

1. Prior in-principle clearance from SIDBI.

Whenever entrepreneurs approach the Corporation for loans above Rs.500 lakhs in the case of corporate entities and loans above Rs.200 lakhs in other cases appraisal team may discuss the salient features of the project with the entrepreneurs and fill up the format specified by SIDBI.

2.0. Interest Rate Structure:

2.1. Existing interest rate is given as follows:-

For loans (first disbursement on or after 1.9.2007) the rate will be as follows:

		Rate of Interest
A.	Term loans in respect of projects / activities eligible for assistance.	
1.	Upto Rs.50,000/-	10.25
2.	Above Rs.50,000/- and upto Rs.2 lakhs	10.75
3.	Above Rs.2 lakhs	13.50
B.	Term loans in respect of projects / activities eligible for assistance under TDMF and ISO 9000 schemes.	
1.	Upto Rs.50,000/-	10.25
2.	Above Rs.50,000/- and upto Rs.2 lakhs	10.50
3.	Above Rs.2 lakhs	11.50

2.2. For loans under SME sector rate of interest is fixed in the band of 12.50% to 14.50% with 1% rebate for prompt repayment and penal interest of 2% p.a. for default. Rate is fixed based on grading obtained in Credit Rating of the unit/promoter. Rate of interest at 11.5% (effective) will be applicable where grading is 60% and above. The rate will be 12.5% (effective) where grading is 50% upto 60%. Credit Rating Model is furnished as Annexure-I. Interest is calculated on Diminishing Balance Method.

2.3. For special schemes:

(a) For special schemes like Short-term loans, Working Capital term loans, Civil Contractors loan, Loan for TV serial production etc., the rate of interest will be 14.50% without rebate. Penal interest will be 2% for defaulted amount for defaulted period.

Rate of interest on STL will be 13.5% (without rebate) for customers who obtain credit rating of 80% and above. Penal interest at 2% will be charged.

- (b) Interest rebate is not applicable to loans under TDMF and ISO 9000 Schemes.
- (c) Revolving Fund Loan and Modified scheme of Financial Assistance for marketing of SSI products and services and financing film production will carry interest at 13.5% without rebate. For customers who obtain credit rating of 80% and above rate of interest on RFL will be 12.5% (without rebate) and 2% penal interest.
- (d) For schemes for financing housing villas & Apartment Complexes, 13.5% p.a. with 1% rebate for prompt payment & 2% penal interest for defaulted amount for defaulted period.

- (e) For scheme for financing housing projects for new builders, 14.5% p.a. with 2% penal interest for default. No rebate will be allowed.
- (f) For simplified scheme for short term loan, 14.5% with 2% penal interest for default. No rebate allowable.
- (g) For short term loan to new hotels, 14.5% with 2% penal interest for default without rebate.
- (h) For loans under any scheme which is not covered in para 6.0, 6.1, 6.2, and 6.3(a to g) where refinance is not available the rate of interest shall be fixed in accordance to the cost of funds, credit rating, risk perception etc.

2.4.Rebate:

Rebate at 1% is allowable for prompt repayment except for special scheme.

2.6. Reduction in Interest Rate: (For Existing Customers)

2.6.1) Existing clients who have excellent track record in repayment are eligible for reduced interest rate at 10.5% with 1% rebate for prompt repayment (9.5% effective) and 2% penal interest for default if they satisfy the following conditions:-

- (a) The loan account should have been in standard category for the last 3 years.
- (ii) The client should obtain Credit Rating of not less than 60%.
- (iii) The client should submit an application for reduction of interest rate citing reasons thereof.

2.6.2) Existing clients who have excellent track record in repayment may be made eligible for reduced interest rate at 13.5% with 1% rebate for prompt payment (12.5% effective and 2% penal interest for default) if they satisfy the following conditions:

- (i) The loan account should have been continuously in standard category after start of principal repayment for the last two years.
- (ii) The client should obtain credit rating of not less than 80%.
- (iii) The client should submit an application for reduction of interest rate citing reasons thereof.

2.6.3) This reduction is not applicable to special schemes like WCTL, STL etc.

