



**MSME**  
HELPLINE

# MSME LOANS

### Union Equipment Finance

S. No	Parameter	Scheme Guidelines
1.	Eligibility	<ul style="list-style-type: none"> <li>▪ All MSME and Non-MSME units irrespective of line of activity availing Working capital (FB/NFB (both LC and BG) limits from our Bank.</li> <li>▪ New to Bank MSME (all activities) and New to Bank Non-MSME (Contractors) with External Credit Rating BBB and above.</li> <li>▪ Borrower should be in business for minimum 2 years. Unit must be profit making and not under SMA category as on date of sanction. Account should not be SMA-2 during last 12 months.</li> <li>▪ New to Bank MSME borrowers with compliance to the following (in place of external rating of 'BBB' &amp; above) are also eligible with maximum limit of Rs 10 Crs:               <ol style="list-style-type: none"> <li>i. To be in operation for minimum 3 years.</li> <li>ii. Registered Net profit for past 3 years.</li> <li>iii. Account should not be appearing as SMA-1 and SMA-2 with any lenders in past 2 years.</li> <li>iv. CIC score of the promoters/directors should be 700+.</li> </ol> </li> </ul> <p>CIBIL CMR, Financial benchmark ratios as per Bank's extant policy</p>
2.	Purpose	For purchase of Commercial Equipment, Commercial Vehicle required towards existing business activity and for captive use only.
3.	Facility	Term Loan [Sanction of front ended LC can also be considered in case of import of equipment]
4.	Quantum	Minimum: Above Rs 10.00 lakh Maximum: Rs 50.00 Crore
5.	Minimum Margin	5% on the cost of the equipment along with DSRA of 3 months else margin will be 10%.
6.	Interest Rate	MSME: Starting from EBLR + 0.50% Non MSME: Starting from 1 Year MCLR
7.	Charges	50% concession in applicable processing charges. Other charges as per extant guidelines of the Bank.
8.	Security	Hypothecation of the equipment to be purchased. No extension of collateral or CGTMSE is required.
9.	Tenor	Up to 60 months (84 months on case to case basis) including moratorium of 3 months. Borrower will be approved a credit line as per eligibility which can be availed in tranches as per the requirement of the borrower within a period of 1 year from date of sanction.

### Union Start Up

S. No	Parameter	Scheme Guidelines
1.	Eligibility	<ul style="list-style-type: none"> <li>▪ Unit must be eligible and certified as “Start-up” by the concerned Government Authority as per Start-Up India scheme of Government of India.</li> <li>▪ The constitution of the Unit should be Private Limited Company, Registered Partnership and Limited Liability Partnership or as acceptable for classification as “Start-up” under Start-up India Scheme of Gol.</li> <li>▪ The Unit to avail loan under sole banking arrangement (excluding retail loans).</li> </ul> <p><b>Definition of Start-Up:</b> An entity shall be considered as a Startup:</p> <ul style="list-style-type: none"> <li>✓ Upto a period of ten years from the date of incorporation/ registration.</li> <li>✓ Turnover of the entity for any of the financial years since incorporation/ registration has not exceeded Rs. 100 crore.</li> <li>✓ Entity is working towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential of employment generation or wealth creation.</li> <li>✓ Entity formed by splitting up or reconstruction of an existing business shall not be considered a ‘Startup’.</li> <li>✓ An entity shall cease to be a start up on completion of 10 years from the date of its incorporation/ registration or if its turnover for any previous year exceeds Rs 100 crore.</li> </ul>
2.	Purpose	To finance for Innovation, Development or Improvement in products/processes/services or if it is a scalable business model with a high potential of employment generation or wealth creation as per Start-Up India scheme.
3.	Facility	Term Loan and/or Working Capital (Fund & Non-Fund)
4.	Quantum	Minimum: Rs 0.10 Crore Maximum: Rs 5.00 Crore
5.	Minimum Margin	20% (Working Capital & Term Loan)
6.	Processing Charges	Nil
7.	Security	<u>Primary:</u> Assets created out of Bank finance <u>Collateral:</u> May not be insisted upon
8.	Repayment	<ul style="list-style-type: none"> <li>▪ Term Loan to be repaid in maximum 120 months inclusive of moratorium period not exceeding 36 months. Interest is to be paid as and when due.</li> <li>▪ Working Capital shall be for a period of one year and to be reviewed/renewed on annual basis.</li> </ul>

