

This scheme was sanctioned vide GO(P)No.81/2010/Labour date 24.07.2010.

Saranya is the new self-Employment scheme introduced by the State Government for uplifting the most backward and segregated women in the State, namely widows, divorced, deserted, spinsters above the age of 30 and unwedded mothers of Scheduled Tribe, Differently abled and Wife of Bed Ridden patients.

Interest free loan of upto Rs. 50,000 is given for starting self-employment ventures, out of which 50% is re-imbursed as Government subsidy subject to a maximum of

Rs. 25,000/- through Employment Department. Repayment will be in 60 equal monthly installments.

If the venture requires an amount above the limit of Rs.50000/, the applicant has to remit her beneficiary contribution of 10% of that amount. More over, the beneficiary has to remit 3% as interest at flat rate for the amount she avails in excess to Rs. 50000/.

For ventures that are running successfully and have repaid atleast 50% of the loan amount, additional loan amount subject to a maximum of 80% of the original loan amount at nominal interest rates is eligible for expanding the venture.

This scheme is intended for individual ventures, but it is also allowed to start joint venture by more than one entrepreneurs. Each person of this joint venture will get maximum amount of loan and its subsidy.

The beneficiary is exempted from providing any security for the loan amount.

#### Eligibility

All unemployed widows, divorced, deserted, spinsters above the age of 30 and unwedded mothers of Scheduled Tribe in the live Register of Employment Exchanges between the age limit 18 - 55 except in the case of spinsters, are eligible.

Widows(wife of late) means, the woman whose husband is deceased and she has not remarried till date. Certificate is to be obtained from the Village Officer/President of the Grama Panchayath or Chairman of the Municipal Corporation or the Mayor of the Corporation as the case may be.

Divorced woman means, the woman who has been divorced through a court of law or through her religious organization. Certificate to the effect that she has not remarried till date is to be obtained from the Village Officer.

Deserted means woman deserted by her husband/ woman whose husband is missing means woman whose husband is absconding or otherwise missing for the last seven years. Such woman should produce certificate from the Tahsildar to this effect and also that she has not remarried till date.

Spinsters means unmarried woman means a woman who has completed the age of 30 years as on 1st April of the year of application and not yet married. Certificate to this effect is to be produced from the Village Officer.

Unmarried mother means unmarried mother who belongs to Scheduled Tribe Category means woman who belongs to Scheduled Tribe Category and became

mother without having married. Certificate to this effect is to be obtained from the Village Officer stating clearly the caste and community in the certificate.

The annual family income should not exceed Rs.1,00,000/-. Preference will be given to those with professional or technical qualification.

### Implementation

Application forms are available free of cost from the Employment Exchange where the candidate is registered and is to be submitted there along with the detailed project report and income certificate from the village officer.

Primary verification of the application will be conducted at the Employment Exchange regarding the correctness of the data filled in the application, income certificate, community certificate, certificate regarding their marital status etc. Then if it is submitted in the Town Employment Exchange, it will be forwarded to the District Employment Exchange concerned.

Scrutinised applications are submitted by the District Employment Officer to the District Committee for sanctioning loans. Sanctioning authority is the District Committee for Saranya where District Collector is the Chairman and District Employment Officer is the Convener. Government of Kerala is the appellate authority.

The loan amount is directly sent to bank account of the applicant from the Employment department. The beneficiaries of Saranya Self Employment Scheme will be considered for regular vacancy only and not for temporary vacancy.

### Monitoring

The Director of Employment is the controlling officer of the scheme. The scheme is monitored through the District Employment Officers and Employment Officers of Town Employment Exchanges.

If the beneficiary does not repay 3 consecutive installments, two reminders will be sent. If no reply is received, revenue recovery action to realize the loan amount with interest will be initiated. Moreover, if it is found later that the loan amount is utilized for other purposes than the project sanctioned; the full amount including the subsidy will be recovered through revenue recovery.

### **Kaivalya - Comprehensive Employment Assistance for the Differently Abled**

The department is implementing an Employment Rehabilitation Scheme for the Differently Abled candidates since 2016. The department has framed this new scheme which articulates a holistic framework for achieving the goals of social



inclusion and equality of opportunity for all citizens with disabilities. The scheme comprises of four components

- Vocational and Career Guidance
- Capacity Building
- Coaching classes for Competitive Examinations.
- Interest free Loan for Self Employment Ventures.

#### I) Vocational and Career Guidance

Through this component, career guidance classes, motivation, information regarding career opportunities and information regarding services and benefits for physically challenged are imparted to homogeneous group of candidates selected from the registrants of Employment Exchanges. The above services will also be given in co-operation with services of Special Schools, Non-Governmental Organizations and other institutions for physically challenged candidates.

#### II) Capacity Building

This programme intends to empower the candidates to face the challenges in the path of competition for a suitable career and to reach their goal. This also includes soft skill training to make them employable. Training is also given to develop entrepreneurship among the candidates for Self Employment ventures.

#### III) Training for Competitive Examinations

This programme includes training for Competitive Examinations for job opportunities notified by Government, quasi government and public undertakings. This is conceived as a continuing training programme from the start, ie, from the stage of applying for the vacancies up to placement stage. They are given a helping hand for applying for examinations, then training for competition and finally for placement. Refresher courses are also offered before two or three days of the competitive examinations.

#### IV) Self Employment Ventures

##### (1) Eligibility

The candidates should be registrants of Employment Exchange.

- Age – Between 21 and 55
- Annual Family income should not exceed two lakhs.
- Candidates should be able to read and write.

In cases where the candidates are not able to look after themselves their Father/mother/son/daughter/husband/wife are allowed to avail the Self Employment loans.

Candidates who avail Self Employment loans are excluded from Unemployment Assistance Scheme.

These beneficiaries are also eligible for nomination for regular vacancies through Employment Exchanges.

Candidates can avail Self Employment loans for joint ventures also.

Each individual is given a maximum of Rs.50,000/- (Rupees Fifty Thousand only). Also there is provision for sanctioning the amount upto one lakh, subject to viability of the project.

50% of the loan amount is given as subsidy.

There is no interest charged for the amount sanctioned.

The application form can be obtained from the Employment Exchanges.

### **Navajivan Yojana - Self Employment Scheme for Senior Citizens.**

Self Employment Scheme for Senior Citizen (50-65) registered in Employment Exchanges in Kerala.

#### **Eligibility**

- Employment registration must exist.
- Age should be between 50 and 65 years.
- Personal annual income should not exceed Rs. 1 lakh.

#### **Priority**

1. Employment registration is currently being renewed on time.
2. 25% of the loan allowed will be made available to women. 55 years old Widows and differently abled persons will be given priority.
3. 25% of the loan sanctioned for below poverty line category

#### **Loan / Repayment**

- The loan amount will be maximum Rs.50000/-
- 25% subsidy on loan accrued to entrepreneurs who are investing

Investing.

- Repayment and interest are subject to the rules of financial institutions.
- Bail out of loan sanctioned is included in credit guarantee scheme

### **Implementing Institutions**

Loans are available under the scheme through the following institutions

- National/Scheduled Banks,
- State/District Cooperative Banks,
- Kerala Bank,
- KSFE
- Public Sector Financial Institutions.

## GOVERNMENT AGENCIES

### Samunnathi

Kerala State Welfare Corporation for Forward Communities Limited is a Government of Kerala undertaking, incorporated under the Companies Act, 1956 on 8th November, 2012, as a Private Limited Company, with an objective to promote the comprehensive development and welfare of the economically backward sections among the forward communities of Kerala.

