**PRADHAN MANTRI MUDRA YOJNA:**

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| **Parameter** | **Consolidated features after modifications** |
| Categories  of Loan | Shishu - Loan upto Rs. 50,000  Kishore - Loan from 50,001 to Rs. 5 lakh  Tarun - Loan above Rs. 5 lakh to Rs 10 lakh |
| Eligible  Borrowers | Business Enterprises in Manufacturing, Trading and Services  Sector including allied agricultural activities.  Loans sanctioned for the purchase of two wheelers by individuals for  commercial purpose has also be included as eligible loans under PMMY  from FY 2018-19 onwards, subject to the loan amount being restricted  to Rs. 10 lakh. |
| Margin | **Loan amount Margin**  Upto Rs. 50,000 NIL  Rs. 50,001 to Rs. 10 lacs 20%  As per Banks prevailing ROIs |
| Repayment | **TL/Dropline OD - below Rs. 5 lakh:** Max. 5 years including maximum moratorium period of upto 6 months  **TL/Dropline OD - from Rs. 5 lakh to Rs. 10 lakh**: Max. 7 years including maximum moratorium period of upto 12 months  Operating unit will exercise caution while extending maximum repayment period of 7 years. It is to be decided based on useful life of plant, machinery and other assets purchased out of Bank’s finance in such a way that total repayment period is less than or equal to the useful life period of the assets purchased.  (Moratorium of more than 6 months to be given selectively on need basis to manufacturing units only)  **Repayment of TL to be made in EMI only**  **CC** : On Demand  Processing Charges /Upfront fee Loan amount Fees/Charges Upto Rs. 5 lacs NIL  More than Rs. 5 lacs to Rs. 10 |
| Other  charges | All other charges like Inspection charges, penal interest, etc. will be as per extant instructions of the Bank. |
| Primary  Security | **TL** – Hypothecation of Plant and machinery / other assets or  Mortgage of Land / Property, created out of Bank finance.  **CC/OD** – Hypothecation of all Stocks and Receivables |
| Collateral  Security | No collateral security to be obtained for all loans upto Rs. 10 lacs  to MSME |
| Credit  Guarantee | All Mudra loans to be covered under the guarantee cover of Credit  Guarantee Fund for Micro Units (CGFMU).  Premium amount to be recovered from the borrower. |