### Union Liqui Property

S. No	Parameter	Scheme Guidelines
1.	Eligibility	<ul style="list-style-type: none"> <li>All business enterprises irrespective of constitution (Proprietorship/Partnership/Companies/Trust/Association etc) other than individuals and HUF engaged in business activity for minimum last two years.</li> <li>Enterprises engaged in speculative activities/Real Estate activities are not eligible for finance under this scheme.</li> </ul>
2.	Purpose	<ul style="list-style-type: none"> <li>To meet working capital requirements for business activity.</li> <li>For Shoring-up of Net Working Capital</li> <li>For purchase of plant &amp; machinery/Equipment</li> <li>Financing repayment of high cost debts</li> </ul>
3.	Facility	Term Loan/Overdraft
4.	Quantum	Minimum: Rs 0.10 Crore Maximum: Rs 10.00 Crore
5.	Minimum Margin	50% of the Net Realisable Value (NRV) of the property as per valuation report i.e. value of property should be minimum 200% of the proposed loan amount.
6.	Guarantee	Personal guarantee of the partners / directors / promoters (Other than independent/professional director) and Personal guarantee of property owners
7.	Repayment	<ul style="list-style-type: none"> <li>Term Loan to be repaid in maximum 120 months inclusive of moratorium period not exceeding 6 months. Interest is to be paid as and when due.</li> <li>Overdraft facility is for a period of one year. However, it may be further extended subject to review/renewal of the facility by competent authority on yearly basis.</li> <li>The loan repayment must end atleast 5 years before the end of the residual life of the property as per Valuation report.</li> </ul>

### Union GST Gain

S. No	Parameter	Scheme Guidelines
7.	Objective	To finance need based working capital requirements of GST registered MSMEs
8.	Eligibility	<p>a. All MSME units engaged in manufacturing/service/trading activity with Udyam Registration</p> <p>b. Unit avail credit facilities under Sole Banking arrangement only</p> <p>c. To secure internal credit rating CR-1 to CR-4</p> <p>d. The borrower should be in possession of requisite registration under GST Act viz. i.e. Provisional Registration (Form GSTREG-25) or Final Registration (Form GSTREG-06)</p> <p>e. Must have filed last 12 month GST returns (Either monthly or annual return) with exception to newly established MSME units where the requirement is filing of GST return for minimum 3 months (monthly return) or for minimum one quarter (quarterly return)</p> <p>f. Minimum 80% of the turnover in Current/ CC accounts should be against the sales mentioned in the GST Return.</p>
9.	Facility	Working Capital (Fund Based & Non-fund Based)
10.	Quantum	Minimum: Above Rs 10 lakh Maximum: Rs 5.00 Crore
11.	Assessment	30% of the annualized projected turnover based on Sales as per GST return and/or turnover routed in the account.
12.	Minimum Margin	20%
13.	Security	<p><b>Primary:</b> Hypothecation of Stock &amp; book Debts</p> <p><b>Collateral:</b> Starting from 50% linked to internal rating &amp; CMR</p>

### Union Solar

S. No	Parameter	Scheme Guidelines
1.	<b>Objective</b>	To finance MSMEs/Business Enterprises on Pan India level aimed at cost saving and increased use of renewable energy for existing business use (Captive consumption).
2.	<b>Eligibility</b>	<ol style="list-style-type: none"> <li>All business enterprises irrespective of constitution (Individual/Proprietorship/Partnership/Companies/Trust/Association etc) other than HUF.</li> <li>CIC Score in case of Individual/Proprietary concerns shall be minimum 700.</li> <li>Installation of Solar Unit to be grid connected and shall have the net metering arrangement/site feasibility approval from jurisdictional DISCOM/Chief Electrical Inspector to Government (CEIG).</li> <li>Savings in electricity cost post installation of renewable energy sources shall cover atleast the monthly repayment obligation of the Term Loan availed under the subject scheme.</li> <li>Only onsite projects to be financed under the scheme.</li> <li>Property where the Solar Unit is proposed to be installed shall be under the ownership of the borrower or the borrower shall have the leasehold rights (including option of renewal) on the property covering the tenor of the loan.</li> <li>In case of existing borrowers, the account shall not be overdue or under SMA at the time of sanction.</li> </ol>
3.	<b>Facility/Purpose</b>	Term loan for purchase & installation of Rooftop/Ground mounted Solar units.
4.	<b>Quantum</b>	Minimum: Above Rs 10 lakh Maximum: Rs 8.00 Crore (Solar units with minimum capacity of 10-20 kW and maximum capacity of 2 MW to be financed under the scheme)
5.	<b>Assessment</b>	Cost of assets to be created/procured less minimum margin on the cost of the equipment.
6.	<b>Minimum Margin</b>	20%. In case of proposals with collateral coverage of more than 35%, minimum margin may be reduced to 15%.
7.	<b>Security</b>	<p><b>Primary:</b> All the assets created out of TL</p> <p><b>Collateral:</b></p> <ol style="list-style-type: none"> <li>No additional collateral shall be insisted in case of borrowers (existing/new) availing credit facilities with our Bank for their business and seeking Term Loans under the subject scheme duly obtaining negative lien on the existing securities.</li> <li>In case of New to Bank customer, NIL collateral on cases to basis complying the criterion stipulated by the Bank. Else, Nil collateral with CGTMSE coverage and/or collateral of minimum of 25% of the exposure.</li> </ol>
8.	<b>Repayment</b>	Repayable in Equated Monthly Installments (EMIs) in maximum 10 years including moratorium of not exceeding 3 months.

