

**Memorandum of Understanding (MOU)**  
**With**  
**NATIONAL SMALL INDUSTRIES COPORATION LTD., (NSIC)**

**SUBJECT :**

NSIC has entered in to an MOU with our Bank on 21.12.2012 for extending their credit facilitation support services to MSME borrowers through our bank branches all over India. Under this scheme, loan application forms of banks along with the broad terms and conditions are provided by NSIC to various MSME Units which require finance. The NSIC collects the filled in application forms from various MSME units and forward the same to bank branches/controlling offices for consideration.

**OPERATIONAL INSTRUCTIONS:**

As per the tie up arrangement made with NSIC the following terms and conditions are laid down:

1. Our bank will refer our customers to NSIC so as to be rated by any one of the seven agencies as selected by the customer. Bank has to furnish blank credit application forms and general terms and conditions applicable for sanction of loan to NSIC.
2. The operational office of NSIC will forward the credit proposals to the nearest branch and branch may consider the loan application for sanction purely on merit basis and as per our Bank`s lending norms.
3. NSIC is operating a Performance and Credit Rating Scheme for MSEs wherein MSEs units are rated in terms of `performance and credit parameters`. Seven rating agencies viz., CRISIL, MSMERA-D&B, ICRA, CARE, ONICRA, FITCH, BRICKWORK have been empanelled by NSIC under the scheme for rating of the Small Enterprises.
4. In respect of the units rated by any of the above agencies and applying for credit support under this arrangement, the Bank will promote such units and recalibrate the interest rates and security norms while considering the sanction of their proposals.

5. After sanction and within 30 days from the date of sanction, branch will have to pay 50% of the processing fee collected from applicants referred by NSIC.
6. This arrangement shall be extended to the projects relating to MSME sector at different places where our branches are located or other important industrial centres throughout the country.
7. Our Bank and NSIC would give publicity of this arrangements and also through the websites.
8. Open houses/exclusive sessions, campaigns on the schemes would be conducted too.

**CONCLUSION:**

This MOU is valid for a period of three years i.e., 20.12.2015. This arrangement will help our Bank in reaching out to potential borrowers and thereby improve the credit flow to MSME sector as NSIC is in touch with large number of MSME units through their various services specially through their raw material assistance scheme.

**❖ For further Details please contact the nearest Branch / Regional Office.**

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