

Area Specific Scheme “CANARA MSME LEATHER”

Last Updated: 01.08.2023

Purpose	To provide finance under Working Capital (Fund Based and Non-Fund Based) / Term Loan to MSME borrowers (as defined under MSME Act 2006) engaged in/proposed to engage in Manufacturing/Trading of Leather and Leather products.
Eligibility	<ul style="list-style-type: none"> ✓ Eligible Individuals/ Proprietary Concerns, Partnership Firms (other than Partnership Firms where HUF is a Partner)/ Company / Traders/ Businessmen/ LLPs may be considered under the scheme. ✓ MSMEs should be registered in UDYAM portal and should have valid Udyam Registration Certificate. ✓ Borrower entity should be GST registered. ✓ Enterprises engaged in speculative activities are not eligible for finance under this scheme.
Applicability	Scheme shall be applicable PAN India. However, the scheme shall presently be implemented in the following Circles: Agra, Chennai, Lucknow, Karnal and Kolkata.
Nature of Facility	<ul style="list-style-type: none"> a. Working Capital (Both Fund Based and Non-Fund Based, including Export Credit). b. Term Loan.
Loan Quantum	<ul style="list-style-type: none"> ✓ Minimum: Above Rs.10 Lakhs ✓ Maximum: Rs.50.00 Crores ✓ For Traders: WC limits: Maximum Cap of Rs.10.00 Crores.
Margin	<p>Term loan -20%</p> <p>Domestic Working capital - Against Stock: 25%, Book Debts: 25%. Export limits: Pre Shipment: 10%, Post Shipment: Nil NFB - 15%</p>
Repayment Period	<p>Working Capital: Tenable for One year.</p> <p>Term Loan: Repayment period up to a maximum of 10 years including moratorium.</p> <p>Maximum Moratorium: 2 Years.</p>
Rate of Interest	Applicable as per the scheme guidelines.
Upfront fee / Processing charges / Commission on NFB limits/ TEV/Commitment Charges	
Security	<p>Primary Security: "Primary security" in respect of a credit facility shall mean the assets created out of the credit facility so extended (movable & immovable assets). "Primary security" has to be invariably encumbered to Bank loan.</p> <p>Collateral Security: "Collateral security" means the security provided in addition to the primary security, and can be in the form of properties (land/land and building) and/or approved financial securities as per the extant guidelines.</p>
CGTMSE Coverage	Not Applicable.

Conditions apply: The Information provided above is only illustrative and not exhaustive

Contact: For more details, please contact your nearest Canara bank Branch or email: hosbu@canarabank.com