#### Objectives

- To carry on the business of promoting the comprehensive development and welfare of the economically backward sections among the forward communities of Kerala through rendering assistance to their members,
- for improving their educational status, living conditions, all round development, livelihoods
- to assist members of economically backward sections amongst forward communities to pursue Professional, Graduate, Post Graduate and Technical courses by facilitating educational loans at concessional rates of interest,
- scholarship to meritorious and deserving students and by helping and financing in establishing educational and technical institutions, if necessary, for their benefit
- to improve their health care and living conditions by purchase of lands and buildings or for construction and repairs or dwelling and their appurtenances
- to promote employment generation, improvement in livelihoods and self employment through providing financial assistance in setting up of their own tiny , micro, small and medium scale enterprises and other self employment avenues in the primary , secondary and tertiary sectors.

#### Samramba Samunnathi (Interest Incentive schemes)

Encouraging Self Help Groups (SHG) and Joint Liability Groups (JLG) from forward communities, Samunnathi has come up with an interest incentive schemes for their loan. Each group either SHG or LYG will get 4% interest incentive for a maximum loan amount of six lakh.

### Eligibility Conditions

Application must be given by SHG/JLG directly to their concerned Voluntary Group  
Voluntary Groups must provide a consolidated application of various groups working under them to the Corporation

Group members will be from forward communities and residents of Kerala. Only forward community members in the group will be eligible for this.

Applicants must make sure that, they are not availing any incentives for the same loan from any Government/ Non –Government agencies, banks and other financial institutions.

Annual income of the group members from all sources should not exceed two lakhs.

Only loans availed during the financial year 2014-15 are eligible for this scheme.

### Rules for acquiring Interest Incentive

A unit will get interest incentive for a maximum of 6 lakh.

Units having Non-performing (NP) loan accounts are not eligible for this scheme.

Apply with fully filled application form along with recommendations and related records through a voluntary group.

Each group must have an active SB Account and it must be noted correctly in the application form.

Interest Incentive will be given by the corporation to the SHG/JLG through fund transfer to the SB Account of SHG/JLG.

### Personal Interest Incentive Scheme

Samunnathi in association with IDBI bank will provide loans or interest incentives for those who are ready to start agricultural activities under Micro, Small and Medium Enterprises (MSME) from the forward communities.

### Details of the scheme:

<b>Total amount of Loan</b>	<b>No. of Beneficiaries</b>	<b>Interest Incentive</b>
1200 lakh	200	@ 5% (Maximum loan amount of six lakh)

## **Naipunya Samunnathi (Skill Development Schemes)**

Samunnathi in association with KASE (Kerala Academy for Skill Excellence) focuses on the educated unemployed youth of the forward communities of Kerala with a view to assess their career aptitudes, skill sets and developing their skill factors to make them employable. The programme will have two faces viz. Counselling and Career Guidance and Advanced Soft Skills and English Language Training (ASSET) with client specific specialization.

### Objective of this scheme

Samunnathi will conduct job fairs for the candidates upon successful completion of the training programme and ensuring a minimum of 50% placement. The duration of the programme will be 120 hours spread over in one month.

### Eligibility Conditions

- The candidate should be a member of the forward communities of Kerala.
- Annual family income of the candidate/parent/guardian from all sources shall not exceed 2 lakhs.
- Minimum Age required to apply the programme will be 18 years and upper limit will be 30 years.

Minimum qualification for the programme shall be higher secondary or equivalent. However suitable career plans are available for the professionally qualified candidates.

### Other details

Client specific training will be offered on following sectors like I.T/ ITES, Retail (Sales activities), Banking, Finance and Hospitality. The registration fee for counselling and career guidance section will be Rs. 100 and that of ASSET programme is Rs. 250. The course fee and infrastructure expenses of training will be borne by the Corporation.

The training will be conducted in four centres viz. Kannur, Thrissur, Kottayam and Thiruvananthapuram and candidates can select nearby training centres. The training centre selected should be written over the envelope containing the application. Selected candidates will be informed of the venue & schedule of ASSET Training Programme.

# GOVERNMENT AGENCIES

## The Scheduled Castes Development Department

### Vision

- Education
- Employment
- Empowerment

### Mission

- Modernization of lifestyle by conserving the culture
- Preservation of traditional knowledge
- Total literacy
- Land for landless, Home for homeless
- Cluster Development for livelihood
- Total health care
- Residential education for reducing the rate of dropouts
- Vocational training for more employment
- Sustainable development for regular income
- Total care

### Self-Employment Schemes

The Department provides financial assistance to the individuals/self help groups who are interested in self employment.

The project for self employment is to be submitted to the bank for loan and the Department will give 1/3 of the loan amount as subsidy. The subsidy amount is limited to 1 lakh for individuals and 3.5 lakhs for groups. Any venture can be started as part of self employment with the approval of the bank. Age limit upto 50 years. Educational qualification 7th standard. There is no income limit, application should be sent to the block/municipal/corporation. Scheduled Caste Development Officer along with certificate of caste, certificates showing educational qualification and age and project report.

### **Assistance for starting practice as Advocates:**

The Department provides financial assistance for practicing as Advocates to those who have passed the LLB. This assistance is given for three years, after enrollment and starting practice as a Junior Advocate.

Year	Book Grant	Dress Grant	Room Rent	Enrollment expenses
First Year	12,000	4,000	0.00	9,600
Second Year	12,000	4,000	6,000	_____
Third Year	12,000	4,000	6,000	_____

### **Technical Apprenticeship:**

The Department provides apprenticeship assistance to those who have qualified in ITI, Diploma and Engineering. Application should be submitted to the District Development Officer for Scheduled Castes concerned. The monthly rates are as follows:-

- ITI - 2000/-
- Diploma - 2500/-
- Engineering - 3000/-

### **Apprentice Clerk:**

Graduates having Diploma in Computer application are given apprenticeship as clerk-typist on a monthly honorarium of Rs.10,000/- for one year to improve their employability.

### **Tool Kit:**

The ITI certificate holders of Department ITIs are given financial assistance for purchasing tool kit in order to start their profession.

### **Exhibition cum Trade Fair (Gadhika):**

The Department conducts trade fair twice in a financial year for showcasing the traditional products and the ethnic foods produced by the SC entrepreneurs and self



help groups. This trade fair is organized by the Department along with Scheduled Tribe Development Department and KIRTADS. All the expenses including transportation, stall etc and TA&DA of entrepreneurs are met by the Department.

**Ambedkar Village Development Programme:**

"Ambedkar Village Development Programme" is the programme for the integrated development of SC habitats having more than 30 families and according to these programme the Department provides all the basic facilities like roads, drinking water, electricity, biogas plants, renovation of houses, waste management, drainage, footpath and income generating schemes etc. An amount of Rs. 1 Crore is being spent for each habitat. The implementation of the scheme is done under the direct supervision of the MLA.

**Assistance for Seeking Employment Abroad:**

The Department provides assistance of Rs. 100000/- to the job seekers who are willing to seek employment abroad. Age limit is upto 50 years and the family income limit is Rs. 2.5 lakh. The applicant can meet both travelling and visa expenses from this amount. The applicants can submit applications to District Development Officers concerned.

**Pooled fund:**

Training cum employment and income generating activities are provided through the projects submitted by the line departments under the pooled fund.

## **GOVERNMENT AGENCIES**

### **Kerala State Development Corporation For Scheduled Castes And Scheduled Tribes**

The Kerala State Development Corporation for Scheduled Caste and Scheduled Tribes Ltd., incorporated as a Company under the Companies Act, 1956 in 1972 has been functioning as a prudent finance institution over the years for the socio-economic advancement and empowerment of the members belonging to Scheduled Castes and Scheduled Tribes in Kerala. The Corporation is well aware of the magnitude of responsibility put on its shoulders by the policy makers and hence has been acting as a catalyst to enthuse and energize the potential members belonging to the target group so as to satisfy the growing ambitions and aspirations of an emerging group of entrepreneurs from among them. It is commendable to note that the organization has been able to set a new trend in project financing over the last few years by framing a lending mechanism marked by liberal terms and generous conditions.

