



GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL & MEDIUM  
ENTERPRISES  
MSME DEVELOPMENT AND FACILITATION  
OFFICE, THRISSUR  
presents

Handbook on  
Credit Support Schemes & Agencies  
for Existing and Prospective Entrepreneurs

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## **Preface**

Ministry of MSME, Government of India, Directorate of Industries & Commerce, Government of Kerala as well as other Government institutions have many schemes and policies to cater the needs of MSMEs in Kerala. Most of the Financial Schemes are implemented through the Office of Development Commissioner (MSME), Industries Department of Government of Kerala, Banks, Small Industries Development Bank of India [SIDBI], Khadi Village and Industries Commission [KVIC], National Small Industries Corporation [NSIC], Khadi and Village Industries Board (KVIB), Coir Board etc. This handbook will provide a brief description of the various Credit Support Schemes that will be beneficial for an Existing as well as Prospective Entrepreneur. Effort has been taken to ensure the coverage of most schemes in this handbook. However, you are cautioned to verify the particulars with the concerned Ministry/Department/Office/Institution before proceeding/applying.

## **Ministry of MSME Schemes**

### **1. Prime Minister's Employment Generation Programme (PMEGP)**

#### **Eligibility & Conditions:**

- Target Beneficiary: Unemployed rural and urban youth;
- Eligibility Criteria: Any individual above 18 years of age; For setting up of project costing above Rs.10 lakh in the Manufacturing sector and above Rs. 5 lakh in the Business /Service sector, the beneficiaries should possess at least VIII standard pass educational qualification.
- Details of scheme: It is a Bank appraised and financed, subsidy program to set up enterprises. Hence, a Project Report will be required;
- Allowed Project Cost: No upper ceiling, however the maximum cost of the project/unit admissible for Margin Money subsidy under; Manufacturing Unit: Rs. 50 lakh; Service Unit: Rs. 20 lakh,
- Subsidy: General Category: 15% of the project cost in urban areas, 25% in rural areas;
- Special Category (including SC,ST,OBC, Minorities, Women, Ex-Servicemen, Transgender, Differently abled, NER, Aspirational Districts, Hill and Border areas(as notified by the Government) etc.: 25% in urban, 35% in rural areas
- Contribution of the Entrepreneur: General: 10 %, Special category: 5 %.

#### **Assistance for up-gradation and expansion of successful/well performing existing units:**

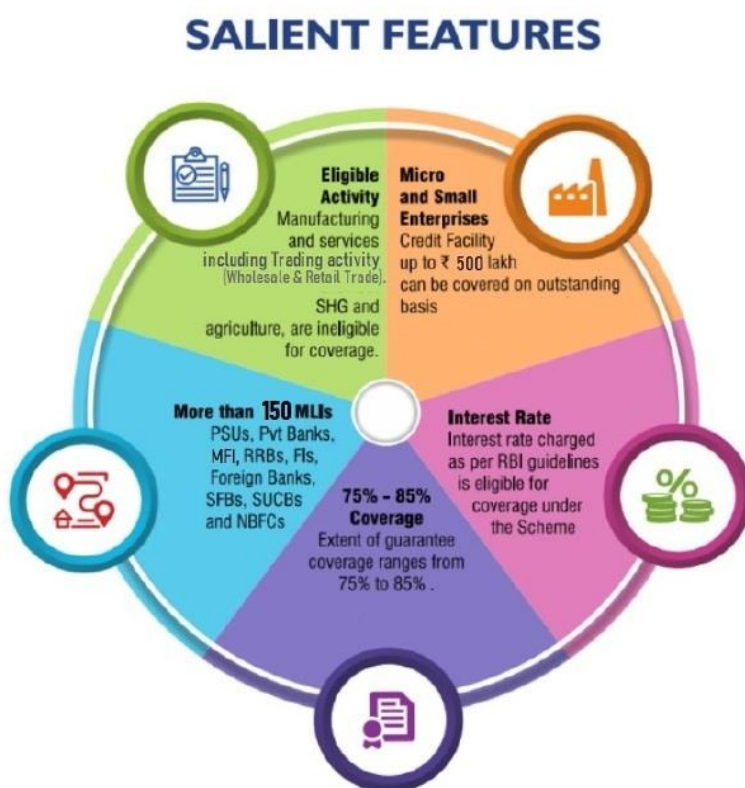
- The maximum cost of the project under manufacturing sector for up-gradation is Rs.1.00 crore and Rs.25.00 lakh under Business/Service sector; if the total project cost exceeds Rs. 1.00 Crore or Rs. 25.00 Lakhs for Manufacturing and Service/Business sector respectively, the balance amount maybe provided by banks without any Government subsidy.
- Maximum subsidy would be 15% of the project cost (20% for NER and Hill States). The balance amount of the total project cost is provided by Banks as term loan.
- Contribution of the Entrepreneur: 10% of Project Cost

#### **Steps to Take:**

- It is a fully on line scheme The applicant can apply online only;
- The applicant should apply in the following Website-  
<https://kviconline.gov.in/pmegpeportal/pmegphome/index.jsp>
- The applicant to follow the guidelines of this portal.
- In case of help required, the applicant may contact nearest office of Khadi and Village Industries Commission (KVIC), District Industries Center (DIC), State Khadi and Village Industries Board (KVIB) or Coir Board;
- The applicant has the option to choose Implementing Agency from KVIC/KVIB/DIC/Coir Board. These agencies will support in checking the documents and help in project DPR preparation;
- Implementing Agencies may suggest some corrections before forwarding the proposal to the Bank;

- Since it is a bank financed scheme, based on the strength of the project, Bank decides about the loan and the loan amount to the applicant. Hence, the applicant should prepare a good and sustainable business plan;
- On sanction of loan, Bank will inform the applicant and also to the concerned Implementing Agency;
- Implementing Agency will arrange for the Entrepreneurship Development Programme (EDP) Training for the applicant, which is available online as well;
- On EDP completion, a certificate is issued to the applicant and same is to be submitted along with applicant contribution to the concerned Bank to get first installment of the loan.

## 2. Credit Guarantee on Loans to Micro and Small Enterprises and New Entrepreneurs



### Eligibility & Conditions:

- Existing Micro, Small Manufacturing and service Entrepreneurs & Aspiring Entrepreneur/Trading Units are eligible.

### Nature of Scheme:

- The scheme is implemented by Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE);
- Credit guarantee for loans up to Rs. 5.00 crore, without collateral and third party guarantee;
- Guarantee coverage ranges from 85% [(Micro Enterprise up to Rs 5 lakh)/ Women entrepreneurs / SC/ST entrepreneurs / Person with Disability (PwD)/ MSE promoted

by Agni veers / MSEs situated in Aspirational District / ZED certified MSEs] to 75% (others)

- CGTMSE charges a Annual Guarantee Fee (AGF) for providing Guarantee and the details may be seen below:

Slab	Standard Rate (SR)*	Fee Rate after Discount	Fee Rate with Risk Premium			
		(-10%)	15%	30%	50%	70%
0-10 lakh	0.37	0.33	0.43	0.48	0.56	0.63
Above 10-50 lakh	0.55	0.50	0.63	0.72	0.83	0.94
Above 50-1 crore	0.60	0.54	0.69	0.78	0.90	1.02
Above 1-2 crore	1.20	1.08	1.38	1.56	1.80	2.04
Above 2-5 crore	1.35	1.22	1.55	1.76	2.03	2.30
<i>*AGF will be charged on the guaranteed amount for the first year and on the outstanding amount for the remaining tenure of the credit facility.  <b>The standard rate is across all activity including trading activity.</b></i>						

- In case of default, CGTMSE settles the claim with the lending institutions.

