

CANARA GST		
1	Purpose	To provide credit for Working Capital requirement of GST registered MSME borrowers (New/Existing) (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), by way of fund based exposure.
2	Target Group	Micro, Small and Medium Enterprises (Manufacturing/Service)
3	Eligibility	<ul style="list-style-type: none"> ➤ New customers with minimum business operation of 6 months and existing customers at the time of renewal shall be brought under the scheme. ➤ GST Return of minimum for the past six months and at least 75% of turnover reflected in GST return should have been routed through the Bank account. ➤ Borrowers rated up to Moderate Risk as per internal rating of the Bank are eligible under this scheme. ➤ The scheme is applicable to customers having/proposed to have sole Banking arrangement for working capital requirements. Multiple Banking Arrangement/Consortium is not permissible for working capital requirements.
4	Nature of facility	<p>Working Capital</p> <p>i. Fund-based</p> <p>ii. Non-Fund based as Sub-Limit of Fund-based limit under the scheme, by way of Letters of Credit (Inland/Foreign and/or Trade Credit) opened for procurement of raw materials and Bank Guarantees issued in lieu of Advance payment (i.e. Mobilization advance) from buyers.</p>
5	Quantum	<p>Minimum loan amount: Above Rs.10 Lakhs.</p> <p>Maximum loan amount: Rs.10 Crores</p>
6	ROI	Rate of Interest is linked to the value of security/approved collaterals and Internal Risk Rating/Grade.
7	Security	<p>Primary Security: Primary assets created out of the Bank Finance.</p> <p>Collateral Security: Collateral Security value shall be minimum 75% of the loan amount in the form of</p> <p>(i) Mortgage of immovable properties Land & Building.</p> <p>a) Properties in the name of brother-in-law, sister-in-law, mother-in-law, father-in-law, daughter-in-law and son-in-law may also be accepted as securities under the scheme provided they stand as guarantors.</p>

		<p>b) Vacant land may be accepted as security up to a maximum of 25% of the permitted security comfort (in terms of value), subject to fulfillment of certain conditions and adherence to the applicable valuation norms stipulated in this regard.</p> <p>c) In respect of properties which are less than one-year-old (i.e. latest execution of sale deed is done within 12 months); value of the property shall be taken as “sale deed value” or current “guideline value” whichever is higher.</p> <p>d) Tenanted properties can also be accepted as securities.</p> <p>(ii) Other Approved Collaterals such as Assignable LI Policies, LIC policy, NSC, Post Office term Deposits, Govt. Securities, Kisan Vikas Patras (KVP) and</p> <p>(iii) Term Deposits of Canara Bank.</p>
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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