The Corporation has been implementing self-employment and other social welfare schemes with the objective of making the target population self-reliant by developing and utilising their man power. A credit portfolio with provision to finance projects of dynamic entrepreneurs having investment needs ranging from Rs.50,000/- to Rs.50 lakhs makes the lending programmes of the Corporation popular and magnificent.

#### **Source of finance for implementing various schemes are :-**

- Share Capital of the Corporation contributed annually by both Govt. of India and Govt. of Kerala in the ratio of 49:51.
- Term Loan Assistance from National Scheduled Castes Finance and Development Corporation (NSFDC)
- National Scheduled Tribes Finance and Development Corporation (NSTFDC) under Govt. of India.

#### **Mission**

Empowerment of the Scheduled Castes and Tribes to overcome poverty and stigma and free them of the existing social imbroglio through their human resources development and active involvement in fruitful ventures of income generation to ensure social and economic justice to the members.

## Vision

Socio-economic advancement of the Scheduled Castes and Tribes is the outcome of an integrated and result oriented effort of several forces on development which invariably necessitates social transformation and economic empowerment of their members by massive enlightenment, motivation and meaningful credit support through the Scheduled Castes and Scheduled Tribes Development Corporation.

### SCHEMES – GENERAL

#### A) Income Generating Schemes

##### 1). Beneficiary Oriented Scheme

The Corporation intends to help unemployed youths among Scheduled Castes / Scheduled Tribes who are approaching the Corporation with small projects which are viable but not being implemented either directly or with the help of other financing agencies for starting self employment ventures. The maximum project cost is Rs.3,00,000/-. The applicant should be unemployed SC/ST persons in the age group of 18 to 55 years having annual income not more than 3,50,000/-. The repayment period is 5 years and the rate of interest is 6%.

##### 2). Transport Scheme

The scheme provides loan to Scheduled Caste beneficiaries for purchasing Auto/Commercial Vehicles with cost not exceeding Rs.10,00,000/-. The applicant should be unemployed SC/ST persons in the age group of 18 to 55 years having annual income not more than 3,50,000/-. The scheme is made available to those candidates who have valid Driving Licence. The repayment period is 5 years and the rate of interest is 6%.

##### 3). Multi purpose Unit Loan

The objective of the scheme “Multi Purpose Unit Loan” is to finance small and medium sized projects of SC/ ST entrepreneurs with investment needs not exceeding Rs.50 lakhs which are viable and requiring less gestation period. Those who have undergone some training or acquired some specialised knowledge in the relevant activity will be given preference. It covers economic activities cutting across different economic segments like agriculture, industry, trade and commerce. The applicant should be unemployed SC/ST persons in the age group of 18 to 55 years having annual income not more than 5,00,000/-. The repayment period is 5 years. The rate of interest is 6% up to Rs.5,00,000/- and 8 % above Rs.5,00,000/- .

#### 4) Foreign Employment Loan Scheme (New)

The Foreign Employment Loan Scheme envisages to provide up to Rs. 2 lakhs to those who go abroad for taking up an employment. It addresses the needs of unemployed but educated youngsters belonging to Scheduled Castes who have been offered a placement by a recognized overseas employer. Out of the gross amount of Rs. 2 lakhs, Rs.1 lakh is released as loan and the remaining Rs.1 lakh will be subsidy. While the Corporation releases the loan portion, the subsidy is released by the State Government (Scheduled Castes Development Department). The interest on loan is 6% with repayment period of 3 years.

#### 5) Land Purchase Scheme for Agricultural Labourers.

The project aims to improve the social and economic conditions of agricultural labourers belonging to SC community in our state who are either landless or possess negligible land, by creating a permanent land-base. The scheme provides Rs.5.00 lakhs per beneficiary for purchasing minimum 30 cents of agricultural land suitable for agricultural activities. Out of this, an amount not exceeding Rs.50,000/- will be given as special subsidy by the Corporation. The repayment period is 8 years and the rate of interest is 6%.

#### 6) Micro Credit Finance Programme

The project is meant to provide timely and effective micro loans to the poorest of the poor among the SC beneficiaries to engage in low investment oriented income generating ventures. The scheme envisages that by arranging micro credit, the loanees will be able to undertake petty business / tiny industrial activities and thereby earn additional income to support their livelihood. The unit cost of the scheme is Rs.50,000/-. The loan is to be repaid within a period of 3 years at 5% rate of interest.

#### 7) LaghuVyavasayYojana

The scheme is meant to fund mini industrial ventures promoted by entrepreneurs belonging to Scheduled Castes, having enough potential to earn regular income for the subsistence of their family. The unit cost of the scheme will be Rs.4,00,000/- with interest rate of 6% p.a. The loan is repayable within a period of 5 years.

#### 8) Adivasi Mahila Saktheekaran Yojana

The scheme envisages to provide soft loan assistance to ST women entrepreneurs to promote income generating activities and thereby to improve their socio-economic status in the society. The credit at nominal rate of interest is meant to fund low-investment oriented and conventional trades and activities including petty

business, which are viable and suitable to earn additional income for the poor target group. The applicant should be unemployed ST woman in the age group of 18 to 55 years. Annual family income of the beneficiary should not exceed Rs.98000/- in rural area and Rs.1,20,000/- in urban areas. The project cost of the scheme is Rs. 50,000/- per unit and the rate of interest on the loan is 4%. The repayment period is 5 years.

#### 9) Loan for Tribal Entrepreneurs Scheme

The basic objective of this project is to arrange self employment opportunities to the enterprising SC and ST youths in the state by starting small/ medium sized projects which are viable so as to widen their involvement in the sector of small industry, trade etc. The applicant should be unemployed ST youths in the age group of 18 to 55 years. Annual family income of the beneficiary should not exceed Rs.98000/- in rural area and Rs.1,20,000/- in urban areas. The project cost of the scheme is Rs. 3,00,000/- per unit and the rate of interest on the loan is 6%. The repayment period is 5 years.

#### 10) Loan for Rehabilitation of Return Emigrants (NORKA ROOTS)

In order to help the returned NRKs (Non Resident Keralites) to find a reasonable steady income for their livelihood, Government of Kerala have started the rehabilitation package called NDPREM (Norka Department Project for Return Emigrants). Accordingly, the Corporation (KSDC) has associated with NORKA ROOTS, the nodal agency for the programme and envisages to start 'Loan for Rehabilitation of Return Emigrants' As per this programme, KSDC will extend need based loan subject to a maximum of Rs.20 lakhs to

those applicants identified and recommended by NORKA ROOTS to start viable income generating ventures. Simultaneously, NORKA ROOTS will release capital subsidy of 15% of the project cost (subject to a maximum of Rs.20 lakhs) and interest subsidy of 3% for the first 4 years, to those beneficiaries who are regular in repayment. In case of default, the benefit would be extended only if the beneficiaries clear off his/her dues. The rate of interest on loan will be 6% upto Rs.5 lakhs and 8% above Rs.5lakhs with repayment period.of.5.years.

#### 11). Loan for Startup Entrepreneurs

The objective of the scheme "Loan for Startup Entrepreneurs" is to fund small and medium sized technology driven projects of young entrepreneurs and innovators with investment needs not exceeding Rs.50 lakhs which are viable and requiring less gestation period. It covers startup ventures cutting across different economic segments promoted by even student entrepreneurs forming part of the

State's initiative to materializing the concept of 'industry institute linkage'. The scheme however does not cover seed funds at the pre-commercialization stage.