#### Steps for Availing the Assistance:

- Apply through Member Lending Institutions (MLIs- Banks and NBFCs).
- List of MLIs are available at [www.cgtmse.in](http://www.cgtmse.in)
- CGTMSE Guidelines:  
[https://www.cgtmse.in/Default/ViewFile/?id=1683199393032\\_CGTMSE%20-%20Scheme%20Document%20CGS%20I\\_updated%20as%20on%20April%201,%202023\\_1.pdf&path=Page](https://www.cgtmse.in/Default/ViewFile/?id=1683199393032_CGTMSE%20-%20Scheme%20Document%20CGS%20I_updated%20as%20on%20April%201,%202023_1.pdf&path=Page)

### 3. Schemes of National Small Industries Corporation (NSIC)

#### a) RMA against Bank Guarantee

#### Objectives

- Raw Material Assistance Scheme aims at helping MSMEs by way of financing the purchase of Raw Material (Both indigenous & imported). This gives an opportunity to MSMEs to focus better on manufacturing quality products.

#### Benefits of the Scheme

- Facilitating procurement of Raw Material with credit support up to 180 days
- MSMEs helped to avail Economics of Purchases like bulk purchase, cash discount etc.

#### How to Apply

- The Entrepreneurs are required to apply for Raw Material Assistance only on the prescribed application forms. The application forms downloaded from the link given below may be filled and can be submitted to the nearest Branch Office. The blank forms are also available free of charge from the Branch offices.

#### The Process

- Duly filled application form is to be submitted along with the Application
- Preliminary appraisal and Unit inspection is carried out by NSIC.
- Sanction of Limit to the Unit.
- Signing of agreement between NSIC and Unit.



- Disbursement of assistance to the unit.
- For more details visit:  
<https://www.nsic.co.in/Schemes/Raw-Material-Against-BG>

#### **b) Credit Facilitation Through Bank**

- To meet the credit requirements of MSME units, NSIC has entered into a Memorandum of Understanding with various Nationalized and Private Sector Banks. Through syndication with these banks, NSIC facilitates MSME in accessing credit support (fund based or non-fund based limits) from the banks. NSIC assists MSMEs in completion of the documentation for submitting the proposals to the banks and also does the follow up with the banks. These handholding support are provided by NSIC without any cost to the MSMEs.

##### **Salient features of Bank Credit Facilitation Scheme**

- Facilitates credit to MSMEs by having an integrated mix of various public and private sector banks.
- Provides an option for MSMEs to apply for a new bank or switch over of an account to a different bank as given under tie up arrangements.
- Helps the MSMEs in completing documentation as required by the bank and after submitting it to the bank NSIC officer does the follow up with the bank.
- To facilitate larger number of MSMEs who are desirous of availing credit.
- To provide handholding support to MSMEs without any cost to MSMEs.
- **For more details visit:**  
<https://www.nsic.co.in/Schemes/Credit-Facilitation-Through-Bank>

#### **c) Bill Discounting Scheme**

- The Scheme will cover discounting of bills arising out of genuine trade transactions i.e. supplies made by Micro, Small and Medium Enterprises (MSMEs) to reputed Public Limited Companies / State and Central Govt. Departments / Undertakings / Private Limited Companies (not traders), engaged in manufacturing / service activities.
- **For more details visit:**  
<https://www.nsic.co.in/Schemes/Bill-Discounting>

#### **d) Schemes of SC/ST Hub of NSIC**

##### **❖ Special Credit Linked Capital Subsidy Scheme [For new and existing SC/ST Entrepreneurs]**

##### **Objectives**

- Special Credit Linked Capital Subsidy Scheme (SCLCSS) was introduced under National SC-ST Hub to promote setting up of new enterprises by aspiring entrepreneurs and capacity building of existing MSEs for enhanced participation of SC/ST entrepreneurs in the public procurement.

### **Eligibility**

- All the SC-ST MSEs of manufacturing as well as service sector shall be eligible for 25% subsidy under SCLCSS component of National SC/ST Hub (NSSH) for procurement of Plant & Machinery and equipment through institutional credit (maximum subsidy-Rs.25 Lakhs).

### **Scope of the Scheme**

- The scheme would cover SC/ST MSEs of manufacturing and service sectors.
- The scheme would cover the purchase of new plant & machinery and equipment through term loan from Prime Lending Institutions (PLIs) for all manufacturing sectors and service sectors as brought out in the National Industrial Classification (NIC) code respectively on which banks/financial institutions are offering business loans, subject to consent/NOC from Pollution Control Board (wherever applicable)
- Industries covered under the RED category as per the Classification of industries for consent management (Schedule- VIII, rules 3(2) and 12 of Ministry of Environment & Forests, Govt. of India) shall not be eligible for subsidy under the above scheme.
- Subsidy for the SC-ST MSEs of service sector shall be applicable from the date of issuance of the guidelines.
- **For more details visit:**  
<https://www.scsthub.in/content/special-credit-linked-capital-subsidy-scheme>

#### **❖ Bank Loan Processing Reimbursement Scheme**

- Reimbursement of 80% or Rs. 1,00,000/- (excluding GST and other applicable taxes), whichever is less, on Bank loan processing charges paid by SC/ST MSEs in availing business loans.
- **For more details visit:**  
<https://www.scsthub.in/bank-loan-processing-reimbursement-scheme>

#### **❖ Bank Guarantee Charges Reimbursement Scheme**

- Reimbursement of 80% or Rs. 1,00,000/- (excluding GST and other applicable taxes), whichever is less, on Performance Bank guarantee charges paid by SC/ST MSEs for participation in tenders of Central/State Govt. and PSEs.
- **For more details visit:**  
<https://www.scsthub.in/bank-guarantee-charges-reimbursement-scheme>

#### **❖ Export Promotion Council Membership Reimbursement Scheme**

- Reimbursement of 80% or Rs 20,000/- (excluding GST and other applicable taxes), whichever is less, in a financial year to SC/ST MSEs on annual membership subscription fee / one time subscription charges / entry fee charged by various Export Promotion Councils (EPC)
- **For more details visit:**  
<https://www.scsthub.in/export-promotion-council-membership-reimbursement-scheme>

#### **4. Schemes of Small Industries Development Bank of India (SIDBI)**

##### **a) Expeditious Process to deliver Rapid Loan through Automated Evaluation and Swift Sanction (EXPRESS 2.0)**

###### **➤ Key Points**

- To provide expeditious sanction of term loan through automated platform to “New to SIDBI” customers in manufacturing/service sector for purchase of machines/equipment.