2.7. Equated Monthly Instalments (EMI):

The Corporation should try to change over to Equated Monthly Instalment type of repayment in due course. New clients can be given an option to repay the loan either in EMI or as per existing mode of repayment.

3.0. Promoter's contribution:

Promoter's contribution ranges from 10% to 40% based on the schemes.

4.0. Debt Equity Ratio:

For projects under General scheme DER is 2:1. Flexible DER is considered for other schemes

5.0.Collateral Security Norms:

5.1. Quantum of Collateral security is insisted based on scheme, promoter's contribution and risk perception in each case.

Sl. No.	Name of scheme	Collateral Cover required
1	Loan for SSI units where loan component is up to Rs.10 lakhs.	In addition to primary security collateral security is necessary. If the unit is located in own premises collateral security worth 50% of the term loan (Loan for fixed assets) and 100% of the working capital loan is required. If the unit is situated in Industrial estates, Industrial areas, Industrial Development Areas & plots, export processing zones, economic zones, KINFRA PARKS etc. where equitable mortgage over the industrial land can not be created collateral security required is 100% of the total loan in addition to the primary security. In cases where the unit is located in rented/leased premises, collateral cover required is 150% of the total loan amount. In case of units having own premises (private land) where the total loan component (term loan only) is up to or below 50% of the total project cost only primary security is needed. In such cases collateral will not be insisted upon. In the case of Ice plants, chemical units, electronic units, Collateral worth the loan is needed in addition to the units in own premises.
2	Loan for SSI units where the loan component is over Rs.10 lakhs.	As above.
3	Loan for medium scale Industries.	As above.
4	Loan under Single Window Scheme	As above
5	Technology Development & Modernisation scheme.	As above
6	Textile & Jute Industries under Technology upgradation Fund (RTUF) scheme.	As above
7	Pharmacies (Project cost up to Rs.25 lakhs).	As above
8	Tourist Homes, Tourist Resorts, Restaurants, Tourism related activities Amusement parks, other service activities related to Tourism.	As above
9	Hospital Nursing Homes & Clinics and for diagnostic Equipments.	As above
10	Scheme for Godowns, Warehouses, Convention Centres, Kalyanamandapam	As above

	Auditorium etc.	
11	Scheme for qualified professionals	As above
12	Market research, advertisement, product launching, participation in Trade, Fairs, exhibitions etc. (project cost up to Rs.25 lakhs)	As above
13	ISO 9002 Series Certificate Assistance scheme for SSI units.	As above
14	Veterinary Clinics (Project cost upto Rs.25 lakhs)	As above.
15	National Equity Fund Assistance (NEF)	For term loan component, collateral security as above. For soft loan component i.e. NEF assistance, no collateral security is required.
16	Credit linked capital subsidy scheme for Technology upgradation of SSIs.	Collateral cover depending upon the value of existing industrial assets, promoters contribution and risk. Capital subsidy will be released to the eligible units together with the first disbursement of the term loan sanctioned for Technology upgradation under the scheme.
17	Working capital term loan for Industrial units.	In the case of units in own premises collateral required is 100% of the loan including the unit (value of land & building of the unit). If the unit is not mortgaged to K.F.C. or situated in rented premises, Collateral cover required is 150% of working capital loan.
18	Scheme for information Technology & Soft Ware Development units.	If the unit is in rented/leased premises 150% collateral security is necessary. If the unit is in own premises 100% collateral shall be sufficient apart from the primary security.
19	Working capital term loan for exhibition & sale of products of SSI units.	Collateral security worth 150% of the loan is required apart from the hypothecation of stock.
20	Working capital term loan for civil contractors.	Collateral security worth 150% of the loan amount is required.
21	Transport loan	100% collateral security is needed in addition to the hypothecation of the vehicle financed. For Boats and Trawlers collateral cover needed is 150%.
22	Scheme for Commercial / shopping / office complex.	Apart from primary security, collateral security worth 75% of the loan amount.
23	Short term loans	Collateral security worth 150% of loan is required.
24	Simplified scheme for Short term loan.	(1) In case of existing clients with good track record ie. the loan Account under Standard Category for last 3 years – 125% collateral security required. (2) In other cases 150% Collateral security is to be mortgaged. In both cases Collateral security owned by the applicant or close relative only will be accepted.
25	Short term loans for new hotels financed by the Corporation.	The Collateral security coverage/industrial assets coverage should be 150% of STL.
26	Equipment leasing scheme.	Collateral cover of 150%.
27	Hire purchase scheme.	Collateral cover of 150%.
28	Acquisition of existing	Security for the loan shall be assets taken over and corporate