The entrepreneurs belonging to Scheduled Communities within the age group of 18-55 years with annual family income not exceeding Rs.25,00,000/- will be considered for loan assistance. Students' entrepreneurs from Professional Colleges with an urge for setting up knowledge driven and technology based greenfield enterprises will be given preference. The repayment period is 5 years and the rate of interest is 6% per annum upto Rs.5 lakhs and 8% per annum above Rs.5 lakhs.

#### 12) Transport Scheme (Autorikshaw)

The scheme provides loan to ST youths for purchasing Autorikshaw as it yields quick returns with minimum efforts. The schemes are made available to those candidates who have valid Driving Licenses so that they can earn their livelihood by providing passenger traffic service to the Public. The project cost of the scheme is Rs. 2,25,000/-. The applicant should be unemployed ST youths in the age group of 18 to 55 years. Annual family income of the beneficiary should not exceed Rs.98,000/- in rural area and Rs.1,20,000/- in urban areas. The repayment period is 5 years and the rate of interest is 6% p.a.

#### 13). PROFESSIONAL SERVICE SCHEME.

The loan proposal "Professional Service Scheme" is meant to assist enterprising and ambitious youths belonging to Scheduled Caste with some recognised professional degree/ diploma to set up their own venture for income generation and gainful employment. The scheme supplements the need from professionals like Doctors, Graduate Engineers, Diploma/ITI/ITC holders , Paramedical Technicians, Lawyers, etc for project finance to promote sustainable ventures using their intelligence and insight. Maximum project cost is Rs.5,00,000/- and loan amount should be recovered in 60 equal monthly instalments with 7% simple interest per annum.

#### 14. Working Capital Loan to Petroleum Dealers

The basic objective of this project is to provide working capital loan to authorised petroleum dealers belonging to Scheduled Castes. The project cost of the scheme is Rs. 7,50,000/- The applicant should belong to the SC Community and their age will not exceed 60 years having annual income not more than 6,00,000/-. The loan amount should be recovered in 100 equal monthly instalments with 4% simple interest per annum.

## **Social Welfare Schemes**

### 15) Educational Loan

For undergoing studies in any professional course at graduate / post graduate level in India, maximum Rs.4.00 lakhs as loan will be provided to SC /ST students. The loan amount is upto Rs.2,00,000/- for studies within the State. The repayment period is 5 years after the completion of the course and the rate of interest is 6%.

### 16) Foreign Education Loan

In order to help bright students of SC communities to go for higher studies abroad, the Corporation proposes to give financial assistance up to Rs.10 lakh per head to the needy students for pursuing job assured specialised post graduate professional studies. The repayment period is 5 years and the rate of interest is 6% per annum upto Rs.5 lakhs and 8.50% per annum above Rs.5 lakhs.

### 17) Personal Loan to Govt. employees

This loan is targeted on government employees belonging to Scheduled Castes / Scheduled Tribes to assist them for satisfying their personal needs in daily life like purchasing house hold appliances or electronic goods and meeting urgencies like marriage and medical treatment. The maximum project cost of the scheme is Rs.2,00,000/- per head. The repayment period is 5 years and the rate of interest is 9%.

### 18) Car loan to Govt. Employees belonging to Scheduled Castes

The basic objective of the scheme is to provide soft loan to purchase a motor car to persons employed on regular basis in State Govt. Departments, live State Public Sector Undertakings and Autonomous Institutions of the State Govt. and belonging to Scheduled Castes so that they need not resort to the private financiers in the state charging exorbitant rates of interest for vehicle finance. It also aims to diversify the lending activities of the Corporation by extending credit to the salaried class hitherto left least untapped, as they are identified as a potential group of beneficiaries with less risk component and high incidence of repayment. Under the scheme, amount up to Rs. 7 lakhs will be released as loan towards the cost of purchasing a motor car which includes the registration & insurance charges too. The applicant should have service left before retirement for a period not less than six years. The rate of interest on loan will be 8% p.a. with repayment period of 5 years.

### 19) House Renovation Loan

The scheme "House Renovation Loan" has been devised by the Corporation to extend loan to lower income groups and government employees belonging to scheduled castes to undertake renovation and extension of their existing houses. The scheme has a special relevance in the light of the recent floods in Kerala which had devastated the houses of several individuals who were kept displaced of their original homes. The loan amounting up to Rs.5 lakhs may be used by the beneficiaries for the repair, maintenance and renovation of the existing dwellings. Scheme will apply to two categories of beneficiaries. ie., lower income groups as well as the salaried class. The rate of interest on loan will be 6% for the former and 7% for the latter. The repayment period of loan will be 6 years.

#### 20) Housing Loan

The scheme "Housing Loan" will be launched by the Corporation as a flagship programme to assist lower income groups belonging to Scheduled Communities to materialise the concept of their dream home. This scheme too has a special relevance in the light of the recent floods in Kerala as it also addresses the basic necessities of many who were displaced of their original home. The loan amounting up to Rs. 10 lakhs may be used by the beneficiaries for the construction or purchase of new house. The rate of interest on loan will be 6-7% and the repayment period will be 7-10 years.

### **Schemes exclusively for Women**

#### 21) Women Empowerment Programme

The Women Empowerment Programme is a new initiative of the Corporation to materialize the concept of Empowerment of the rural women through social mobilization. The programme will be implemented in association with the Kudumbasree Movement of the State Government . Under the scheme, the Corporation extends loan to a group of women entrepreneurs belonging to Scheduled Castes/Scheduled Tribes to undertake viable income generating activities. The group may consist of 10 to 20 members on the lines of the Neighbourhood groups of Kudumbasree. The amount admissible per group will be Rs. 3 lakhs out of which Rs. 2 lakhs will be loan and the remaining will be subsidy. The interest on loan will be 5% p.a.with repayment period of 3 years.

#### 22) Mahila Samridhi Yojana

The scheme envisages to provide soft loan assistance to SC women entrepreneurs to promote income generating activities and thereby to improve their socio-economic status in the society. The credit at nominal rate of interest is meant to fund low-investment oriented and conventional trades and activities including petty business, which are viable and suitable to earn additional income for the poor target



group. The project cost of the scheme is Rs. 50,000/- per unit and the rate of interest on the loan is 4%. The repayment period is 3 years.

### 23) Marriage Assistance Scheme

In order to safeguard the Scheduled Communities from the exploitation of private money lenders, the Corporation implements "Marriage Assistance Scheme" which provides the members with a lumpsum amount to conduct the marriage of their daughters. The parents should belong to the SC/ST Community and their age will not exceed 65 years having annual income not more than 3,00,000/-. The maximum unit cost is Rs.2,50,000/-. The repayment period is 5 years and the rate of interest is 6%.