###### **➤ Target Group**

- MSME units in operation for at least three years

###### **➤ Loan Amount**

- Upto 100 lakh.

###### **➤ Key Features**

- Automated loan processing
- Seamless loan application journey
- Immediate In-Principle offer
- Upto 100% financing
- Low processing fees
- Quick sanction and disbursement

###### **➤ Interest Rate and Repayment**

- MCLR linked attractive RoI
- Repayment Up to 60 months

###### **➤ Eligibility**

- Mandatory Udyam registration.
- Mandatory GST registration.
- CIBIL / CMR/ due diligence checks etc.

##### **b) SIDBI Assistance and Aid for Thematic support to MSMEs promoted by SC/STs (SAATH)**

###### **➤ Objective**

- To support MSMEs (both manufacturing & service sectors) promoted by SC/ST entrepreneurs by way of term loan assistance (on relatively softer terms) for establishment of new/ greenfield unit or for expansion/ modernization/ other capital expenditure of the existing unit, coupled with incentive structure.

###### **➤ Target Group**

- MSMEs promoted by SC/ST entrepreneurs with emphasis on smaller units/ new units under manufacturing & service sector.

###### **➤ Loan Amount**

- Minimum – Rs. 25 lakh

- Maximum - Rs. 300 lakh

➤ **Key Features & Incentives**

- Financial incentive to units maintaining satisfactory repayment track record with SIDBI
- 50% of the credit guarantee fee to be borne by SIDBI
- Lower processing fees
- Nil prepayment charges
- Quick sanction and disbursement.

➤ **Interest Rate and Repayment**

- Interest Rate - MCLR based ROI as per internal rating.

➤ **Eligibility**

- MSMEs as per MSMED Act
- MSMEs promoted by SC/ST entrepreneurs with minimum 51% stake
- Standard Scheme Norms apply (CIBIL / CMR, due diligence checks etc.)
- Should not be in default to any bank/FI.

**c) A Special Dispensation For Nurturing Enterprises Run By Women Entrepreneurs (ARJANA)**

➤ **Objective**

- To support MSMEs (both manufacturing & service sectors) promoted by women entrepreneurs by way of term loan assistance (on relatively softer terms) for establishment of new/ greenfield unit or for expansion/ modernization/ other capital expenditure of the existing unit, coupled with incentive structure.

➤ **Target Group**

- MSMEs promoted by women entrepreneurs with emphasis on smaller units/ new units under manufacturing & service sector.

➤ **Loan Amount**

- Minimum – Rs. 25 lakh
- Maximum - Rs. 300 lakh

➤ **Key Features & Incentives**

- Financial incentive to units maintaining satisfactory repayment track record with SIDBI
- 50% of the credit guarantee fee to be borne by SIDBI
- Lower processing fees
- Nil prepayment charges
- Lower promoter contribution
- Quick sanction and disbursement

➤ **Interest Rate and Repayment**

- Interest Rate - MCLR based ROI as per internal rating.

➤ **Eligibility**

- MSMEs as per MSMED Act
- MSMEs promoted by women entrepreneurs with minimum 51% stake
- Standard Scheme Norms apply (CIBIL / CMR, due diligence checks etc.)
- Should not be in default to any bank/FI.

**d) SIDBI's Term Loan To Enhance Production Of MSMEs (STEP) Scheme Guidelines**

➤ **Objective**

- To provide medium/short term financial assistance to eligible MSMEs for augmenting NWC and / or to execute urgent confirmed order.
- Incremental working capital requirement may also be funded after satisfying about non enhancement of regular WC limit from existing lenders.

➤ **Target Group**

- Micro, Small and Medium Enterprises

➤ **Loan Amount**

- Upto Rs 300 lakh for existing customers
- Upto Rs 200 lakh for New Customers

➤ **Key Features & Incentives**

- Both in rupee and foreign currency.
- Generally, up to 3 years (including moratorium up to 6 months).
- Availability of CGTMSE cover
- Simplified documentation
- Quick sanction and disbursement

➤ **Interest Rate and Repayment**

- Interest Rate - MCLR based ROI as per internal rating.

➤ **Eligibility**

- Existing MSMEs as per MSMED Act
- Minimum 3 years operations of the unit required. (2 years for Existing customer of SIDBI)
- WCTL shall be provided to only those enterprises not availing WCL / OD facility from any Banks / FIs.
- Operating profit during past 2 years (1 year for Existing Customers).
- Standard Scheme Norms apply (CIBIL / CMR, due diligence checks etc.)
- Should not be in default to any Bank/FI.

#### **e) SIDBI Assistance to Export Oriented MSMEs under Ubharte Sitaare Programme**

##### **➤ Key Points**

- Term loans to Export oriented MSMEs for expansion, modernisation, diversification, technology / capacity upgradation, product R&D, etc., by investment in Land and building, machinery and equipment, etc.

##### **➤ Target Group**

- Future export champions with high potential
- Units having unique technology, products or processes
- High export potential sectors, i.e. Automobiles, Aerospace & Defence, Chemicals, Food Processing, IT & ITeS, Pharmaceuticals, Precision engineering, Textiles and allied sectors, etc.

##### **➤ Loan Amount**

- Need based financial assistance, subject to maximum of 80% of the project cost.
- Joint financing with EXIM Bank available.

##### **➤ Key Features**

- Attractive RoI
- 20% promoters' contribution (30% for greenfield units)
- Facility of TL/FCTL available
- Technical Assistance for mentorship support, equity support, etc.
- Upto 25 bps performance / milestone linked interest incentive.

##### **➤ Interest Rate and Repayment**

- Interest Rate - Based on MCLR of the Bank / Repo rate, with applicable spreads (as per internal rating)
- Repayment – Generally up to 6 years (Extendable up to 10 years)
- Moratorium - Up to 2 years

##### **➤ Eligibility**

- New units - Promoters having sufficient experience in the proposed line of business and major projected revenue from exports. For units co-funded by technocrats from premier institutions (like IIT, IIM, IISc, NIT etc.), sufficient experience in the proposed line of business shall not be insisted upon.
- Existing units - Fundamentally strong export oriented small and mid-sized companies with satisfactory financials.
- Standard Norms apply (CIBIL / CMR, due diligence checks, etc.)

#### **f) SIDBI Thematic Assistance for Purchase of Capital Assets in New Enterprises (STHAPAN)**

##### **➤ Key Points**

- Financial assistance to Greenfield Units for setting up new units which includes:
- purchase of land,

- construction of factory building,
- Purchase of equipment, plant & MFA etc.
- **Target Group**
  - MSMEs setting up units in identified sectors under Production Linked Incentive Scheme (as per the list identified by GoI), high growth / sunrise sectors and other important sectors
- **Loan Amount and Validity of Scheme**
  - TL up to 2000 Lakh, subject to maximum of 75% of the project cost
  - Till utilisation of the corpus as allocated/decided from time to time
- **Key Features**
  - Attractive RoI
  - Quicker sanction
- **Interest Rate and Repayment**
  - Repo Rate + 2.20% to 3.50% (floating) for first year with reset applicable thereafter (as per internal rating)
  - Repayment – Generally up to 7 years
  - Moratorium – Up to 2 years
- **Eligibility**
  - New Entities or Greenfield units are eligible
  - Promoters should have prior experience of 5 years in business for loans above Rs. 5 crore. For loans up to Rs. 5 crore under the scheme, the promoters of the new entity should have prior business experience of 3 years in manufacturing activity
  - Promoters Contribution – Minimum 25% Standard Norms apply (CIBIL / CMR, due diligence checks etc.)