	assets of manufacturing or service sector.	guarantee/personal guarantee of promoters taking over the assets. The promoters should have adequate solvency and their liabilities, if any should be within moderate levels. Collateral cover should be 50% of the loan.
29	Acquisition of taken over units of K.F.C.	Security for the loan shall be assets taken over and to be created. Promoters shall have adequate solvency. Collateral cover should be at least 50% of loan amount.
30	Marketing of SSI Products	For construction/setting up of show rooms, warehouses, storage houses and godowns parking facility distribution/delivery vans for marketing products, working capital for stocking goods. 100% security in the case of own premises and 150% for rented/leased premises.
31	Acquisition of Existing Hotel / Tourist Resorts.	Security for the loan shall be the assets taken over and corporate guarantee/personal guarantee of promoters taking over of the assets. The promoters should have adequate solvency and their liabilities, if any should be within moderate levels. Collateral cover should be 50% of the Term Loan. In deserving cases it would be relaxed by the Board.
32	Modernisation/Upgradation of Tourist Resorts/Hotels Hospitals/Clinics/ Diagnostic Centres/ Health Clinics	Security will be properties (industrial assets) of the unit.
33	TV Serial Production.	Collateral cover of 200%.
34	Bill Discounting scheme (Sales bills & Purchase bills).	150% collateral cover.
35	Mobile D.G.Set	Collateral cover 100%.
36	Mobile catering (including regular catering & flight kitchen facilities) Project cost up to Rs.25 lakhs.	100% collateral security.
37	Infrastructural Development scheme.	150% collateral security.
38	Housing Villas and Apartment Complexes. (Promoters with experience)	(1) Even if industrial security is mortgaged an addl. Collateral security of 25% should be mortgaged. (2) If borrowers are carrying out multiple projects and loan amount is utilised for ventures of their choice, Collateral security valued at 150% of loan amount should be mortgaged. In this case industrial assets need not be mortgaged.
39	Financing housing projects for new builders.	(1) In case the industrial assets are mortgaged, addl. Collateral security worth 50% of loan amount should be mortgaged. (2) Where industrial assets are not mortgaged, 150% Collateral security is required to be mortgaged. In the case of 38 & 39 collateral security should belong to the applicant or his close relative.
40	Film production	Apart from 1 st charge on all movable assets, Collateral security of 150% required.
41	Working capital revolving fund scheme	150% of the loan amount as collateral security. Margin available on industrial assets will also be considered for the purpose.

6.0. Processing fee:

The Corporation is charging loan processing fee as follows:-

Loan sanction upto	Rs.2 crores	0.5% of loan sanctioned.
Loan sanction above	Rs.2 Crores	Rs.1 lakh + 0.25% of the amount exceeding Rs.2 crores.

6.1. At the time of registration of the application 25% of total processing fee should be remitted as advance. Normally processing fee will not be refunded. However processing fee will be refunded in such case where the applicant has satisfied all norms for processing of application but the loan is not sanctioned.

7.0.Schemes in Operation.