#### Important documents to be submitted for Self Employment Loans

- Income Certificate
- Community Certificate
- Ration Card-Copy
- Aadhar Card-Copy
- School Certificate /Age Certificate -Copy
- Bank Pass Book –Copy
- Project Report
- Passport-copy (for Foreign Employment Loan & Rehabilitation of Return Emigrants)
- Work Agreement & Visa –Copy (for Foreign Employment Loan)
- Driving License- Copy (For Transport Scheme)
- License from local body (if required)

#### Surety

Employment surety or simple mortgage of landed property

#### Important documents to be submitted for Marriage Assistance Loans

- Income Certificate
- Community Certificate (Applicant & Bride)
- Ration Card-Copy
- Aadhar Card-Copy (Applicant & Bride)
- School Certificate/Age Certificate-Copy (Applicant & Bride)

- Bank Pass Book –Copy
- Certificate from the Panchayath Member/President regarding the fixation of marriage

Surety

Employment surety or simple mortgage of landed property

Important documents to be submitted for Housing/ House Repairing Loans

- Income Certificate
- Community Certificate
- Ration Card-Copy
- Aadhar Card-Copy
- School Certificate/Age Certificate-Copy
- Bank Pass Book-Copy
- Building Permit
- Building Plan & Estimate
- Surety
- simple mortgage of landed property

Important documents to be submitted for Educational Loans

- Income Certificate
- Community Certificate
- Ration Card-Copy
- Aadhar Card-Copy
- School Certificate (Educational Qualifications)-Copy
- Bank Pass Book-Copy
- Copy of Admission Confirmation from educational Institute with Schedule of Payment charges
- Copy of Prospectus of the course for which loan is sought

Surety

Employment surety or simple mortgage of landed property

## **GOVERNMENT AGENCIES**

### **Kerala Khadi and Village Industries Board**

Kerala Khadi and Village Industries Board is a statutory body constituted by the Act 9 of 1957, vested with the responsibility of organizing and promoting Khadi and Village Industries in the State. The Board implements the programmes through co-operative, registered institutions, individuals and departmental units by imparting/ availing assistance from Government of Kerala, Khadi Commission and Nationalized Banks.

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#### **Promotion of Khadi and Village Industries.**

- Comprehensive range of support to Khadi and village industry entrepreneurs
- Marketing support to the beneficiary units of the Board.
- Co-ordination and monitoring of around 25000 units, which have, came up in Kerala with the assistance of Board.
- Providing training to potential entrepreneurs in various sectors including weaving and spinning, pottery, bee keeping and a host of other activities.
- Formulation and implementation of focused programmes and schemes for the revival of sick industries and units.
- Providing technical assistance to the upcoming units.

In order to materialize the objectives, Board has formulated various schemes and implemented them successfully.

#### **Incentive to Khadi Artisans**

Khadi Sector in Kerala at present employees 12000 artisans, mostly women below the poverty line. Since we have built in infrastructures in the form of workshed, Godown and marketing outlets, there is lot of scope for raising the number of beneficiaries by another 20,000, without additional investment on infrastructure.

At the same time, having regard to the high rural wage level in the State, the artisans expect a comparatively high wage in spinning and weaving too. Further the Weavers in handloom sector, who weave Khadi too, expect wages on par with the rate in Handloom Sector. Introduction of more Weavers ensures additional employment to 6

times their number in spinning. In the back ground it is necessary to provide incentive to spinners and Weavers, to enhance production and ensure reasonable income to the artisans. Since this sector employees women more particularly unemployed house wives, the expansion of work in this sector will help poverty alleviation in villages

With a view to continue the Spinners and weavers in the Khadi sector and attract more artisans to this sector, the Government is providing incentive to artisans based on their production. The present rate of production incentives to Khadi Artisans are given below

- Spinners = 60 paise per Hank for spinning.
- Weavers = 180 paise per Hanks consumed by the weaver.

### Insurance Scheme of Khadi Artisans

Presently the KVIC is running an insurance scheme titled “Khadi Karigar Janasree Bheema Yogana” for the welfare of Khadi artisans. As per this scheme Rs 20,000/- is given for natural death and Rs 50,000/- for accidental death, Rs 50,000/- is provided is provided for permanent disability due to accident and Rs 25,000/- for partial disability. Education benefit of Rs 1200/- per year is admissible from Std IX to XII. The premium amount of Rs 200 is met from the following sources.

Government of India	Rs 100/-
KVIC	Rs. 50/-
KVIB	Rs.25/-
Artisans	Rs.25/-

### Popularisation of khadi

As part of popularisation of Khadi / Handloom cloths, the Government had issued a G.O. (MS) No. 131/06/IND dated 30-12-2006 with a solicitation to the effect that all Malayalees especially government employees should wear Khadi cloths at least once in a week from 1-1-2007 onwards

Similarly the Chief Minister of Kerala had solicited the entire Malayalees to wear Khadi cloths at least once in a week for creating more employment opportunities in the Khadi/Handloom sector and inculcating the pride of Swadeshi

The Government vide G.O. (P) No. 78/2007/ID dated 18/6/2007 have approved the Industrial & Commercial Policy 2007. The main activities proposed to be done for the popularisation of Khadi sector in the Industrial & Commercial Policy 2007 are given below:-

- Encourage all Malayalees to use Khadi and Handloom products through Mass Campaigns inculcating the pride of Swadeshi.
- Inspire Government Servants, students and other sections of the society to wear Khadi and Handloom at least once in a week.
- Formulate special scheme and assistance to set up industrial units under Khadi & Village Industries Board ensuring good returns on their produce

### **Special Employment Generation Programme**

Targeting the traditional workers and weaker sections of society, Kerala Khadi and Village Industries Board proposes 10 Khadi and village industries units each in every grama panchayath per year during 11 th five year plan period. Minimum project cost will be Rs 10000/- and the maximum project cost will be limited to Rs 50000/-. 25 %, 30%,40%,50% of the project cost for general, O.B.C or Female, S.C and S.T respectively are proposed as margin money assistance from the State Government. Each unit is expected to give employment to two persons. Hence during 11 th five year plan total 500000 khadi and village industries units are proposed which will create one lakh new job opportunities. The Kerala Khadi and Village Industries Board can give Technical assistance, training and marketing assistance. An outlay of Rs 100 lakhs is provided for the scheme in the Budget 2007-2008 under Flagship programme.

As the first step, it is proposed that the scheme is implemented in the following 10 districts.

- Kannur,
- Kasargodu,
- Kozhikkodu,
- Palakkad,
- Alappuzha,
- Malappuram,
- Kollam,
- Pathanamthitta,
- Wayanadu,

- Kottayam.

A sum of Rs 10 lakhs will be distributed to each district, targeting an average of 600 no of units and 1200 employment opportunities will be created during the year.2007-2008. 15% of the total funds will be reserved to scheduled castes and 7.5% will be reserved to scheduled tribes.

### I. Beneficiaries

Any individuals and institutions expect partnership and private institutions.

### II. Selection Committee.

President, District Panchayat	Chairman
Project Officer, Khadi Board	Convener
Board Member, Khadi Board	member
Manager, Lead Bank	member
General Manager, District Industrial Centre/Representative	member
District Planning Officer/Representative	member

### III. Pattern of margin money assistance.

General categories	25%
O.B.C and Women	30%
Scheduled Castes	40%
Scheduled Tribes	50%

### IV. Promoters Contribution.

The entrepreneur should be investing 10 % of the project cost as own contribution. But in the case of scheduled castes and scheduled tribes, it is limited to 5%.

### V. Loan from Where

90 % of the project cost may be obtained as loan from any authorised Banks/Co-operative Banks/any other authorised financial institutions.

## VI. Recognized Village Industries.

All the industries except the negative list approved by Khadi Commission.

### **Keralam Then Kalavara Project**

Board has decided to utilise Rs 5 lakhs for the implementation of KERALAM THENKALAVARA project during the year 2007-2008.

The following are the proposed programmes for 'Keralam Then Kalavara' project.

#### Training Programme In Bee Keeping

The Board has sufficient number of trained staff to impart training in Bee Keeping. Trained bee keepers are more vigilant in ensuring quality of honey produced. Such honey will get good response from market. Board decided to conduct 20 training programmes during 2007-2008 in 10 districts (Thiruvananthapuram, Kollam, Pathanamthitta, Kottayam, Eranakulam, Palakkad, Malappuram, Thrissur, Kozhikkode, Kannur) as detailed below. The intake capacity of each batch is 10 persons.