**g) Assistance to Re-Energize Capital Investments by SMEs (ARISE)**

- **Key Points**
  - Financial assistance shall be provided to brownfield / existing entities for undertaking expansion / modernization / capital expenditure in the same line of business.
- **Target Group**
  - MSMEs engaged in high growth and priority sectors (including sunrise sectors)
- **Loan Amount and Validity of Scheme**
  - TL up to 700 Lakh, subject to maximum of 80% of the project cost
  - Till utilisation of the corpus as allocated/decided from time to time.
- **Key Features**
  - Attractive RoI

- 100% financing for loans up to Rs. 5 crore, based on FD up to 25% (interest bearing)
- Quicker sanction
- Facility of TL/FCTL available

➤ **Interest Rate and Repayment**

- Repo Rate + 1.70 % to 3.00 % (floating) for first year with reset applicable thereafter (as per internal rating)
- Repayment – Generally up to 7 years Moratorium- Up to 2 years

➤ **Eligibility**

- Minimum two years of operation and audited accounts [for at least two full years]
- Cash profits in last audited financial results
- Standard Norms apply (CIBIL / CMR, due diligence checks etc.)

**h) Priority Assistance to MSMEs based on Hybrid or Alternate-security Model (PRATHAM)**

➤ **Key Points**

- Upto 100% financing
- One-page application format
- Quick sanction and disbursement

➤ **Eligibility Criteria**

- MSMEs having at least 3 years of operation with net profit in previous three years.
- Units having cash profit for past three years would also be eligible.

➤ **Eligible expenditure**

- Plant & Machinery
- Ancillary equipment's/MFAs
- Installation/transportation cost may be included.
- Second hand/refurnished machines are also permitted subject to standard guidelines.
- Machinery which is not covered under SPEED/SPEED Plus.

➤ **Quantum of assistance**

- Upto 100% of the total project cost subject to maximum of ₹ 300 lakh (based on 30% - 40% FD). SIDBI reserves the right to sanction lower amount depending upon assessment of repayment capacity.

➤ **Interest Rate**

- MCLR based interest rate as per internal rating.

➤ **Tenure and moratorium**

- Generally, upto 5 years including moratorium of 6 -12 months.



### **i) SIDBI Term-Loan Assistance for Rooftop Solar PV Plants (STAR)**

#### **➤ Objective**

- Helping MSMEs to reduce their Power bill
- Across the segment coverage with 25 KW to 1 MW plants (indicative)
- Loan Amount: ₹10 lakh to Rs. 350 Lakh
- Quick sanction and fast disbursement
- Ground mount solar plants are also allowed subject to unhindered availability of sunlight during tenure of the loan.

#### **➤ Key Points**

- Helping MSMEs to reduce their Power bill
- Across the segment coverage with 25 KW to 1 MW plants (indicative)
- Loan Amount: ₹10 lakh to Rs. 350 Lakh
- Quick sanction and fast disbursement
- Ground mount solar plants are also allowed subject to unhindered availability of sunlight during tenure of the loan.

#### **➤ Coverage**

- Solar Panels / Equipment's (Including all accessories) from established suppliers, manufacturers, aggregators, etc.
- Installation cost

#### **➤ Application**

- Online application
- Standard KYC checks and due diligence

#### **➤ Eligibility**

- Vintage: New Customer – 3 years, Existing Customer – 2 years
- 2 years cash profits
- Satisfactory repayment track record
- For New Customer: Minimum IACR of 0.5% to 0.50% (if no CGTMSE cover)
- Proposed Solar rooftop capacity not to exceed connected load
- Only On-site projects
- Stand alone and Grid connected, both covered
- Maximum loan up to 25% of Net Sales

#### **➤ Interest Rate**

- MCLR based interest rate as per internal rating.

#### **➤ Tenure and moratorium**

- Generally, upto 5 years including moratorium of 6 -12 months.

#### **j) Top Up Loan For Immediate Purposes (TULIP)**

##### **➤ Key Points**

- Up-to 100% finance based on 10% FD & extension of charge
- Quicker sanction within 7 days
- No additional collateral security (except SIDBI FD)

##### **➤ Target Group and Eligible Expenditure**

- MSMEs - Purchase of machinery / equipment
- Need based civil construction/renovation
- Acquisition of DG set/other MFAs (including testing equipment, dies & moulds etc.)
- Margin money for working capital (MMWC)
- To execute sudden/specific/bulk orders which are self-liquidating nature and are against a min. BBB rated counter party or a state / central government department counter party with a track record in making timely payments

##### **➤ Quantum of Assistance**

- 30% of existing exposure or 20% of net sales subject to Max ₹2 Crore

##### **➤ Interest Rate and Repayment**

- MCLR based interest rate as per internal rating
- Max. 5 years (including moratorium of up to 6 months)

##### **➤ Eligibility**

- At least 1-year association with SIDBI with satisfactory track record
- Expansion in same line of business at same location
- Cash profit in last FY

#### **k) SIDBI-Loan for Purchase of Equipment For Enterprise's Development Plus (Speed Plus)**

##### **➤ Key Points**

- Upto 100% financing of high-end machineries
- Quick sanction and disbursement
- No immovable property needed as collateral

##### **➤ Target Group and Eligible Expenditure**

- MSMEs - Machinery purchased from identified OEMs manufacturing high end machines or authorised dealers / Indian subsidiaries of such foreign OEMs, which have strong brand reputation and with whom SIDBI has entered into an MoU
- Proposed machinery should relate to same line of business
- 2nd hand/ refurbished machines are not eligible

➤ **Loan Amount**

- Upto 100% of the machinery cost subject to maximum of ₹2 crore for New to SIDBI customers (based on 20% - 30% FD) and up to ₹3 crore for existing customers of SIDBI (based on 15% - 30% FD)

➤ **Interest Rate and Repayment**

- MCLR based interest rate as per internal rating
- Maximum 7 years including moratorium of 6-12 months

➤ **Eligibility**

- MSME units with at least 5 years operations with stable sales and cash profits in immediate past 3 years
- Minimum net sales of ₹ 5 crore and no operating loss in immediate past two years

**l) SIDBI – Loan for Purchase of Equipment for Enterprise’s Development (SPEED)**

➤ **Key Points**

- Upto 100% financing
- One-page application format
- Quick sanction and disbursement

➤ **Eligible Expenditure**

- For New To Bank (NTB) - Machinery purchased from the OEMs with whom SIDBI has MoU. For Existing Customer- Any OEM
- Proposed machinery should relate to same line of business
- 2nd hand/ refurbished machines are not eligible.