7.1. General:

Sl. No	Name of Scheme	Eligibility	Maximum Loan Amount	Minimum Promoters Contribution	Loan Repayment period
a.	Small Scale Industries where Term Loan component is upto Rs.10 lakhs	New or Existing SSI Units having SSI Regn.	75% of the total Project Cost or 85% of the fixed assets whichever is less	25% of the total Project Cost	Upto 8 ½ years including moratorium upto 18 months
	Small Scale Industries where Term Loan component is over Rs.10 lakhs		2/3 of the total Project Cost or 85% of the fixed assets wherever is less	1/3 of the total Project Cost	Upto 10 years including moratorium upto 24 months.
b.	Medium Scale Industries	New or existing units with paid up capital and free reserves not exceeding Rs.30 crores.	2/3 of the total Project Cost or 75% of the value of industrial assets, whichever is less.	1/3 of the total Project cost	Upto 10 years including moratorium upto 24 months.
c.	Single Window Scheme	New SSI units are eligible for term loan and working capital loan Modernisation, technology, upgradation, rehabilitation of viable sick units are also eligible subject to project cost not exceeding Rs.100/- lakhs.	75% or 2/3 of the project cost as the case may be depending on loan component Maximum Working Capital limit is Rs.25 lakhs	25% or 1/3 of the Project cost as the case may be.	Upto 10 years for Term Loan and Working Capital. Loan, Moratorium 24 months for Term Loan and 36 months for Working Capital Loan.

d	Information Technology and Software Development	For creation of fixed assets for new/existing units. For existing units, track record should be good. Preference to persons having expertise &	Rs.500 lakhs in corporate sector and 200 lakhs to other sectors. Loan amount restricted to	1/3 rd of estimated requirement.	Upto 6 years with gestation period upto one year.
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		experience in soft ware development and marketing.	2/3 of project requirement.		
e	Scheme for qualified professionals	Professionals in Management, Medicine, Finance, Engg. & Architecture for setting up new ventures (project cost upto Rs.20 lakhs)	Maximum 75% of the project cost.	25% of project cost.	Upto 5 years including moratorium upto 1 year.
f (1)	Acquisition of existing assets of manufacturing or service sector	Existing viable units. The acquirer should have adequate exposure, experience and expertise in running similar enterprises or should have a good business track record.	50% of value of M/c. and 75% of value of land & building.	25%	Maximum 6 years with 6 months moratorium.
(2)	Acquisition of taken over units of K.F.C.	Purchasers should be capable of reviving and making the units operational. The acquirer should have adequate exposure, experience and expertise in running similar enterprises or should have a good business track record.	50% of value of M/c. and 75% of value of land & building.	25%	Maximum 6 years with 6 months moratorium.
* Proposals for purchase of Commercial Complexes under these schemes need not be considered at present.					

7.2. SCHEMES FOR EXISTING WELL RUN INDUSTRIAL UNITS:

A	Working Capital term loan for SSIs.	Units with good track record which are in existence for the last 4 years, making profits for the past 2 years.	Upto 75% of the working capital requirement, limited to Rs.25 lakhs.	Upto 25% of the working capital requirement.	Upto 6 years including moratorium upto 6 months.
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B	Market Research, Advertisement, Product launching, participation in Trade Fairs, Exhibition etc. (Project requirement upto Rs.25 lakhs)	Units in existence for last 4 years with increasing turn over and net profits during last 2 years, and having good track record in repayment, for embarking on	75% for projects upto Rs.10 lakhs 2/3 rd for above Rs.10 lakhs.	25% of project cost upto Rs.10 lakhs, 1/3 rd above Rs.10	Upto 60 months with moratorium upto 3 months.
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		new programmes for expansion / Modernisation / Diversification.		lakhs.	
C	ISO – 9002 Series Certification Assistance scheme for SSI Units.	Units which are in existence for the last 3 years making profits for last 2 years.	75% in Projects costing upto Rs.150 lakhs for corporate sector and Rs.120 lakhs for others.	25% of the total cost.	5 years including one year moratorium.
D	Working capital Revolving fund loan.	For existing good clients.	Maximum limit of Rs.50 lakhs limited to 30% of loan sanction with a minimum of Rs.5 lakhs.	25% of normal W.C. requirements.	Maximum 15 months. If limit is not renewed within this period the loan should be repaid in 12 monthly instalments.
E*	Revolving Fund	For existing good clients in standard category.	Rs.50 lakhs / 30% of current loan whichever is less. Present principal balance and proposed limit shall not exceed the original loan.	Nil	Limit to be closed/renewed on expiry of 3 years. Operating period 1 year.
F*	Modified scheme of Financial Assistance for Marketing of SSI products and services.	Furnishing of Show Rooms and Working Capital requirements for existing clients in standard category.	Maximum Rs.50 lakhs/30% loan sanctioned. Present Principal outstanding and proposed loan should not exceed original loan sanctioned.	Nil	Limit to be closed/renewed on expiry of one year and will be a running account.

