

CIRCULAR TO ALL BRANCHES / OFFICE IN INDIA

ISSUED BY MSME BANKING DEPARTMENT

Dear Sir,

**Re: Incorporation of ancillary business details in proposals pertaining to MSME advances**


In order to take prudent credit decisions in MSME advance proposals, a holistic view with detailed information on total business obtained from each borrower is necessary. Specially for considering concession in rate of interest and other service charges, information regarding ancillary business obtained from the borrower, is essential.

Considering the above, the operating units are advised the following:

- Operating units to mandatorily incorporate the details of ancillary business (as per the format attached as **Annexure – A**) for each borrower, as a part of credit appraisal note.
- The above guidelines is to be followed for all proposals of MSME advances (e.g. Review at same level / Review with Increase / Review with decrease / New sanctions existing borrowers / New sanctions to new borrowers) **with effect from 01.08.2023.**

The operating units are advised to ensure strict compliance of above guidelines.

Yours faithfully,

  
Rajesh Khanna  
General Manager  
MSME Banking

Encl: Annexure - A

**ANNEXURE - A**

Details of Associate concerns, if any							
Name of Associate Concerns	Constitution	Business Activity	Revenue (Last FY)	Total exposure	Presently banking with (Mention details of relationship, if banking with us)	Details of credit facility availed from Banks /Fis, as available (if availed from our Bank, mentioned details)	ROI as on .....

Ancillary Business Details (Firm/Company/Directors/Partners/Promoters)				
Relationship type	Type of a/c	No. of A/cs	Balance Amount as on (Rs. in crores)	Remarks
Deposits	Savings a/c			
	Current a/c			
	Fixed Deposit			
Retail Assets	Housing Loan			
	Auto Loan			
Wealth Management services	Product type	No. of policies	Yearly Premium / contribution Amount	Fee income received
	Insurance			
	(i) Life			
	(ii) General			
	(iii) Health			
Other enablers	Service type	Whether availed from us (Yes/No)	If not, presently availing from	Remarks (additional requirements, if any)
	CMS			
	POS			
	IPG			
	Corporate Credit Cards			

Business from employees of business unit		
Total no. of employees in		
	No. of A/cs.	O/s Amt as on..... (in Crs.)
Deposits & Advances (with our		
Savings / Salary Account		
Retail Loan a/cs of employees		