➤ **Loan Amount**

- Upto 100% of the machinery cost subject to maximum of ₹1 crore for New to Bank (NTB) customers and upto ₹2 crore for existing customers of SIDBI. SIDBI reserves the right to sanction lower amount depending upon assessment of repayment capacity.

➤ **Interest Rate and Repayment**

- MCLR based interest rate as per internal rating
- 2 to 5 years including moratorium up to 6 months.

➤ **Eligibility**

- MSME units with at least 3 years operations with stable sales and cash profits in immediate past 2 years.

**m) Working Capital (Cash Credit)**

➤ **Key Points**

- Presently available for MSME, who have outstanding Term loans from SIDBI or propose to avail both TL & WC from SIDBI.

- Option to choose banking platform from 2-3 banks
  - Seamless approvals as per customer instructions for setting DP etc.
  - Single window for term loan customer to avail working capital facilities.
- **Target Group**
- MSMEs
- **Eligibility**
- Should be an eligible MSME unit.
  - SIDBI assistance shall be considered to any of the following category of customers.
  - Existing customers who are solely banking with the Bank.
  - Existing customers of the Bank (who are also banking with other banks).
  - Existing well performing entities who are new to the Bank and do not enjoy working capital facility with any other bank; where term loan is considered by the Bank.
  - New entities where term loan is considered by the Bank.
  - Takeover of working capital accounts, as a part of term loan takeover, may be considered subject to compliance of takeover guidelines.
- **Financial Parameters**
- Satisfying minimum financial parameters under the scheme.

Parameters	Eligibility Norm
Total outside liabilities/ tangible Net worth (TOL/TNW)	Not to exceed 4:1
Current Ratio	1.25
Interest Coverage	Minimum 1.5 times
Overall Asset Coverage	1.3 for existing units and 1.4 for new projects
Internal Rating	As per existing Bank's Norms

#### **n) Loans under Partnership with OEM**

- **Key Points**
- One stop solution for MSMEs purchasing machines from OEMs.
  - Financial tie ups arranged at the time of placing of order with OEMs.
  - Simple Credit dispensation.
  - Quick disbursal under CGTMSE cover is proposed to be taken by MSME.
- **Target Group and Eligible Expenditure**
- MSME entities should be in existence for at least 3 years having satisfactory financial position.
  - Investment in Plant & Machinery purchased from respective OEMs.

➤ **Loan Amount**

- Generally, upto ₹ 100 Lakh. Higher loan amount can also be considered subject to Bank's guidelines.

➤ **Interest Rate and Repayment**

- Bank Specific
- Normally upto 60 months including eligible moratorium.

**o) Smile Equipment Finance (SEF)**

➤ **Key Points**

- Competitive interest rates.
- Funding of part Promoter contribution by way of soft loans.
- Longer repayment period.
- Quick dispensation

➤ **Eligibility**

- Emphasis will be on covering new enterprises in the manufacturing as well as services sector.
- The emphasis will however, be on financing smaller enterprises within MSME.
- Existing enterprises undertaking expansion, to take advantage of new emerging opportunities, as also undertaking modernization, technology upgradation or other projects for growing their business will also be covered.
- Minimum Loan Size - ₹ 10 lakh for Equipment Finance & Others: ₹ 25 lakh.

➤ **Security**

- Term Loan
  - ✓ First charge over all assets created under the project.
  - ✓ Personal guarantee of promoter(s).
  - ✓ Cases involving term loan up to ₹ 2 crore may be covered under Credit Guarantee Scheme of CGTMSE.
- ACR and FACR norms would be applicable in terms of extant Loan Policy.
- Soft Loan
  - ✓ Residual charge over the entire assets
  - ✓ Personal Guarantee of the Promoter(s)

➤ **Tenure and Moratorium**

- Longer repayment period up to 10 years including moratorium of up to 36 months.
- Minimum Promoter Contribution of 15% subject to Maximum DER of 3:1

## **5. Equity Infusion for MSMEs through Fund of Funds**

### **Objectives**

- Enhancing equity/equity like financing to MSMEs and listing of MSMEs on Stock's Exchanges
- Supporting faster growth of MSME Businesses and thereby ignite the economy and create employment opportunities;

- Supporting enterprises which have the potential to graduate beyond the MSME bracket and become National / International Champions;
- Supporting MSMEs which help making India self-reliant by producing relevant technologies, goods and services.

### **Guidelines**

- <http://www.nvcfl.co.in/Index>

## **6. Gramodyog Vikas Yojana (GVY) Scheme**

### **About**

"Gramodyog Vikas Yojana (GVY)" scheme is for promotion and development of village industries through common facilities, technological modernization, training etc. & other support and services for promotion of village Industries. GVY has the following components/verticals from the activities under Village Industries:

- a. Wellness & Cosmetics Industry (WCI)
- b. Handmade Paper, Leather & Plastic Industry (HPLPI)
- c. Agro Based & Food Processing Industry (ABFPI)
- d. Mineral Based Industry (MBI)
- e. Rural Engineering & New Technology Industry (RENTI)
- f. Service Industry

### **Eligibility**

- Any Indian Citizen may be the beneficiary of KGVY.
- The beneficiaries may be identified by KVIC, NGOs /KIs/VIs/KVIB's/DIC's/FPOs etc.
- Age Group: 18-55 Years.
- Having valid Aadhaar Card or any other Identity Card issued by Government.
- The field offices shall identify the beneficiaries by conducting the awareness camp/through advertisements as per the annual target allocated based on the budget/ action plan for the Scheme.
- Beneficiary / Candidates have to produce details like DOB, Address Proof, Photograph, and Mobile No. etc.
- Selected beneficiary shall have to submit the self-declared undertaking for payment of Own Contribution as well as maintenance of the machineries, tools and equipment provided to them.
- One person from one family is eligible for the assistance under KGVY.
- Persons already trained in respective industries by KVIC/ KVIB/NABARD/KVK(s) / Agriculture or Horticulture Boards/ Eligible NGO(s)/RSETI/RUDSETI /ITI etc. are eligible to get the support of under GVY scheme.
- Persons who have availed benefits from other Govt. Schemes for the same / similar purpose is not eligible; the beneficiary shall have to give declaration to this effect in writing.

- Preference shall be given to the people belonging to SCs/STs/Women/Unemployed Youth IBPL category etc.
- Preference may also be given to the persons for Rehabilitation resettlement of surrendered Naxalites / Extremists / Militants, Widows of Defense Personnel & Para-Military Forces and Militancy Affected Families etc.

