

**SCORING MODEL FOR MICRO, SMALL & MEDIUM ENTERPRISES**

**NAME OF THE PARTY/UNIT :**

**DATE OF LOAN APPLICATION :**

**LOAN APPLIED FOR :**

**SCORING MATRIX**

SL.NO	PARAMETER	MAXIMUM MARKS	APPLICABLE MARKS	MARKS SECURED
1	BEHAVIOURAL SCORES	30		
2	MANAGEMENT SCORES	25		
3	BUSINESS SCORES	25		
4	FINANCIAL SCORES	20		
	TOTAL	100		( %)

**PLACE :**

**DATE :**

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)

**I.BEHAVIOURAL SCORES -MAXIMUM MARKS 30**

<b>PARAMETER</b>	<b>SUBPARAMETER</b>	<b>CREDIT SCORE</b>	<b>Tick Applicable</b>
1.Age of the borrower	a. More than 20 years and less than 40 years	5	
	b. More than 40 years up to 50 years	3	
	c. More than 50 years and up to 70 years	2	
	d. Less than 20 years and more than 70 years	1	
	e. More than 75 years	0	
2.How long at present address	a. More than 10 years	5	
	b.5 years to 10 years	3	
	c.2 years to 5 years	1	
	d. Less than 2 years	0	
3.No.of years satisfactorily banking with us/other banks(subject to obtention of satisfactory OPL)	a. More than 5 years	3	
	b. Between 2-5 years	2	
	c. Between 1-2 years	1	
	d. Less than 1 year	0	
4.Constitution	a. Individual/Proprietorship	2	
	b. Partnership/Pvt.Ltd Company	3	
5.Payment of statutory dues(IT,ST,VAT,PF etc), electricity bill, mobile bill/telephone bill, water bill/house tax/customs duty,credit card dues etc	1.Prompt and no arrears	3	
	2.Arrears in 2 types of dues	1	
	3.Arrears in more than 2 types of dues	0	
6.Repayment history in existing term loans with us/other banks	a. Prompt always	5	
	b. Overdues lasted up to 30 days	3	
	c. Overdues lasted beyond 30 days and up to 60 days	2	
	d. Overdues lasted beyond 60 days	0	

PARAMETER	SUBPARAMETER	CREDIT SCORE	Tick Applicable
7.Transaction History in existing CASA accounts for the last 6 months	a. Average balance always above Rs.50000/-	3	
	b. Average balance between Rs.25000/and Rs.50000/-	2	
	c. Average balance between Rs.5000/- and up to Rs.25000/-	1	
	d. Average balance below Rs.5000/	0	
8.Transaction History in existing current/SB accounts with us/other banks,if any,for the last 6 months	a. No over drawings/Over drawings. if any, are paid promptly	3	
	b. Overdrawings cleared with delay up to 30 days	1	
	c. Overdrawings cleared with delay beyond 30 days	0	
	<b>TOTAL</b>	<b>/30</b>	

## II.MANAGEMENT SCORES-MAXIMUM MARKS 25

PARAMETER	SUBPARAMETER	CREDIT SCORE	Tick Applicable
1.No.of new business ventures commenced and discontinued during last 10 years	a. The existing one is the maiden venture	5	
	b. The current venture is the second one	3	
	c. More than two ventures started and discontinued all the ventures started	0	
2.Techicnal Qualification in the field of the activity proposed	a. Borrower is technically qualified/ experienced for more than 5 years	5	
	b. Borrower has undergone skill development training in the activity	3	
	c. Borrower has work experience in the field for more than one year.	1	
	d. Borrower has none of the above	0	
3.Borrower's educational qualification	a. Post graduate/graduate/diploma holder	5	
	b. Xth standard and above	3	
	c. Below xth standard but literate	2	
	d. Illiterate	0	
4.Any other member of the family engaged in similar business	a. The business proposed is a family business.	5	
	b. Unit is a subsidiary/ ancillary/ related/ supportive activity of family business	3	
	c. Current business is an entirely new business	1	
5.Maintenance of books of accounts	a. The borrower maintains regular audited financial statements wherever mandatory	5	
	b. No financial statements maintained but income and expenditure statement available	3	
	c. No financial records available	0	
<b>TOTAL</b>		<b>/25</b>	

### III. BUSINESS SCORES –MAXIMUM 25 MARKS

PARAMETER	SUBPARAMETER	CREDIT SCORE	Tick Applicable
1.How long in the present business	a. More than 5 years	5	
	b. More than 2 years and up to 5 years	3	
	c. More than below 2 years	1	
	d. New Venture	0	
2.Growth in Business Turnover for the last 3 years	a. Average growth of more than 20%	5	
	b. Average Growth of more than 10% and up to 20%	3	
	c. Average growth less than 10% but positive	1	
	d. Average growth negative	0	
3.Existing competition for the product in the market	a. Competition is low/negligible	3	
	b. Moderate competition	2	
	c. Very high competition	1	
4.Whether Marketing of the product tied up.	a. Marketing is fully tied up.	4	
	b. Well organized marketing department is there.	3	
	c. Marketing strategies drawn up and well defined	1	
	d. No marketing plan proposed	0	
5.Whether required capital/margin is already arranged	a.NWC/margin is already available/provided	3	
	b. Tie up for margin/NWC is already made	1	
	c. No definite plan to bring capital/margin	0	
6.Projections	a. Achievable	2	
	b. Reasonable	1	
	c. Unrealistic	0	
7.Business Premises	a. Owned	3	
	b. Leased /rented premises with registered lease deed	2	
	c. Rented with unregistered rent agreement./lease deed	1	
<b>TOTAL</b>		<b>/25</b>	

**IV.FINANCIAL SCORES-MAXIMUM 20 MARKS**

PARAMETER	SUBPARAMETER	CREDIT SCORE	Tick Applicable
1.Profitability for last 3 years	a. Earned profit for all the 3 years	5	
	b. Earned profit for 3 years but profits show declining trend	4	
	b. Earned profit for 2 years	3	
	c. Earned profit for 1 year	2	
	d. No profits during 3 years	0	
2.Current Ratio-Existing /proposed	a. Above 1.25	5	
	b. Between 1.14 and 1.25	3	
	c. Between 1.0 and 1.14	1	
	d. Below 1.0	0	
3.TOL:TNW-Exisitng/proposed	a. 3 and below	5	
	b. Above 3 and up to 4	3	
	c. Above 4 and up to 5	1	
	d. Above 5	0	
4.Average DSCR during the repayment period	a. Above 1.75	5	
	b. 1.50 and up to 1.75	3	
	c.1.25 and up to 1.49	1	
	d. Below 1.25	0	
	<b>TOTAL</b>	<b>/20</b>	
	<b>OVERALL MARKS</b>	<b>/100</b>	

**NOTE:1.SHALL BE ELIGIBLE FOR FINANCE IF MARKS SECURED IS 60% AND ABOVE**

**2.THIS SCORING SHEET SHALL BE APPLICABLE FOR LOAN AMOUNTS UP TO RS.2 CRORES**

**3.THIS SCORING SHEET IS APPLICABLE FOR ENTREPRENEURS APPLYING FOR FIRST TIME WITH OUR BANK.**