No. of persons / batch	10
No. of training in a year in one district	2
Duration of training	5 days
Expense/including stipend	Rs1,58,000

#### Subsidy For Bee Boxes To Bee Keepers

In order to attract more people to this sector and create employment opportunities the Board propose to make available subsidized bee boxes with or without colonies.

The proposal emphasizes to distribute bee boxes having ISI specifications.

#### Salient features of the scheme.

The beneficiaries should purchase Bee Boxes from an institution approved KVIC or KVIB

The Board will provide a grant of 50 % of the cost of the bee boxes( maximum Rs 600) with or without colony.

The Board will arrange to supply bee boxes and colonies to the Government or Semi Government Institution and Banks if they so desire to encourage bee keeping.

The beneficiaries are required to submit an agreement in stamped paper with the condition that they would protect their bee boxes and bees to a minimum of 3 years.

The Bee Fed and departmental honey-processing center of the Board will collect the raw honey produced by the beneficiaries according to the centers needs at the approved rates.

The maximum no of Bee Boxes/ entrepreneur is limited to 20.

### **Rural Industries Service Centres (RISC)**

Village Pottery Cluster:- Khadi and Village Industries Commission has approved a scheme under RISC in the name of Muchukunnu Village Pottery Cluster Programme to be implemented in Kozhikkode District. Total Project cost is Rs. 5 lakh. KVIC has sanctioned Rs. 3.75 lakh out of which Rs. 1.25 lakh has been released as first instalment.

Inhouse Testing Lab . KVIC has sanctioned one In house testing lab for the HMP unit at Kizhakkambalam, in Ernakulam district. Total Project cost is Rs.2.68 lakh, KVIC contribution being Rs.2 lakh. The amount has been released by the KVIC.

In Khadi sector 2 In House Testing Lab (one at Thiruvananthapuram and one at Payyannur Khadi Centre) have been sanctioned to the Board under Khadi industry. The projects are under set up.

### **Product Development Design Intervention and Packaging (PRODIP)**

To operationalise design related initiatives a new scheme called PRODIP has been started and this will be operated on 'Project Approach' basis as individual projects. Board implemented the following projects under it.

- Simplification of Kuppadam Weaving
- Sateen based bedsheet weaving
- Mosqito net weaving
- Designing silk saree
- Improving the packing of honey



### **Scheme of Fund for Regeneration of Traditional Industries (SFRUTI)**

"Scheme of Fund for Regeneration of Traditional Industries (SFURTI)" has been drawn up and approved at a total cost of Rs. 97.25 crore. The Scheme will be implemented by the Union Ministry of Agro and Rural Industries (ARI) and its organisations and institutions, in collaboration with State Governments, their organisations concerned, non-Governmental organisations, etc.

Khadi cluster in Thiruvananthapuram and Kollam districts

Employment to 500 women khadi artisans

Use modern charkhas and looms

Innovative designs

## GOVERNMENT AGENCIES

### Kerala Startup Mission

Kerala Startup Mission played the pivotal role in development, orchestrating every piece of a vibrant Startup ecosystem. Startups in Kerala are stretching their limits as they focus more on to future technologies and finding solutions for problems in ways not experimented before. We have seen entrepreneurs from Kerala also shining in the limelight of success in international forums. Success stories are written in sectors other than Software and IT also. Kerala technology startup policy 2014 has been implemented and that in turn leads to more proactive measures in the new State IT policy 2017.

Kerala towards the end of this decade is witnessing a wave of innovative and entrepreneurial efforts from discrete sectors. The startup ecosystem is well equipped to mark the next quantum leap. Every block an entrepreneurial ecosystem needs is falling in place. Kerala possess a unique model of connecting academics, industries, R&D institutions and startups, apart from other Startup Ecosystems in the country. The Ecosystem is prioritized in such a way that it caters technologies to create developmental interventions for community. Creating a DIY culture at schools stimulates grass root level impact, which further on gets handhold by Mini FAB labs and IEDCs at colleges thereby resulting in having passion to create entrepreneurs and innovators adapt with latest technologies and unicorns at home.

The entrepreneurial wave witnessed in the state need to be showcased, as it can provide valuable insights to the stakeholders of the Ecosystem. Few States in this country has such a strong network of Schools, Colleges, Incubators, Research centers, Government institutions and Startups aligned and interlinked together to bring out success stories. Kerala has always been a land of high literacy rates, skilled labours and exceptional health records. Now it's becoming an excellent host and enabler for world-class entrepreneurs, innovators, investors and startups.

Government of Kerala initiated the startup movement through Kerala Startup Mission by forging and implementing forward-looking policies for creating a vibrant start up ecosystem in the state primarily to foster the growth of innovation lead technology entrepreneurship.

#### **Innovation Grant**

Technological changes through innovations and R&D has been the main driving force for increased productivity, economic growth, and social transformation and for reshaping and redefining every sphere of our lives. Hence innovations are being

extensively promoted globally. Govt. of Kerala has introduced the Scheme, Innovation Grant The following types of Innovation Grants are given to encourage innovations:

- Idea Grant
- Productisation Grant

### **Early stage KSUM Seed Fund**

Govt. of Kerala has introduced the Seed Support scheme to provide financial assistance to startups to foster the formation and development of innovative, technology-based business enterprises that will stimulate the economy of the State of Kerala through venture creations, increased employment and leveraging of private investment. This scheme is implemented through Kerala Startup Mission, which is the nodal agency of Govt. of Kerala for startup related activities and schemes.

The Seed Support System primarily supports the startups on the following:

- Product Development
- Testing & Trials
- Test Marketing
- Mentoring
- Professional consultancy (To attract professionals from leading industrial organisations and academicians from reputed educational institutions to work with small firms)
- IPR Issues
- Manpower for day to day operations

### **Early stage Equity Funding**

KSUM is partnering with SEBI accredited Venture Capital Funds for the creation of corpus fund for supporting the emerging startups in the state. The Funds shall be investing in early stage startups with a ticket size of Rs. 25 lakhs – Rs. 200 lakhs.

Who can apply?

- Startups who are registered in Kerala
- Startups who are at early stage/who have a product & tracxn
- Technology based product start up from different sectors
- Startups from PAN India & who are ready to reregister in Kerala

### **International Entrepreneurial Exchange Programme**

The International Entrepreneurship Exchange Programme is a combination of schemes aimed at giving the students and young Entrepreneurs of the State

maximum exposure to the international startup ecosystems and also to foster cooperation between startup ecosystems across the world.

The programme involves taking student/young entrepreneurs to the most advanced/mature startup destinations, such as the Silicon Valley, Menlopark, USA, London, Tokyo, Tel Aviv, etc for an exchange programme where they interact with the startups/clients in that ecosystem. This will enhance marketing/funding opportunities for the local startups and also give an International exposure for their products.

### **Soft Loan Scheme for Women Startups**

Kerala Startup Mission (KSUM) supports women startups with a soft loan scheme for an amount limited to Rs.15 Lakhs as working capital for implementing works and projects received from the Govt. departments and Public Sector Undertakings in Kerala.

Government of Kerala vide G.O (Rt) No. 225/2019/ITD dt 21.11.2019 released an order for the above and accorded sanction to KSUM for implementing the soft loan scheme to women startups based on pre-defined eligibility.

The soft loan will have 6% simple interest and must be repaid in 1 year or on completion of project with full settlement whichever is earlier.

To know more about the scheme, click here [Government Order](#)

#### **Eligibility**

The startup should be approved by DPIIT (Startup India) and having the Unique ID by Kerala Startup Mission

The women co-founder should have a majority stake in the startup and should be active in startup development

The startup should be registered in Kerala

Fund Disbursements

The client should be a Govt. Department or PSU from Kerala and maximum limit if loan is Rs.15 Lakhs

The soft loan will be against Purchase Order and it is limited to 80% of the P.O, which will be disbursed as advance against the milestone payment agreed by the client.