### **Components of the Scheme**

- **Component I:** Agarbatti Programme under Wellness and Cosmetics Industries (WCI) vertical of Gramodyog Vikas Yojana (GVY)
- **Component II:** Leather Footwear Activity under Handmade Paper Leather & Plastic Industry (HMPLPI) vertical of Gramodyog Vikas Yojana (GVY)
- **Component III:** The Pottery Activity under Mineral Based Industry (MBI) vertical of Gramodyog Vikas Yojana (GVY)
- **Component IV:** Beekeeping Activity/Honey Mission Programme under Agro-Based & Food Processing Industries (ABFPI) vertical of Gramodyog Vikas Yojana (GVY)
- **Component V:** Waste Wood / Turn Wood Craft / Wooden Toy / Products of Panchgavya under Rural Engineering and New Technology Vertical of Gramodyog Vikas Yojana (GVY)
- **Component VI:** Guidelines of Hand Made Paper and Fiber related activities under Hand Made Paper, Plastic and Leather Industry vertical.
- **Component VII:** Agro-Based Food Processing Industries
- **Component VIII:** Service Industry

### **Guidelines**

- **Link:**  
<https://msme.gov.in/sites/default/files/RevisedoperationalGuidelinesofGVY.pdf>

## **Schemes of other Ministries of Government of India**

### **1. PM Formalisation of Micro Food Processing Enterprises Scheme (PMFME)**

Objective	PM FME scheme is a centrally sponsored scheme that is designed to address the challenges faced by the micro enterprises and to tap the potential of groups and cooperatives in supporting the upgradation and formalization of these enterprises. The expenditure under the scheme would to be shared in 60:40 ratios between Central and State Governments.
Nodal Agency	District Industries Centre
Aims	The scheme aims to: <ul style="list-style-type: none"><li>• Enhance the competitiveness of existing individual micro-enterprises in the unorganized segment of the food processing industry and promote formalization of the sector; and</li><li>• Support Farmer Producer Organizations (FPOs), Self Help Groups (SHGs) and Producers Cooperatives along their entire value chain.</li></ul>
Financial Assistance	The objectives of scheme are to build capability of microenterprises to enable: <ul style="list-style-type: none"><li>• Increased access to credit by existing micro food processing entrepreneurs, FPOs, Self Help Groups and Co-operatives;</li><li>• Integration with organized supply chain by strengthening branding &amp; marketing;</li><li>• Support for transition of existing 2,00,000 enterprises into formal framework;</li><li>• Increased access to common services like common processing facility, laboratories, storage, packaging, marketing and incubation services;</li><li>• Strengthening of institutions, research and training in the food processing sector; and</li><li>• Increased access for the enterprises, to professional and technical support.</li></ul>
Coverage	Under the scheme, 2, 00,000 micro food processing units will be directly assisted with credit linked subsidy. Adequate supportive common infrastructure and institutional architecture will be supported to accelerate growth of the sector.
For more details	<a href="https://industry.kerala.gov.in/index.php/schemes-mainmenu/pmfme-schemes">https://industry.kerala.gov.in/index.php/schemes-mainmenu/pmfme-schemes</a>

### **2. Special Refinance Scheme for Promoting Micro Food Processing Enterprises**

Objective	To Provide sustainable economic activities and employment opportunities in rural areas with special focus on women entrepreneurs and Aspirational districts, promote agri-value chains for enhanced income to farmers, strengthen local supply chain through creating appropriate linkages, encourage banks to provide financial support at concessional rates to beneficiaries and enhance credit flow to small
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	food processing units in rural areas.
Eligible borrowers	Individuals, FPOs, SHGs, JLGs, Farmers' collectives, Proprietorship, Partnership firms, Companies
Eligible Activities	Post-harvest processing activities/value addition in primary produce such as cleaning, grading, waxing, packing, pulp & juices, pickles, squashes & sauces, flour milling, baking, noodles, honey, chips making, spices grinding etc. Agriculture produce includes: Fruits, Vegetables, Mushrooms, Plantation crops and other horticulture crops, Milk & Milk Products, Poultry & Meat, Fish and other aquatic & marine products, apiculture, Cereals, pulses, jaggery units, oil seeds etc. Herbs, medicinal and aromatic plants, minor forest produce, spices, condiments etc.
Margin	As per bank scheme & RBI guidelines
Quantum of Loan	Rs.1 Lakh to Rs.25 Lakh
Interest rate	Interest rate on refinance @4%. Interest rate on Loans Should not be more than 6 months MCLR+1% or EBLR+2.50% whichever is lower
Refinance	Refinance will be sanctioned under Automatic Refinance facility (ARF) by NABARD
Implementing Financial Institutions	Commercial Banks, SFBs, RRBs, Cooperative Banks and subsidiaries of NABARD
Repayment period	Refinance to be repaid in 5 years
For more details	<a href="https://nabard.org/content1.aspx?id=1730&amp;catid=23&amp;mid=530">https://nabard.org/content1.aspx?id=1730&amp;catid=23&amp;mid=530</a>

### **3. Pradhan Mantri Mudra Yojana (PMMY)**

Objective	Micro Unit Development and Refinance Agency Limited (MUDRA) has partnered with Commercial Banks/ Regional Rural /Non-Banking Financial Companies / Cooperative Banks / Micro Finance Institutions for refinance through Pradhan Mantri Mudra Yojana (PMMY), which is aimed to increase the access of small borrowers to credit from formal financial sector.
Eligible Activities	Business loans to traders, shopkeepers, Service sector activities, Transport vehicles loans, equipment finance for micro Units, Loans to Micro & Small Enterprises in Manufacturing & Service Sector, Activities allied to Agriculture e.g. Pisciculture, Bee keeping, poultry, livestock rearing, aggregation agro industries dairy , fishery, agri-clinics and agribusiness centres, food and agro processing etc.
Security	The Government of India through Ministry of Finance, Department of Financial Service (DFS) has notified the Credit Guarantee Fund for Micro Units (CGFMU) for the purpose of providing guarantee to loans extended under PMMY with effect from April 2015 with the objective

	to reduce the credit risk to Banks/NBFCs/MFIs and other financial intermediaries who are Member Lending Institutes (MLIs).
Quantum of Loan	SHISHU - (UPTO Rs.50,000/-) – the starters KISHORE - (Rs.50,000/- TO Rs.5 LAKH) – the mid stage finance seekers TARUN - (Rs.5 LAKH TO Rs.10 LAKH) – next level growth seekers
Interest rate	Bank specific
Refinance	Expansion scheme available
Implementing Financial Institutions	Commercial Banks/ Regional Rural /Non-Banking Financial Companies / Cooperative Banks / Micro Finance Institutions
Repayment period	As per loan agreement
For more details	<a href="https://www.mudra.org.in">https://www.mudra.org.in</a>