* No processing fee/additional security. Cannot be sanctioned against term loans closed more than an year back. Loans sanctioned under special schemes are not reckoned for eligibility.

7.3.SCHEMES FOR THE SERVICE SECTOR:

a.	Transport Loan	For new vehicles only	Upto 80% of the cost of chassis and cost of body building.	20%	Upto 72 months including moratorium upto 6 months.
b.	Mobile catering (including regular catering and flight kitchen facilities) Project cost upto Rs.25 lakhs.	For cost of vehicle, equipments, utensils etc. Promoters should have experience in the field, Vehicle should have fitness certificate.	75% in projects costing upto Rs.10 lakhs. 2/3 rd in projects costing above Rs.10 lakhs.	25% upto Rs.10 lakhs 1/3 rd above Rs.10 lakhs.	Upto 66 months including moratorium upto 3 months.
c.	Shopping Complex and Commercial Complex.	For new units & expansion of existing units.	60% of total project cost.	40% of project cost.	Upto 10 years including moratorium upto 2 years.
d.	Mobile DG Set	New	Upto 75% of the cost of DG Set	25%	Maximum 5 years including upto 2 months moratorium.

e.	Warehouses, Godowns, Convention Centres, Kalyanamandapam Auditorium etc.	New construction and for expansion of existing ones.	Upto 2/3 of the project cost.	1/3 of the project cost.	Upto 10 years including moratorium upto 2 years.
f.	Infrastructure Projects – Assistance scheme.	For the development of IT Park, B.T. Park, Roads & Bridges, Parking facilities.	66.66% of the cost of project Rs.500 lakhs to corporate sector and Rs.200 lakhs to others.	33.33%	Maximum 10 years including moratorium of 2 years.
g.	Marketing of SSI Products	For construction / setting up of show rooms, warehouses, storage houses and godowns parking facility distribution / delivery vans for marketing products, working capital for stocking goods.	66.66% of the cost of project. Rs.500 lakhs to corporate sector and Rs.200 lakhs to others.	33.33%	Maximum 8 years including moratorium of 18 months.
h.	Housing Villas and Apartment Complexes.	(1) Firm/Co. in operation for last 5 years & has completed construction of at least 5 housing, Villas & Apartment Complexes. (2) Rising turn over & proven profit record at least for 3 consecutive years. (3) An I.T. Assessee without over dues. (4) Prompt in repayment to FI/Banks. (5) Sanction selectively to good clients.	50% of estimated requirement of project subject to max. of Rs.10 crores for corporate sector and Rs.4 crores for Proprietary & firms. Loan should not exceed 50% of average sales in previous 3 years.	50% of cost of project. Total value of land to be reckoned for cost of project & security.	Maximum 5 years with 2 years moratorium.

i	Financing housing projects for new builders.	(1) Promoters should be financially sound & successful in their other ventures. (2) Should be located in Corporation/ Municipality/ Township areas & on the own premises of the applicant. (3) Project should have minimum 5 residential units. (4) Sufficient parking space for vehicles commensurate with number of residential units. (5) Prior approval for the plan from local authority/PCB/ Fire Force as applicable.	66% of project cost with maximum loan of Rs.300 lakhs.	34% of project cost. Total value of land reckoned for computing project cost & security.	4 to 8 years with 1 year moratorium period as per requirement of the project.
j	Scheme for financing Cinema Theatres/Multiplex	For Construction and Modernisation of Cinema Theatres/Multiplex	66.67% of the Project cost	33.33% of the Project cost	Upto 10 years with gestation period of upto 2 years
k.	Taken over of Bank/Financial Institution of loans	1.Promoters should be financially sound 2.Viability to be ensured 3.Promoters to be credit worthy 4.NPAs will not be taken over 5.Indl.units hotels/resorts and hospitals can be financed	66.67% of the Project cost	33.33% of the Project cost	Maximum 8 years including moratorium of 1 year

