



# GENERAL TERM LOAN SCHEME

## PURPOSE OF LOAN

To provide financial assistance to units for setting up projects of eligible industrial activities for acquiring fixed assets like land, building, plant & machinery and other miscellaneous assets.

## ELIGIBILITY

- All units set up as micro, small, medium and large enterprises and services sector.
- Existing industrial concern/enterprise and service sector units for expansion/ modernization/ diversification/ renovation.
- Tourism related activities (viz restaurants, hotels, tour agencies etc.), health care units (viz clinics, diagnostic centers, hospitals, nursing homes etc), renewable energy, energy saving systems, barges etc. and other eligible commercial (eg. warehouse, cold storage, etc.) and industrial activities could also be considered for financial assistance.
- The loan amount shall be utilized for creation of fixed assets, take-over/repayment of outstanding loans (only standard assets) of applicants from other banks/institutions against fixed assets acquired, during the past 18 months.
- The assets to be charged should not be presently leased out/rented out and should not be leased out/rented out in future without the permission of the Corporation.
- The repayment history & past dealings of the promoters/unit /sister concerns/group concerns with the Corporation/Banks/FIs should have been satisfactory and the loan account classified as standard for past two consecutive years with bank/financial institution in case of takeover of loans.
- The applicant should furnish all the required approvals and be agreeable to mortgage its immovable property as prime security and/or hypothecate its moveable assets with first charge to the Corporation or on pari-passu basis in case of consortium finance.

## AREA OF OPERATION

In the State of Goa.

## QUANTUM OF LOAN

The maximum amount of loan shall be subject to the following limits:

Proprietary concerns	:	₹400.00 lakh
Partnership firms	:	₹700.00 lakh
Corporate bodies/ Limited liability Partnership	:	₹1500.00 lakh

The loan assistance shall be considered subject to the unit providing adequate security with the project being technically feasible and financially viable as per the norms and guidelines of the Corporation. The actual amount of loan sanctioned shall be decided by the Corporation.

If the requirement of the loan for a project is in excess of the above limits, the Corporation may consider enhanced amount (with additional immovable security) for such projects or the same could be met in consortium with other Financial Institutions/Banks.

## MAXIMUM DEBT-EQUITY

For loans up to ₹50.00 lakhs	3:1
For loans above ₹50.00 lakhs	2:1

## MARGIN ON SECURITY

The minimum margin on the primary security shall be 25%. However, higher margin would be stipulated based on project viability and security provided.

## SECURITY FOR LOAN

The loan shall be secured as per the norms (not less than 100% immovable security cover) of the Corporation by first charge of the Corporation on the following security with clear marketable title:

**Primary:** The assets financed i.e. land, building & machinery, etc.

**Additional/Collateral:** Commercial or residential non-agricultural immovable properties or any other security acceptable to the Corporation on case-to-case basis, if required.

**Personal Guarantee** of the promoters/directors/a suitable person of sound financial means, etc. could be insisted in addition to the above wherever felt necessary by the Corporation.

All term loans wherein movable fixed assets are financed upto ₹50.00 lakhs shall be secured by hypothecation of the moveable fixed assets financed as the primary security and by Personal Guarantees & one or more third party Guarantors with adequate financial capacity.

## PROCESSING FEES

1% of the loan amount subject to maximum of ₹2.00 lakh (plus GST as applicable).

The processing fees to be paid shall be as follows:

**Preliminary application:** ₹10,000.00 (plus GST as applicable)

(For loans between ₹5.00 -₹10.00 lakh, the fees payable shall be ₹5000.00 plus GST as applicable)

**Final application:** Total processing fees payable less fees paid earlier.

All the processing fees are non-refundable.

## INTEREST RATE (w.e.f. 01.01.2024)

Term Loan	Interest Rate
Up to ₹50.00 L & Professional Loan	9.50% p.a.*
Above ₹50.00 L	10.50% p.a. to 13.50% p.a.*
Interest rates shall be floating basis and would be rest on 1st Jan & 1st July yearly	

\*The interest rate shall be decided based on the Credit Rating of the applicant, as per the Corporation's guidelines.

## LOAN REPAYMENT

The loan is repayable within 8 years including a moratorium period upto 2 years, depending on repayment capacity of the project. The repayment will be in monthly/quarterly installments.

## GENERAL

- The minimum promoter's contribution shall be 25% of the project cost.
- The loan shall be disbursed after execution of legal documents and compliance of terms of sanction/ disbursement formalities. The loan disbursement shall be in proportion to the investment made on land, building, machinery etc and as per other terms and conditions governing the sanction.
- The loan proposal shall be considered on its own merit and mere compliance of the eligibility and other criteria may not entitle the applicant for sanction of loan.
- For existing CMRY & GTEGP borrowers, the total EDC term loan exposure (existing + proposed) shall not exceed ₹50.00 lakhs for hypothecation cases.