#### 4. Stand Up India Scheme

Objective	To facilitate bank loans to at least one SC or ST or Women borrower per Bank branch for setting up Greenfield projects in Manufacturing, Service or Trading Sector
Nodal Agency	SIDBI
Eligible borrowers	<ul style="list-style-type: none"> <li>• SC/ST and/or Woman entrepreneurs above 18 years of age.</li> <li>• Loans under the scheme is available for only green field project. In this context, the first time venture of the beneficiary in the manufacturing or services or trading sector.</li> <li>• In case of non-individual enterprises, 51% of the shareholding and controlling stake should be either SC/ST and/or Women Entrepreneur.</li> <li>• Borrower should not be in default to any bank/financial institution</li> </ul>
Eligible Activities	Greenfield projects in Manufacturing, Service or Trading Sector
Margin	The scheme envisages 25% margin money which can be provided in convergence with eligible Central/State schemes. While such schemes can be drawn upon for availing admissible subsidies or for meeting margin money requirements, in all cases, the borrower shall be required to bring in minimum of 10% if the project cost as own contribution.
Quantum of Loan	Composite Loan (inclusive of Term Loan & Working capital) between Rs. 10 Lakhs and Rs. 100 Lakhs. Composite loan of 75% of the project cost inclusive of term loan and working capital. The stipulation of the loan being expected to cover 75% of the project cost would not apply if the borrower's contribution along with convergence support from any other schemes exceeds 25% of the project cost.
Interest rate	The rate of interest would be lowest applicable rate of the bank for that category (rating category) not to exceed (base rate (MCLR)+3%+tenor

	premium)
Security	Besides Primary security, loan may be secured by collateral security or guarantee by Credit Guarantee Fund scheme for Standup India (CGFSIL) as decided by banks.
Implementing Financial Institutions	All Scheduled Commercial banks
Repayment period	Repayable in 7 years with maximum moratorium of 18 months
Working Capital	For drawal of working Capital up to Rs 10 lakh the same may be sanctioned by way of overdraft. Rupay debit card to be issued for convenience of the borrower. Working capital above Rs 10 lakh to be sanctioned by way of Cash Credit limit.
For more details	<a href="https://www.standupmitra.in/">https://www.standupmitra.in/</a>

## 5. Start-up India Seed Fund Scheme

### What is Startup India?

- The Startup India initiative of the Government of India envisages building a robust Start-up ecosystem in the country for nurturing innovation and providing opportunities to budding entrepreneurs.

### What is Startup India Seed Fund Scheme?

- Easy availability of capital is essential for entrepreneurs at the early stages of growth of an enterprise.
- Funding from angel investors and venture capital firms becomes available to startups only after the proof of concept has been provided. Similarly, banks provide loans only to asset-backed applicants. It is essential to provide seed funding to startups with an innovative idea to conduct proof of concept trials.
- DPIIT has created Startup India Seed Fund Scheme (SISFS) with an outlay of INR 945 Crore to provide financial assistance to startups for Proof of Concept, prototype development, product trials, market entry, and commercialization. It will support an estimated 3,600 entrepreneurs through 300 incubators in the next 4 years.
- The Seed Fund will be disbursed to eligible startups through eligible incubators across India.

### Objectives of SISFS

- The Indian startup ecosystem suffers from capital inadequacy in the seed and ‘Proof of Concept’ development stage.
- The capital required at this stage often presents a make or break situation for startups with good business ideas.
- Many innovative business ideas fail to take off due to the absence of this critical capital required at an early stage for proof of concept, prototype development, product trials, market entry and commercialization.

- Seed Fund offered to such promising cases can have a multiplier effect in validation of business ideas of many startups, leading to employment generation.

**Eligibility Criteria**

- A startup, recognized by DPIIT, incorporated not more than 2 years ago at the time of application. To get DPIIT-recognized, visit <https://www.startupindia.gov.in/>
- The startup must have a business idea to develop a product or a service with a market fit, viable commercialization, and scope of scaling.
- The startup should be using technology in its core product or service, or business model, or distribution model, or methodology to solve the problem being targeted.
- Preference would be given to startups creating innovative solutions in sectors such as social impact, waste management, water management, financial inclusion, education, agriculture, food processing, biotechnology, healthcare, energy, mobility, defense, space, railways, oil and gas, textiles, etc.
- Startup should not have received more than Rs 10 lakh of monetary support under any other Central or State Government scheme. This does not include prize money from competitions and grand challenges, subsidized working space, founder monthly allowance, access to labs, or access to prototyping facility.
- Shareholding by Indian promoters in the startup should be at least 51% at the time of application to the incubator for the scheme, as per Companies Act, 2013 and SEBI (ICDR) Regulations, 2018.
- A startup applicant can avail seed support in the form of grant and debt/convertible debentures each once as per the guidelines of the scheme.

**For more details visit:** <https://seedfund.startupindia.gov.in/>

## Schemes of Government of Kerala

### 1. Entrepreneur Support Scheme (ESS)

Features of the Scheme	<ul style="list-style-type: none"> <li>Provides Subsidy for the investment in Land, Building, Plant &amp; machinery, Electrification, Essential Office Equipment, Pollution Control Devices and other fixed assets.</li> <li>For General Category, assistance is 15% of the capital investment limited to Rs 30 lakh.</li> <li>For Young (18 to 45 years), Women, SC/ST and Non Resident Keralite (NRK) entrepreneurs, the assistance is 25% limited to Rs 40 lakh.</li> <li>Enterprises in priority sectors are eligible for an additional assistance of 10% limited to Rs 10 lakh.</li> <li>MSMEs started in the districts of Idukki, Wayanad, Kasargode and Pathanamthitta are eligible for an additional support of 10% limited to Rs 10 lakh.</li> <li>Enterprises setup after acquiring new technology from approved research institutions are eligible for an additional support of 10% limited to Rs 10 lakh.</li> <li>The total eligible assistance for an enterprise is limited to Rs 40 lakh.</li> </ul>
Nodal Agency	District Industries Centre
Eligible borrowers	MSMEs engaged in <i>Manufacturing Activities</i> are eligible for assistance under this scheme
Eligible Activities	Investment in Land, Building, Plant & machinery, Electrification, Essential Office Equipment, Pollution Control Devices and other fixed assets are eligible.
For more details	<a href="https://industry.kerala.gov.in/index.php/schemes-mainmenu/entrepreneur-support-scheme-schemes">https://industry.kerala.gov.in/index.php/schemes-mainmenu/entrepreneur-support-scheme-schemes</a>

### 2. One Family One Enterprises (OFOE)

Objective	The scheme envisages to encourage entrepreneurial activity in every household and to provide interest subvention for loan amount up to Rupees 10 lakh (for fixed capital loan and/ or working capital loan) of the project cost.
Nodal Agency	District Industries Centre
Eligibility for Applicants	<ul style="list-style-type: none"> <li>All new micro, small and medium enterprises in manufacturing, service and trading activities, which availed Term Loan and/or Working Capital Loan, shall be eligible for assistance under this scheme.</li> <li>The MSME units, which commenced operation/production on or after 1/4/2022, are eligible for assistance under this scheme.</li> <li>The unit shall have a valid Udyam registration.</li> <li>As on the date of submission of the claim, the loan accounts should not have been declared as NPA as per extant guidelines in force.</li> <li>The unit shall be working as on date of application.</li> <li>The unit shall not have availed any grant assistance under any</li> </ul>