The successive releases will be released based on the satisfactory completion of milestones certified by the client.

Process

Online submission of application

Presentation before Seed Expert Committee  
Approvals & Disbursements  
Documents to be submitted before disbursements

Personal Guarantee (Rs.500/- Stamp Paper)  
Affidavit Certified by CA  
Proof of authorized signatory  
Residence Proofs of all directors



**NBFC**  
NON-BANKING  
FINANCE COMPANY

## Non Banking Financial Companies

## NON BANKING FINANCIAL COMPANIES

Bajaj Finance Limited

Bajaj Finserv Personal Loan for Self Employed come with the following benefits and features:

- **Flexibility**

Bajaj Finserv Personal loan for Self-Employed features a unique Flexi loan facility. This feature enables you to withdraw funds according to your requirements and repay the amount when you gain access to extra funds. You also pay interest only on the amount utilized by you and not the entire loan amount, and have the option to pay only interest as EMI.

- **Collateral-free loans**

Self-employed individuals can avail collateral-free personal loan for self employed without the additional hassle of pledging any asset as security.

- **Financing up to Rs.20 lakhs**

Bajaj Finserv offers a Flexi loan limit of Rs.20 lakhs, calculate your EMIs with our EMI Calculator.

- **Pre-approved offers**

Existing Bajaj Finserv customers are entitled to special pre-approved loan offers.

- **Online account access**

Manage your loan account at your convenience with our customer portal Experia.

### **Documents Needed**

- Proof of business existence
- KYC documents – PAN, Aadhaar, voter ID, passport, driving license, etc.
- Passport-sized photo
- Income tax returns filed for the previous year
- Relevant financial documents (if your turnover exceeds Rs. 1 crore)

## **Eligibility Criteria**

To avail a Bajaj Finserv Personal Loan For Self-employed, you need to have–

- Age between 22 and 55 years
- Business vintage of at least 3 years

Additionally, a high credit score above 750 also strengthens your loan application as these loans are unsecured.

A personal loan for self-employed can be used to fund multiple financial objectives. You can use it to meet costs such as home renovation, wedding, travel, medical emergency, etc. Similarly, you can use the funds to invest in your business by purchasing equipment, plant & machinery, expanding to a new location, consolidating all your existing debts into one single loan, etc.

You can apply for a Bajaj Finserv Personal Loan for Self-employed online after filling-in a few details on the business loan online application form. Post submission, a representative will get in touch with you regarding the further steps



# NON BANKING FINANCIAL COMPANIES

Muthoot Finance Limited

## Loan to Traders and Self-Employed

Wholesale and retail traders, self-employed professionals like allopathic doctors, chartered accountants, company secretaries and architects.

**Purpose:**For any genuine business purpose (working capital requirements, acquisition/ repair/ renovation of fixed assets/ equipments/ machinery etc). Loans for personal purpose will not be granted under the scheme.

**Quantum of finance:**As decided by management from time to time. Initially, minimum loan amount may be ₹ 50,000 and maximum ₹ 1 Lakh.

**Documents required:** Any officially valid documents for completing KYC as given below:

1. Identity proof: Passport/ Voters ID card/ Driving License/ PAN Card/ Aadhar Card
2. Address Proof: Passport/ Voters ID card/ Driving License/ PAN Card/ Aadhar Card/ Ration card/ Telephone Bill/ Electricity Bill/ Lease agreement.

**Repayment By way of monthly EMI:** EMI can be paid through ACH mandate and credited to a dedicated account. Other modes of repayment also can be made.

**Interest and charges including penal interest:**Interest rates will be fixed on the basis of risk assessment, cost of funds, cost of operations etc. and may differ for different schemes and different categories of borrowers. Processing charges as decided from time to time will be recovered.

**Period of Loan:**Minimum 3 months and maximum 24 months.

### Documentation:

1. Application form
2. Loan agreement
3. DPN
4. DP note delivery letter
5. Post dated cheque acknowledgment letter
6. Request for disbursement of loan amount
7. ACH mandate

**Sourcing and Recovery:**Sourcing and recovery shall be by MFIN branches. If found necessary, services of outside agencies can be availed.

**Asset Classification and income recognition:**Asset classification and income recognition in case of all loans sanctioned under the various schemes formulated to cater to different segments, will be as per the norms prescribed by Reserve Bank of India from time to time.

**Ancillary Business:**The Company may, with a view to augmenting its non-fund based income, enter into arrangements with any Company or entity for selling Insurance, Mutual fund or any other products, strictly within the norms prescribed by the regulators in the respective area and those stipulated by Reserve Bank of India from time to time.

# NON BANKING FINANCIAL COMPANIES

HDB Financial Services

## Loans for Self-Employed Individuals

There are huge number of self-employed individuals running a variety of businesses which do not necessarily fall under the category of professionals, and may therefore not be eligible for those types of loans. In this part, we look at the type of loans available for a variety of self-employed individuals – from tourist taxi operators to trainers and consultants.

While a growing number of individuals aspire to be entrepreneurs, not everyone starts with a swanky office, large staff and brand new equipment. Many individual small businesses are home-based or run out of very small leased setups with just one working member – the proprietor or owner. Tuition classes, home tiffin services, insurance agents, small handicraft manufacturers and interior decorators are just some of the categories of self-employed individuals who are at the early stages of the business and require financing to grow. An increasing number of women entrepreneurs are starting out with home-based businesses, balancing the demands of both work and family. They deserve access to funds for setting up and growing their business just as much as their male counterparts. Many individuals are starting up businesses post-retirement, in order to leverage their experience and expertise in certain areas, as well as for financial reasons. All of these individuals can benefit from loans at the early stage of the business.

## Unsecured Loans

For these categories, early stage loans through unsecured channels can be difficult to obtain. However, a number of loan categories do exist which can help self-employed individuals get access to funds for the growth of their business or for personal needs.

1. **Business Loans:** If you have been running your business for a period of three years or more, you can avail of business loans to help the expansion of your current business. The Criteria may vary from lender to lender, but these are fairly lenient, provided you have maintained a good credit history and can provide documentation to show that you have the capability to repay the amount borrowed. “For business loans, showing a consistent income and a good credit profile over a period of three years or more gives the borrower an advantage while negotiating terms for the loan” says Sharad Pareek, Policy Head for SME loans, HDB Financial Services.
2. **Personal Loans:** Based on your previous income and the creditworthiness of your profile, lenders are willing to extend personal loans for a variety of reasons – health issues, renovation, etc. The loans provided are likely to be of lesser tenure

and/or of slightly higher interest than those offered to a salaried employee with a similar income level.

## **Secured Loans**

For self-employed individuals, secured loans are a better option, as the tenure and interest rates are at par with those offered to other categories of borrowers. The main reason is that since secured loans are backed by an asset which is in possession of the lender until the loan is cleared, lenders have an asset from which the dues can be recovered in the event that the borrower is unable to repay the loan amount. Self-employed individuals can use these loans for a variety of reasons.

1. **Equipment / Vehicle / Commercial Vehicle Loans:** Since these equipment are mostly used in the conduct of business by the individual, the vehicles are funded based on the creditworthiness of the individual borrower. For example, a tour taxi operator or earth-moving equipment operator will get a loan for his vehicle/equipment.
2. **Gold Loan:** This is one of the safest and easiest ways to get a secured loan. Loan disbursement can happen immediately, and it offers the option of paying only the interest in monthly instalments, or an EMI covering both interest and capital repayment. At the end of the loan, the gold jewellery is returned to the borrower.
3. **Loan against Shares / Mutual Funds / Insurance / Bonds:** Most of us have a variety of stocks, bonds and savings certificates which we have invested in, as well as insurance policies. Since these financial instruments possess value, lenders are willing to lend funds against such secured assets. However, the assets remain in the custody of the lender till the loan is repaid in full.