### Union Equipment Finance

S. No	Parameter	Scheme Guidelines
1.	Eligibility	<ul style="list-style-type: none"> <li>▪ All MSME and Non-MSME units irrespective of line of activity availing Working capital (FB/NFB (both LC and BG) limits from our Bank.</li> <li>▪ New to Bank MSME (all activities) and New to Bank Non-MSME (Contractors) with External Credit Rating BBB and above.</li> <li>▪ Borrower should be in business for minimum 2 years. Unit must be profit making and not under SMA category as on date of sanction. Account should not be SMA-2 during last 12 months.</li> <li>▪ New to Bank MSME borrowers with compliance to the following (in place of external rating of 'BBB' &amp; above) are also eligible with maximum limit of Rs 10 Crs:               <ol style="list-style-type: none"> <li>i. To be in operation for minimum 3 years.</li> <li>ii. Registered Net profit for past 3 years.</li> <li>iii. Account should not be appearing as SMA-1 and SMA-2 with any lenders in past 2 years.</li> <li>iv. CIC score of the promoters/directors should be 700+.</li> </ol> </li> </ul> <p>CIBIL CMR, Financial benchmark ratios as per Bank's extant policy</p>
2.	Purpose	For purchase of Commercial Equipment, Commercial Vehicle required towards existing business activity and for captive use only.
3.	Facility	Term Loan [Sanction of front ended LC can also be considered in case of import of equipment]
4.	Quantum	Minimum: Above Rs 10.00 lakh Maximum: Rs 50.00 Crore
5.	Minimum Margin	5% on the cost of the equipment along with DSRA of 3 months else margin will be 10%.
6.	Interest Rate	MSME: Starting from EBLR + 0.50% Non MSME: Starting from 1 Year MCLR
7.	Charges	50% concession in applicable processing charges. Other charges as per extant guidelines of the Bank.
8.	Security	Hypothecation of the equipment to be purchased. No extension of collateral or CGTMSE is required.
9.	Tenor	Up to 60 months (84 months on case to case basis) including moratorium of 3 months. Borrower will be approved a credit line as per eligibility which can be availed in tranches as per the requirement of the borrower within a period of 1 year from date of sanction.

### Union Nari Shakti

S. No	Parameter	Scheme Guidelines
1.	<b>Eligibility</b>	<ul style="list-style-type: none"> <li>All Women owned and managed MSMEs (i.e., share capital of min 51% with Women)</li> <li>SHGs having Udyam Registration</li> </ul>
2.	<b>Purpose/Facility</b>	<ul style="list-style-type: none"> <li>Term loan for purchase/construction/ renovation of business premises/ purchase of plant &amp; machinery</li> <li>CC for Working Capital requirements</li> </ul>
3.	<b>Quantum</b>	Minimum - Rs 2.00 lakh Maximum - Rs 10.00 Crs (Rs 20 lakh for SHGs)
4.	<b>Minimum Margin</b>	<ul style="list-style-type: none"> <li>5% for limits up to Rs 1.00 Cr</li> <li>15% for limits above Rs 1.00 Cr</li> </ul>
5.	<b>Charges</b>	Nil processing charges for limits upto Rs 2.00 Crs and 50% concession in applicable processing charges above RS 2.00 Crs. Other charges as per extant guidelines of the Bank.
6.	<b>Collateral Security</b>	<ul style="list-style-type: none"> <li>Nil for limits up to Rs 2.00 Crs with CGTMSE coverage</li> <li>Hybrid model of CGTMSE with collateral of 25% for the portion uncovered under CGTMSE for limits above Rs 2.00 Crs</li> </ul>

