

Credit Facilitation Through Bank
National Small Industries Corporation (Ministry of Micro, Small and Medium Enterprises)

To meet the credit requirements of MSME units, NSIC has entered into a Memorandum of Understanding with various Nationalized and Private Sector Banks. Through association with these banks, NSIC arranges for credit support (fund or non fund based limits) from banks for the MSMEs.

Scheme Benefits & Highlights

- **Term loans** for acquisition of fixed assets (viz, land/building, plant/machinery, other fixed assets) towards setting up of new units and for expansion, modernization and diversification in case of existing units.
- **Working Capital** requirement facility to meet the working capital needs of the MSME units in the form of open cash credit, overdraft against book debts and bill discounting facility.
- **Non fund based limits** such as guarantees, letter of credit, foreign bank guarantees, foreign letter of credit etc. are provided.
- The interest rate and the security norms depends upon banks to banks.
- The scheme also provide handholding facility to the entrepreneurs and facilitate documentation.

Documents Required

The documents to be submitted vary based on the purpose of the loan. The general documents as required are:-

1. Proof of Identity
2. Proof of Residence
3. Proof of Business address
4. Asset and Liability Statement of promoters, guarantors, directors etc. with latest income tax returns.
5. Rent Agreement / Lease Deed if business premises rented/leased.
6. Copy of SSI registration certificate/Entrepreneur's Memorandum
7. Profile of the Unit (Name and address of promoters, experience, nature of activity, address of all offices/plants, share holding pattern etc.)
8. Last three year's Balance Sheet with IT/ST returns
9. Projected Balance Sheet for next two years
10. Application in the prescribed format
11. CMA data in the prescribed format if limit required is Rs. 100 lakh and above.
12. Position of accounts with existing bankers
13. Project Report for term loan requirements
14. Estimates/Quotations/Sanctioned building plan etc.
15. Partnership Deed/Trust Deed/Rules & Bye laws/Memorandum and Articles of Association /Certificate of Incorporation etc.
16. Clearance from Pollution Control Board/Sanction from Electricity Board and other statutory authorities.
17. Month-wise production and sales data for the current financial year, value of stock in process, finished goods, debtors, creditors etc.