7.4.SCHEMES FOR TOURISM SECTOR:

a.	Tourist home, Restaurant, Convention centres, Tourism related activities, Amusement Parks,	For new units & expansion of existing units.	Upto 2/3 of total project cost. Minimum margin security	1/3 of the total project cost.	(a) Upto 10 Years with moratorium upto 2 years. (b) In case of Loans above Rs.100
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	Service activities related to tourism.		prescribed is 25% on asset value.		lakhs where implementation period is longer maximum loan period of 12 years with moratorium of maximum 3 years.
b.	Tourism Related Activity (Project requirements upto Rs.25 lakhs) - For Working Capital, accommodation and travel of tourists).	Experience in tourism related activities for last four years, arranging travel plans and contracts with tour operators. Rising trends of turn over, operating profit and net profit during last two years.	75% in projects costing upto Rs.10 lakhs. 2/3 in projects costing above Rs.10 lakhs.	25% in projects costing upto Rs.10 lakhs. 1/3 in project costing above Rs.10 lakhs.	Upto 61 months with moratorium upto 3 months.
c.	Modernisation & upgradation of Tourist Resorts/ Hotels.	Existing well run profit making Hotels /Resorts.	90% of estimated requirement for development purpose subject to a maximum of 50% of the value of existing assets.	10%	Maximum 8 years with moratorium upto 12 months.
d	Acquisition of Existing Hotel / Tourist Resorts.	Eligible only for well run Hotels / Resorts. The acquirer should convince the Corporation of the unit's viability. The acquirer should have adequate exposure, experience and expertise in running similar enterprise or should have a good business track record.	75% of the assets being acquired.	25%	Maximum 6 years with moratorium upto 6 months.
e	Scheme for Take over Loans of Bank/F.Is	Take over of existing assests financed by other nstitutions	66.67% of project	33.33% of the project cost	Maximum of 8 years

7.5. SCHEMES FOR THE HOSPITAL SECTOR:

a.	Hospital/Nursing Homes	For new units & expansion of	Upto 2/3 of total project	1/3 of the total project cost.	(a) Upto 10 years with moratorium
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		existing units.	cost. Minimum margin on security prescribed is 25% of asset value.		upto 2 years. (b) In case of Loans above Rs.100 lakhs where implementation period is longer maximum loan period of 12 years with moratorium of maximum 3 years.
b.	Veterinary Clinics (Project cost upto Rs.25 lakhs)	For creation of fixed assets for new and existing units. Promoter should be a graduate in Veterinary Science	75% in projects costing upto Rs.10 lakhs. 2/3 rd in projects costing above Rs.10 lakhs.	25% upto Rs.10 lakhs. 1/3 rd above Rs.10 lakhs.	Upto 8 ½ years with moratorium upto 1½ years.
c.	Pharmacies (Project cost upto Rs.25 lacs).	For creation of fixed assets for new units and existing units. Promoter should have prescribed qualification in pharmacy.	75% in projects costing upto Rs.10 lakhs. 2/3 rd in projects costing above Rs.10 lakhs.	25% upto Rs.10 lakhs. 1/3 rd above Rs.10 lakhs.	Upto 8 ½ years with moratorium upto 1 ½ years.
d.	Modernisation / Upgradation of Hospitals/ Clinics/ Diagnostic Centres/ Health Clinics.	Only for developmental activities and for acquisition of quality equipments to modernise and upgrade the existing well run profit making hospitals.	90% of the estimated requirement for upgradation subject to a maximum of 50% of the value of existing assets.	10%	Maximum 8 years.

