

**Date last updated: 06.07.2023**

<b>CANARA DEFENCE CORRIDOR</b>																																		
<b>Purpose</b>	To provide need-based finance for Working Capital/Term Loan requirement (Fund Based and Non-Fund Based) of MSMEs (Manufacturing/Service) (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 communicated subsequently) under 'Uttar Pradesh Defence Industrial Corridor (UPDIC)' project of Govt. of India.																																	
<b>Target Group</b>	All Units (Manufacturing/Service) set-up under 'Uttar Pradesh Defence Industrial Corridor (UPDIC)' project of Govt. of India having valid Udyam Registration Certificate for classification as MSMEs.																																	
<b>Applicability</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">CIRCLE</th> <th style="text-align: center;">RO</th> <th style="text-align: center;">Branch</th> <th style="text-align: center;">DP Code</th> </tr> </thead> <tbody> <tr> <td rowspan="3" style="text-align: center;">Lucknow</td> <td rowspan="2" style="text-align: center;">Lucknow I</td> <td>MSME Sulabh Lucknow I</td> <td style="text-align: center;">7179</td> </tr> <tr> <td>MCB Lucknow</td> <td style="text-align: center;">19855</td> </tr> <tr> <td style="text-align: center;">Kanpur I</td> <td>MSME Sulabh Kanpur MCB Kanpur</td> <td style="text-align: center;">7177 4845</td> </tr> <tr> <td rowspan="4" style="text-align: center;">Agra</td> <td rowspan="2" style="text-align: center;">Kanpur II</td> <td>Jhansi Main</td> <td style="text-align: center;">1431</td> </tr> <tr> <td>Chitrakoot Dham</td> <td style="text-align: center;">6031</td> </tr> <tr> <td rowspan="2" style="text-align: center;">Agra I</td> <td>SME Agra</td> <td style="text-align: center;">2376</td> </tr> <tr> <td>M G Road Vibhav Nagar</td> <td style="text-align: center;">0192 1629</td> </tr> <tr> <td style="text-align: center;">Aligarh</td> <td>SME Aligarh</td> <td style="text-align: center;">2375</td> </tr> <tr> <td></td> <td>Aligarh Main</td> <td style="text-align: center;">0364</td> </tr> <tr> <td></td> <td>Ramghat Road</td> <td style="text-align: center;">1000</td> </tr> </tbody> </table>	CIRCLE	RO	Branch	DP Code	Lucknow	Lucknow I	MSME Sulabh Lucknow I	7179	MCB Lucknow	19855	Kanpur I	MSME Sulabh Kanpur MCB Kanpur	7177 4845	Agra	Kanpur II	Jhansi Main	1431	Chitrakoot Dham	6031	Agra I	SME Agra	2376	M G Road Vibhav Nagar	0192 1629	Aligarh	SME Aligarh	2375		Aligarh Main	0364		Ramghat Road	1000
CIRCLE	RO	Branch	DP Code																															
Lucknow	Lucknow I	MSME Sulabh Lucknow I	7179																															
		MCB Lucknow	19855																															
	Kanpur I	MSME Sulabh Kanpur MCB Kanpur	7177 4845																															
Agra	Kanpur II	Jhansi Main	1431																															
		Chitrakoot Dham	6031																															
	Agra I	SME Agra	2376																															
		M G Road Vibhav Nagar	0192 1629																															
Aligarh	SME Aligarh	2375																																
	Aligarh Main	0364																																
	Ramghat Road	1000																																
<b>Eligibility</b>	<ul style="list-style-type: none"> <li>➤ Individuals/ Proprietary Concern/Partnership Firms (other than Partnership Firms where HUF is a Partner) /Company (excluding NBFC)/Traders/ Businessmen/ professionals or self-employed persons/LLPs.</li> <li>➤ All unit's setup under 'Uttar Pradesh Industrial Corridor (UPDIC)' project of Govt. of India.</li> <li>➤ Registration of the account of the prospective buyers under the scheme maintained in our Bank with the major defense oriented buyers shall be ensured.</li> <li>➤ The Scheme shall be applicable for accounts risk rated up to Moderate Risk.</li> </ul>																																	
<b>Nature of Facility</b>	a. Working Capital including Export Credit and/or b. Term Loan (Both Fund Based and Non-Fund Based)																																	
<b>Quantum</b>	<ul style="list-style-type: none"> <li>➤ <b>Minimum:</b> Rs. 10 lakhs</li> <li>➤ <b>Maximum:</b> Manufacturing units — Rs. 50 Cr. Service units — Rs. 25 Cr</li> </ul>																																	
<b>Margin</b>	<ul style="list-style-type: none"> <li>● Term loan -20% of the total project cost</li> <li>● Working Capital - 20%.</li> <li>● Inland LCS/ Foreign LCS/ FBGs — As per extant guidelines</li> <li>● NFB — 15% (as per extant guidelines)</li> </ul>																																	
<b>Interest Rate</b>	Rate of interest is linked to the value of security/approved collaterals and Internal Risk Rating/Grade as applicable which varies from time to time.																																	

<b>Tenability</b>	<b>Working Capital:</b> Tenable for One year. <b>Term Loan:</b> Repayment period up to a maximum of 10 years including moratorium.
<b>Security</b>	<b>Primary:</b> Assets created out of loan proceeds. <b>Collateral:</b> 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 (in the form of Land/Land & Building and/or approved securities), of which:  a). Approved securities may be accepted at 100% of the surrender value to the extent available.  b). Thereafter, a minimum of 50% (or more) of the exposure not secured by way of Approved Securities in terms of point a). above shall be secured by way of Residential/Commercial Properties.  c). Remaining exposure not backed by Approved Securities and/or Residential/ Commercial Properties as specified above, if any, can be secured by way of Primary Securities (in the form of Land/Land and Building), vacant land and/or Industrial Properties.  However, vacant land can be accepted as collateral security to the maximum extent of 25% of the stipulated security comfort (in terms of value), provided it has clear demarcation and boundaries with approach roads and is allotted by any government / Statutory body.  d). In any case, primary (immovables), vacant and industrial land put together shall not be more than 50% of the minimum stipulated security comfort.  e). Primary security in the form of hypothecated stocks/book debts/machinery and other movables shall not be reckoned for calculating the security comfort.
<b>Upfront fee/ charges</b>	As per extant guidelines.
<b>CGTMSE</b>	Not Applicable.
<b>Other Conditions</b>	<ul style="list-style-type: none"> <li>➤ The units which wish to switchover to the scheme should satisfy all the eligibility criteria under the scheme and should not have any overdues at the time of switchover to the subject scheme.</li> <li>➤ Beneficiaries should submit documentary proof for having registered their operative accounts maintained in our Bank, with the respective buyers for receiving the funds towards payment from them. An Undertaking/Work order from the buyers or any other valid document duly executed by the buyers with suitable clause can be procured as documentary evidence for the same.</li> </ul>
<b>Validity</b>	31.03.2024

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](mailto:hosbu@canarabank.com)