

CANARA MSME VAHAN		
<b>Purpose</b>	<p>To provide credit for financing new(fuel-based/electric) and second-hand(fuel based only) commercial vehicles (i.e. LCV/MCV/HCV) 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), operating on any kind of energy which are permitted by State/Local authorities etc. (including hybrid commercial vehicles, ambulances, cargo vehicles, autos, taxis, buses, caravan vehicles built for the purpose of travel and leisure, etc.)</p> <p>Used electric vehicles (i.e. second-hand) are not eligible for finance under the Canara MSME Vahan scheme.</p>	
<b>Eligibility</b>	<ul style="list-style-type: none"> <li>Existing and new borrowers constituted as Individual, Partnership, Sole Proprietorship, Private Ltd. / Public Ltd. companies/LLPs/Trusts/Societies, Registered Transport Operators under MSME – Mfg. and Services including Retail Traders having satisfactory track record with existing banks/FIs.</li> <li>Income Tax and/or GST Assesse (Personal &amp; Business).</li> </ul>	
<b>Nature of Facility</b>	Term Loans only	
	<b>Brand new vehicles (Electric &amp; Non-electric)</b>	<b>Second-hand vehicles (Non-electric)</b>
<b>Quantum</b>	Minimum: No ceiling Maximum: Rs.50.00 Lakhs	Minimum: Rs.5 lakhs Maximum: Rs.25.00 Lakhs
<b>Margin</b>	25% on Road Cost	50% on Road Cost
<b>Repayment</b>	Fuel-based: Maximum 84 EMIs Electric: Maximum 60 EMIs	Fuel – based: Maximum 36 EMIs
<b>ROI</b>	Rate of interest as per prevailing guidelines of the Bank linked to RLLR of the Bank, subject to changes from time to time.	
<b>Upfront fee</b>	0.50% (Minimum - Rs. 1000/-).	
<b>Security</b>	<p><b>Primary Security:</b> Hypothecation of vehicles purchased out of Bank finance</p> <p><b>Collateral Security:</b> <u>Loan up to Rs.10.00 Lakhs (total exposure in case of existing limit/liabilities):</u> No collateral security to be obtained and to be covered under CGFMU/CGTMSE.</p> <p><u>Loan above Rs. 10 Lacs:</u> 100% collateral Security in the shape of immovable properties (i.e. land and building)/ approved collateral securities shall be obtained from the borrower (out of which, not more than 25% can be obtained in the form of vacant land and not less than 50% can be obtained in the form of commercial/residential properties). The immovable properties/ approved collateral securities can be obtained afresh or continuation of spill over/residual value of existing collateral security for existing borrowers</p>	