7.6. SCHEMES FOR MODERNISATION OF SSIs:

a.	Textile and Jute Industries under Technology Upgradation Fund (RTUF) Scheme.	Energy saving devices, R&D, Technical Know how etc. Modernisation or expansion with state-of-the-art technology.	Upto Rs.100 lakhs. Maximum 80% of the Project Cost.	Minimum 20% of the Project Cost.	7 to 10 years with moratorium upto 2 years.
b.	Credit linked capital subsidy scheme for Technology upgradation of SSIs.	Capital subsidy of 12% would be admissible on loans advanced to SSI and tiny units for Technology Upgradation in certain select products / sub	75% of the upgradation cost.	25%	5 years.

		sectors.			
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7.7. SHORT TERM LOAN SCHEMES:

a.	Short Term Loans	Units in existence for last 4 years, making profits at least during the last 2 consecutive years, showing trends of rising turn over and net profits, Growth in net worth, shows a repaying capacity to pay back the loan in the stipulated repayment period.	Rs.100 lakhs.	33 1/3%	24 to 36 months including moratorium of 2 months.
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b.	Simplified scheme for Short term loan.	(1) Existing/new entrepreneurs to cover all schemes in Loan Policy (except housing & Apartment Complex Scheme) <ul style="list-style-type: none"> • (2) Should be in existence for last 3 years. • (3) Prompt in repayment to FI / Banks 	Rs.50 lakhs	-	Upto 5 years in Monthly instalments With 1 year moratorium. Can be renewed within the Original 5 year period with fresh loan agreement. Option for EMI repayment.
c.	Working Capital Revolving fund scheme for Bar/Star Hotels	All Running Bar/star hotels are eligible	75% of the total working capital subject to a maximum of Rs.50 lakhs	25% of total working capital	15 months.After Expiry of one year the unit has to be renewed within 3 mts
d.	Renewal of bar/licence	Running profit making bar hotels are eligible	100% of bar licence fee	Nil	11 months from April to February

e.	Civil Contractors	Only for approved A&B class civil contractors for meeting working capital needs for carrying out civil works awarded by Central / State / Govt. owned undertakings.	2/3 of the contract amount Rs.500 lakhs for corporate sector and Rs.200 lakhs for others.	1/3 of the contract amount.	4 years including moratorium upto 1 year depending upon terms of contract/ requirement of project .
f.	TV Serial Production	Persons / units engaged in the TV serial / film production field. Should have released some sponsored serials / films which got popularity in the media. Telecasting Agency's approval for script should be obtained.	50% of the estimated production cost subject to a maximum of Rs.50 lakhs.	50%	One year with a gestation period of 3 months.
g.	Film production.	Feature film as covered under the cinematograph (Certification) Rules 1983. Applicants should be reputed producers backed by established team with satisfactory track record.	Rs.200 lakhs	50%	Normally not exceeding 2 years.

* Will be applicable to existing units only.

8.0. **Additional Loan:**

8.1. Advances to existing customers will be considered on merits and shall be need based.

8.2. **Take over of loans from other Institutions.**

In such cases it should be ensured that the promoters are credit worthy and the dealings with the Institution satisfactory. Generally NPA of other banks/Financial Institutions will not be taken over. In case of take over of accounts from Banks/other institutions, copies of original Sanction Communication along with account statements for the entire period of the loan should be obtained and it shall be ensured that the conduct of the account is in accordance with the terms of sanction. If the Bank/FI has allowed any reschedulement/restructuring copy of the reschedulement order should also be obtained along with the reasons/factors which necessitated such re-schedulement. Further it should be ensured that all securities stipulated in the sanction by bank/other institution is made available to the Corporation also. In case the loanee requests for any dilution the same should be allowed only with sanction from M.D.

9.0. **Foreclosure Premium:**

9.1. The borrower should pay foreclosure premium as per the prevailing rules in case the borrower prepays the loan amount and settles the Account before the expiry of the loan period.

9.2. Foreclosure premium will be charged at 2% of the principal outstanding as on date of closure for loans sanctioned after 9-8-2005. The premium will be charged upto the normal closure date as per the Schedule and further discounted at the discounting factor of 11.25%. Foreclosure premium will not be charged in cases where 75% of the original loan period is over and also where the Corporation has issued recall notice. Principal repayment will be taken as per original schedule.

9.3. Foreclosure premium in respect of loans under civil contractors working capital term loan scheme and scheme for financing housing projects for experienced

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