

KFC eases loan conditions

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THE Kerala Financial Corporation (KFC) has eased loan conditions for entrepreneurs in 2010.

KFC will slash interest rate to 10 percent for its customers and introduce a waiver scheme for projects which have failed. In the case of environment-friendly industries, KFC has pegged the interest rate at 9 percent.

"Now that Finance Minister Thomas Isaac has infused Rs 130 crore into the Corporation, KFC has decided to make things easier for its customers," a top KFC official said.

The lower interest rate will go along with a moratorium period of three years, and an extended repayment period of 10 years. "Further, except for a processing fee, KFC does not have any

hidden charges like renewal and inspection costs," the official said.

KFC has introduced interest waiver scheme to assist non-functional industrial units. Loans not exceeding Rs 10 lakh taken for industrial units that have been non-functional at least for the last 10 years and whose recovery proceedings have not yielded results will be exempted from interest payment.

KFC, which is now part of the Credit Guarantee Trust Fund, will offer up to Rs 50 lakh collateral-free loans to entrepreneurs. KFC will also reduce interest rates for loans to environment-friendly projects like the renovation of furnaces, boiler and burners, reduction of greenhouse emissions. This will also apply to projects that reduce the consumption of fossil fuels like coal and oil.