### Union Ayushman Plus

S. No	Parameter	Scheme Guidelines
1.	<b>Eligibility</b>	<ul style="list-style-type: none"> <li>Hospitals/Clinics/Nursing Homes/ Diagnostic Centres, Pathology labs etc</li> <li>Qualified Medical Practitioners in the age group of 25 to 65 years</li> </ul>
2.	<b>Purpose/Facility</b>	<ul style="list-style-type: none"> <li>Term loan for purchase/construction/renovation/expansion/modernization of premises, purchase of Equipment &amp; ambulance</li> <li>CC for Working Capital requirements</li> </ul>
3.	<b>Quantum</b>	Maximum: Rs 100.00 Crore (TL+WC)
4.	<b>Minimum Margin</b>	<ul style="list-style-type: none"> <li>Equipment - 15%</li> <li>Land/Construction/Renovation - 35%</li> </ul> (Cost of land being financed shall not exceed 50% of project cost)
5.	<b>Charges</b>	50% concession in applicable processing charges. Other charges as per extant guidelines of the Bank.
6.	<b>Collateral Security</b>	<ul style="list-style-type: none"> <li>Nil if covered under CGTMSE</li> <li>25% for the exposure not covered under CGTMSE/Hybrid model of CGTMSE</li> <li>No Collateral/ CGTMSE coverage shall be insisted for standalone Equipment finance to established hospitals satisfying the eligibility criteria stipulated by the Bank.</li> </ul>
7.	<b>Tenor</b>	Maximum 84 months including moratorium upto 6 months for standalone Equipment and in case of project finance, maximum tenor upto 180 months with moratorium of 1 year from DCCO is allowed.



**MSME PRODUCTS**

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### SCHEME FOR FINANCING TEXTILE UNITS

<b>Applicable to</b>	MSME Regulatory and Expanded Category on PAN India location
<b>Nature of facility</b>	<ul style="list-style-type: none"> <li>• Term Loan/Demand loan, Cash Credit and</li> <li>• Non-Fund based limit ie LC &amp; Bank Guarantees</li> <li>• Export facilities: PC, PCFC, FBP, FBD, PSDL</li> </ul>
<b>Limit</b>	Minimum: Rs.25 lacs, Maximum: Rs.50 crores
<b>Purpose</b>	<ul style="list-style-type: none"> <li>• Working Capital requirement both Fund Based and Non-Fund Based.</li> <li>• Financing new project i.e. acquisition / construction of Land and Building and Plant and Machinery (including second hand Plant and Machinery as per guidelines) based on the project cost.</li> </ul>
<b>Eligibility</b>	<p>All new/existing units (including taken over from other banks) engaged in textile activity (as recognised by Ministry of Textile, Govt. of India) including Job worker /Traders (including e-commerce traders) under this scheme.</p> <p><b>Baroda SME Gold Card:</b> Borrower accounts with 'Standard' category for the last 1 year with credit rating BOB-5 can be covered under this scheme.</p> <p><b>Constitution of borrower:</b> Proprietorship / Partnership concerns / LLP / Private Limited Co. / Ltd Co. <b>HUF are not eligible.</b></p> <p>Takeover of accounts under this scheme is allowed.</p>
<b>Method of assessment of working capital limit</b>	<p>As per Bank Guidelines.</p> <p><b>Note:</b> Assessment of limit should be independent of TUFs subsidy i.e. while calculating DSCR and Margin, projected TUFs subsidy should be excluded.</p>
<b>Period</b>	<ul style="list-style-type: none"> <li>✓ <b>For working capital facilities :</b> 12 Months</li> <li>✓ <b>For Term Loan:</b> Maximum 9 years (including moratorium period), subject to review every year.</li> </ul>
<b>Repayment of Term Loan</b>	<ul style="list-style-type: none"> <li>✓ In suitable monthly Instalment after Initial Moratorium period.</li> <li>✓ Interest to be serviced every month even during moratorium period.</li> </ul>