

MSME POLICY

Date last updated: 07.01.2023

- MSME Sector – Micro, Small and Medium Enterprises Sector defined as per Government of India vide notification reference No: S.O. 4926(E) dated 18.10.2022 has amended the guidelines enumerated in sub-paragraph 'v'. of para '8' of the Gazette notification ref. S.O. 2119 (E) dated 26.06.2020.
- Micro and Small Enterprises Sector include Road & Water Transport Operators, Small Business, Retail Trade, Professional and Self Employed & other Service Sector Enterprises.
- Items to be included & excluded while calculating Original investment in Plant & Machinery is defined.
- A valid Udyam Registration Certificate is mandatory for classification of credit facility under MSME for availing the benefits related to MSMEs.
- Exclusive MSME Sulabhs for centralized processing of credit proposals emanating from mapped branches are established at 156 Centres to have optimal TAT.
- Bank has established Specialized SME branches for focused attention to MSMEs.
- Bank has identified branches which have substantial exposure to MSME sector as SME Focus Branches for increasing credit exposure to MSME sector.
- Online Loan application for MSMEs with tracking facility is introduced in MSME banking of Banks website www.canarabank.com & www.canaramsme.in
- Time Norms for disposal of Loan applications in tune with guidelines stipulated by RBI and BCSBI.
- No collateral security and/or third party guarantee shall be taken for loans up to Rs.10 lakhs to Micro, Small & Medium Enterprises and coverage of all eligible loans under Credit Guarantee Fund Schemes are made mandatory.
- Loans granted under Stand Up India Scheme to be covered under Credit Guarantee Scheme for Stand Up India (CGSSI).
- Covering of all eligible collateral security and/or third party guarantee free loans Up to Rs.200 Lakhs under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). CGTMSE trust has leveraged the coverage at any point of time during the tenure of loan.
- Scheme of SME Debt Restructuring and Scheme of Rehabilitation of SICK Micro and Small Enterprises as per RBI guidelines are put in place.
- Detailed Takeover guidelines for MSME accounts from other Banks/Financial institutions are enumerated.
- Cluster based approach to lending defined. Area/Cluster specific schemes are introduced giving due consideration to the potential for the benefit of MSMEs.
- The bank provides all types of fund based and non-fund based facilities under MSME segment viz. term loan, working capital, Bill discounting, Letter of Credit, Packing Credit and Bank guarantee etc.
- Standby Credit Facilities, Gold Card Scheme for exporters, Standby credit for Capital Expenditure of MSMEs, Consortium advances and Multiple banking arrangements are extended by the Bank.
- As per EASE PSB reforms, Bank is extending the digital lending facilities to Existing to Bank(ETB) Customers up to Rs.50000/- under Shishu Mudra scheme.
- Bank has entered into Tie-up with Fintech Companies M/s Online PSB loans in 59 Minutes for outsourcing the MSME loans up to Rs.5 Crore and Mudra Loans up to Rs.10 lakhs.

- Our Bank is participating as Financing Bank on the TReDS digital platform of M/s RXIL, M/s A.TReDS Ltd(Invoicemart) and M/s Mynd Solutions (M1xchange) for online discounting of trade receivables.
- Bank has been implementing the “Jansamarth portal”, Pradhan Mantri Mudra Yojana, Stand up India, PMSVANidhi, Deendayal Antyodaya Yojana- National Urban Livelihood Mission (DAY – NULM), Prime Minister’s Employment Generation programme(PMEGP), Weavers Mudra Scheme, Partial Risk Sharing Facility, Technology Upgradation Fund Scheme(TUFS), Credit linked Capital Subsidy scheme(CLCSS).
- Account aggregator services as Financial information provider(FIP) & Financial Information user(FIU) for real time access to updated 360-degree view of financial position 24X7.
- ZED is an extensive drive of the Government of India to promote Zero Defect Zero Effect practices among MSMEs registered with Udyam Registration Portal of Ministry of MSME to avail the related benefits/incentives.
- Code of Bank’s commitment to Micro & Small enterprises under BCSBI defined.

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