

Scheme Name : IOB MICRO ONE

ELIGIBILITY	MICRO ENTERPRISES falling under the norms as below: (only new connections under Micro Sector and the scheme is not applicable to existing borrower clients) Manufacturing : Original investment in Plant and machinery upto Rs.25.00 lacs Service Enterprises: Original investment in Equipments upto Rs.10.00 lacs
COVERAGE	ONLY NEW UNITS seeking credit facilities with above investment norms
LOAN AMOUNT	Maximum Rs.50.00 lacs (Cash Credit + Term Loan with a ceiling of Rs.22.50 lacs for Term Loan) Can be granted separately or as a combined credit facility .
MARGIN	10% for working Capital against stocks and 15 % against Book debts.
REPAYMENT	84 EMLs for Term Loan (for combined facility as well) Cash Credit to be renewed annually
INTEREST RATE	Both for Working Capital and Term Loan Base Rate + 1.75% i.e., 12.25 % at present
SECURITY	Only prime security created out of this loan (NO COLLATERAL OR THIRD PARTY GUARANTEE TO BE OBTAINED)
CREDIT GUARANTEE	To be covered under CGTMSE Scheme and the fee to be borne by the borrower
PROCESSING FEE	Upto Rs. 10.00 lacs Rs. 1000/- Above Rs.10.00 lacs and upto Rs.50.00 lacs Rs. 5000/- (applicable for both CC and Term Loan)
APPRAISAL OF LOAN	Obtention of Simple Application-cum-Appraisal Form(enclosed) DISPOSAL in the Application Form itself if sanctioned by the Branch or to be forwarded to RO if exceeds branch limit.

- a) Rating of the account as per CRR model for SME borrowers(new connections) for loan amount of Rs 5 lacs and above and internal ratings for loans between Rs 2 lacs to Rs 5 lacs.All other norms as per extant guidelines as per bank's existing credit policy.
- b) The product is meant **only for NEW CONNECTIONS UNDER MICRO Sector category.**