## **ii. Loans for Self-Employed Professionals**

The loans are divided into two categories, secured and unsecured:

### Secured Loans

1. **Home Loan / Loan Against Property:** As a self-employed professional, you require an office space to operate out of. These can be bought or leased based on your financial condition. If you have been in practice for a few years and have established yourself, it makes sense to purchase an office of your own to establish a permanent presence. This is especially true for professionals such as doctors, architects, lawyers, etc. who have to interact with clients at the place of business. Here, loans are available for the purchase of commercial property for the purpose of setting up office. Alternatively, you may want to purchase a residence using a home loan, or use your existing residence as security against which you can borrow funds for the running/expansion of your business. In the latter case, a LAP (Loan Against Property) or mortgage can help.

2. Gold Loan: Using assets such as jewellery / gold ornaments to finance your business or practice is a normal route for early stage businesses. Since this is a secured loan where the amount borrowed is usually 70-80% of the value, the prevailing rates of interest are on par with those offered to a salaried professional. “In India, using gold assets as collateral for starting a business is a common practice. With banks, you have a guarantee that your ornaments will not be tampered with, and you can get loans at reasonable interest rates”, says Sandeep Rajpurohit, Head of Gold Loans at HDB Financial Services.

3. Car / Equipment / Consumer Durables Loan: For self-employed professionals, the use of a vehicle for transport is a necessary business expense which can be amortized in the period of use. Similarly, professionals such as doctors require specialized equipment which are part of their examination room. These are usually offered on reasonable terms by banks and Non-Banking Financial Companies (NBFCs), though the terms and interest rates, etc. may vary. These can also be refinanced at the end of the loan tenure for short term financial liquidity. Similarly, consumer durables can also be financed up to 100% of the value.

4. Loan against Shares / Mutual Funds / ESOPs / Insurance / Bonds: Since financial instruments like insurance policies, savings bonds, shares, etc. represent an intrinsic value, lenders are also willing to provide funds against such secured assets.

5. Loan against Lease Rentals: If you own a commercial property and part of it is subleased to other tenants, you can also borrow funds against the lease receipts. For example, a doctor may have a building of three stories and run a clinic on only one, leasing out the other floors to other offices. The income from these rentals is what the doctor can borrow against, using the cash flow as a form of security to guarantee repayment.

### Unsecured Loans

For a self-employed professional, the risk profile as a borrower is slightly higher than that of a salaried person. Therefore, the lenders determine the eligibility of the borrower on the basis of previous years' earnings. “Typically, at least 3 years Income Tax returns, balance sheet and Profit & Loss statements certified, by a Chartered Accountant, are required to establish borrowing ability, along with bank statements of the last 3-6 months to show creditworthiness of the individual” says Manoj Nampoothiry, National Portfolio Manager at HDB Financial Services. Since the income of a self-employed professional can vary from month to month, the interest rate is higher, these borrowers are seen as a slightly higher risk than salaried professionals. Usually, the amount depends on the earnings of the individual and the consistency of the balance sheet, profit & loss and income tax returns filed.

1. Business Loans: If you are a self-employed professional running your business/practice for a period of three years or more, unsecured business loans can be availed of, on the basis of your previous years' business performance and IT returns. These are effectively a form of personal loan to the business.
2. Personal loans: This is the most common form of unsecured loan availed of by self-employed professionals, and is usually available for a tenure of 1-5 years. Amount of the loan, tenure and interest are subject to the profile evaluation of the borrower.
3. Credit Card Balance Transfer: This is another form of personal loan in which the outstanding balance on the borrower's credit card is converted into a personal loan for a fixed duration, in order to improve credit rating.

Based on the profile of the borrower and the credit history, it is possible to get very good terms for loans for working professionals.

## NON BANKING FINANCIAL COMPANIES

### Tata Capital Financial Services Company

Tata Capital's instant personal loans are designed to cover all your financing needs at attractive personal loan interest rates starting at just 10.99%. Get a loan of up to Rs. 25 lakhs with tenures as high as 72 months. Visit your nearby Tata Capital branch, fill an online application, or get in touch over a phone call. Get quick access to funds with a simple application and quick disbursement process at Tata Capital.

#### **Eligibility**

You need to meet some basic conditions to be eligible for a Personal Loan. Personal loan eligibility can be greatly affected by factors such as your income, age, CIBIL score, job stability, and even work experience.

Follow these tips to improve your Personal Loan Eligibility –

- Get Rid of Debts – Maintain a good repayment history by paying off your existing loans and liabilities on time without defaulting
- Maintain a good CIBIL Score – Try to build a CIBIL score above 750
- Do not apply for multiple loans simultaneously – Apply for a loan that fits your needs, raising multiple loan applications can decrease your credit worthiness
- Choose a longer loan tenure – Opt for a longer repayment tenure that will allow you to disburse the overall due amount over a longer time span. This will also help in reducing the EMI amount.
- Add Co-applicants – A co-borrower (a spouse, or parent) with a good income and credit score will boost your eligibility for a bigger loan amount.

A self-employed person can get a personal loan with Tata Capital by meeting the following eligibility criteria –

- The applicant's age must be between 22 to 58 years
- The applicant must have a monthly income of at least Rs.15,000
- The applicant must have at least one year of work experience

#### **Documentation**

- The documents required to establish your credentials like Voter Card, Aadhaar Card.
- Proof of identity and proof of residence.
- Income documents – salary slip for the last three months.

The maximum amount of Personal Loan that can be availed depends on the income of the person. You need to have a minimum income of ₹ 15,000 per month. You would be eligible for a maximum loan of ₹ 25,00,000.

### **Personal Loan Interest Rates**

Personal loans offered by Tata Capital are multi-purpose loans that can be used as per your discretion. The personal loan interest rate determines the amount you need to repay as EMI. The personal loan interest rate offered by Tata Capital is one of the lowest in the industry, starting at just 10.99%. Your loan interest rate greatly depends on your personal loan eligibility, income, CIBIL Score, and other criteria.

Apart from the personal loan interest rate, several other charges are involved that can be classified under three categories – general charges, miscellaneous charges, and foreclosure charges.



# NON BANKING FINANCIAL COMPANIES

Aditya Birla Finance Ltd.

## Features of the personal loan for self-employed

- Minimum documentation
- Quick approval and disbursement in minutes
- Fixed Interest rates and it remains the same throughout the tenure
- Choose loan tenure that ranges from 12 months to 60 months
- Flexible EMI option
- No need to provide any collateral or security

## Eligibility Criteria for Self-employed people

- KYC documents (Identity Proof and Address Proof)
- As compared to salaried individuals, self-employed people have to go through a rigorous documentation process when applying for a personal loan. This is because independent people do not have fixed income earnings. If you want to apply for the loan, below is the eligibility criteria:
  1. Minimum age should be above 23 years and the maximum age to apply for the loan is 65 years
  2. Due to the uncertain income generation of self-employed people, you will have to give proof of your current business and evidence of your regular tax payments. You should have been running the company for three years
  3. You should have a registered office in your name or the name of your business. If there is no registered office, then you can submit your registration papers

## The interest rate on Personal Loan

Personal loan interest rate ranges between 16% to 26%. Some of the factors that decide your interest rate include age, loan amount, your income, employment status, credit score, loan tenure, repayment capacity, etc. If you have a good credit history, getting a personal loan approved is not that difficult.