

CANARA MSME STAR	
Purpose	To provide credit for business requirement of MSME borrowers(as defined under MSMED act 2006, with further revision in definition of MSME effective from 01.07.2020, as per Gazette Notification dated 26.06.2020 with relevant modifications communicated subsequently), both Manufacturing and Services, along with self-employed by way of Fund based and non-fund based exposures against the security of Land and Building belonging to the unit or promoters of the unit or close relatives of the promoters.
Target Group	Micro, Small and Medium Enterprises (Manufacturing/Service) (Excluding Hospitals, Educational Institutions, Self Help Group, Joint Liability Group).
Eligibility	Individuals/Partnership firm (other than partnership firms where HUF is a partner)/ company (excluding NBFC)/ Traders/ Businessmen/ professionals or self-employed persons/ proprietary firms.
Nature of facility	1. Working Capital – Secured OD (Fund Based and Non-Fund Based). 2. Term loan
Loan Quantum	Manufacturing Units
	Service Units
	Minimum: Above Rs.10 lakhs. Maximum: Rs.30 Crores.
	Minimum: Above Rs.10 lakhs. Maximum: Rs.15 Crores.
Interest	Rate of Interest is linked to the value of security/approved collaterals and Internal Risk Rating/Grade.
Margin	Term Loan & Working Capital – 20% Non-Fund based – 15%
Security	<p>Primary Security: Assets created out of the Bank Finance (movable & immovable assets).</p> <p>Collateral Security: Total securities for reckoning security comfort under the scheme shall be 100% or more of the proposed exposure in the form of primary and collateral put together (acceptable land/Land and Building located in Metro, Urban, Semi-Urban and/or approved financial securities) by way of the following:</p> <ol style="list-style-type: none"> 1. Minimum collateral requirement of immovable properties in the form of Land/Land & Building and/or approved financial securities with value up to 50% of the proposed loan amount. 2. Vacant land shall be accepted up to 25% of permitted security comfort. Subject to fulfilling terms & conditions. 3. Properties allotted by Govt. Authorities/Semi Govt. Authorities, Agencies like Industrial Development Authority, Small Scale Development Authority, Special Economic Zones (SEZs), Industrial estates like Textile Parks etc., irrespective of location & authorized by State/Central Government either leasehold/freehold are also eligible to be considered subject to conditions.

Repayment	Working Capital-Tenable for One year Term Loan – up to 10 years including moratorium.
Upfront/ Processing charges	Concession up to 50% of the applicable upfront fee/processing charges.

Terms & Conditions apply. The information provided above is only illustrative and not exhaustive.
Contact: For more details, please contact your nearest Canara Bank Branch or E-mail to: hosbu@canarabank.com