	<p>scheme of Central Government/State Government/ Local Self Government Department.</p> <ul style="list-style-type: none"> <li>• Even though the scheme is for new units as item 1 above, an exemption is there for units supported by Prime Minister Formalization of Micro Food Processing Enterprises (PMFME) scheme of the Ministry of Food Processing Industries, Govt. of India. In order to dovetail this scheme with the PMFME scheme - existing enterprises supported under PMFME scheme shall also be eligible for assistance under One Family One Enterprise (OFOE) scheme provided the unit commenced production after expansion/modernization/ diversification on or after 1/4/2022.</li> <li>• Even though the scheme is not eligible for units who have availed any grant assistance under any scheme of Central Government/State Government/ Local Self Government Department as item 6 above, an exemption is there for units supported by Prime Minister Formalization of Micro Food Processing Enterprises (PMFME) scheme of the Ministry of Food Processing Industries, Govt. of India. Units which have availed/are availing assistance under PMFME scheme shall be eligible for this assistance for the working capital portion alone up to loan amount of Rs.10 Lakh.</li> </ul>
For more details	<a href="https://industry.kerala.gov.in/index.php/schemes-mainmenu/one-family-one-enterprises-ofoe">https://industry.kerala.gov.in/index.php/schemes-mainmenu/one-family-one-enterprises-ofoe</a>

### 3. MSME Scale Up Mission (Mission 1000)

Objective	The Scale Up Mission initiative by Government of Kerala is aimed at uplifting 1000 Micro, Small and Medium Enterprises (MSMEs) in the State into businesses with Rs. 100 crore turnover within four years. MSMEs will be selected through an objective and transparent process.
Nodal Agency	District Industries Centre
Eligibility for Applicants	<p>The pre-qualifications for MSMEs to be selected for the Scale Up Mission include</p> <ul style="list-style-type: none"> <li>• Being registered in Kerala with UDYAM registration</li> <li>• Being in operation for at least three years as of March 31, 2023</li> <li>• Being engaged in manufacturing or service activities.</li> </ul>
Assistance from Government	<p>Selected units will be provided with various incentives to encourage their growth, such as</p> <ul style="list-style-type: none"> <li>• Capital Investment Subsidy up to 40% (maximum Rs. 2 Cr)</li> <li>• Interest subvention for working capital loans up to 50% of the interest rate (limited to Rs. 1 Cr)</li> <li>• Financial assistance for preparation of DPR for scale (up to Rs. 1 lakh per Enterprise),</li> <li>• special assistance for technology innovation and skills,</li> <li>• special assistance in obtaining quality certifications, and</li> <li>• One to one handholding by assigning an officer from the Industries Department to each selected enterprises to assist them in their various scaling-up related activities.</li> <li>• priority in all schemes and incentives of the Industries Department</li> </ul>

For more details	<a href="https://industry.kerala.gov.in/index.php/schemes-mainmenu/one-family-one-enterprises-ofoe">https://industry.kerala.gov.in/index.php/schemes-mainmenu/one-family-one-enterprises-ofoe</a>
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#### 4. Assistance Scheme for Handicrafts Artisans (ASHA)

Features of the Scheme	<ul style="list-style-type: none"> <li>Provides assistance for the Fixed Capital Investment, ie construction of Work shed/ Workshop, cost of tool, equipment, machinery and accessories, electrification, Technology support/ product / Design development.</li> <li>For General Category artisans, assistance is 40% of the Fixed Capital Investment limited to Rs 2.00 lakh.</li> <li>For Young (18 to 45 years), Women, SC/ST artisans, the assistance is 50% limited to Rs 3.00 lakh.</li> </ul>
Nodal Agency	District Industries Centre
Eligibility	<p>1. Must be engaged in the field of handicraft work in the state and should be an approved artisan by Surabhi, Kerala State Bamboo Corporation (KSBC), Handicrafts Development Corporation of Kerala Ltd. (HDCK), Kerala State Palmyra Products Development and Workers Welfare Corporation Limited (KELPAM), Kerala Artisans Development Corporation (KADCO), Handicraft Development Commissioner etc.</p> <p>2. Age, Education: No stipulation</p> <p>3. EM Part 2/UR registration mandatory</p>
Components Covered	Work shed, tools & machinery, electrification etc.
For more details	<a href="https://industry.kerala.gov.in/index.php/schemes-mainmenu/asha-schemes">https://industry.kerala.gov.in/index.php/schemes-mainmenu/asha-schemes</a>

#### 5. The Kerala Stressed MSMEs Revival & Rehabilitation Scheme

Objective	To provide financial and other handholding support to the MSMEs (Stressed & Sick) which show signs of stress and to convert their non-productive assets into productive assets.
Nodal Agency	District Industries Centre
Eligibility	<p>a) MSME in the manufacturing category and set up in the state</p> <p>b) Does not come under Negative List</p> <p>c) Must have filed EM part II/UAM</p> <p>d) Must come under the definition of Sick Unit and</p> <p>e) Must be Potentially Viable to be revived or restructured based on a definite Revival Project Report.</p> <p>For the purpose of this scheme, an industrial unit eligible for the assistance shall be an independent legal entity.</p>
Assistance from Government	<p>i. 50% of the margin insisted by the bank/Financial Institution towards additional working capital loan and term loan, will be payable as Grant Assistance limited to Rs 2 lakhs.</p> <p>ii. Interest subvention on a reimbursement basis for the additional term loan and additional working capital loan availed by the units based on the Revival Project Report recommended by the expert</p>



	<p>committee. The interest subvention is 6% per annum subject to a maximum amount of Rs 1 lakh. The interest subvention is limited for one (first) year on the loan sanctioned by the financial institution/bank. 50% of the 6% interest subsidy shall be released within 60 days from the date of release of the loan from financial institution/bank. The second instalment i.e. balance 50% of interest subsidy eligible for the 1st year shall be paid after the completion of 12 months period of successful running of the unit and shall be based on a report from the concerned financial institution/bank with regard to the performance of the unit. The interest subvention amount shall be released to the loan account of the unit.</p> <p>iii. Restart Expenses-50% of the cost of Additional/Balancing Plant and Machinery limited to Rs 1.50 lakhs will be payable as one time assistance. 50% of the cost incurred for the inevitable repair and maintenance of existing Plant and Machinery and Building limited to Rs 1.00 lakh will be reimbursed.</p> <p>iv. Clearance of Statutory Dues of KSEB, GST/Commercial Tax, Excise, Pollution Control Board etc-50% of the dues limited to Rs 40,000</p> <p>v. Cost of preparation of RPR will be reimbursed @ 100%, Rs.10000/- per unit.</p> <p>vi. The maximum assistance admissible for each unit, all reliefs and assistances put together, under the scheme will be limited to Rs.5 Lakh.</p>
For more details	<a href="https://industry.kerala.gov.in/index.php/schemes-mainmenu/interest-subvention-scheme-to-nano-units-scheme-menu">https://industry.kerala.gov.in/index.php/schemes-mainmenu/interest-subvention-scheme-to-nano-units-scheme-menu</a>

## 6. Margin Money Grant to NANO Units

Scheme Details and Eligibility	All new Nano proprietary enterprises in manufacturing / food processing and job works and units engaged in service sector having any type of value addition, whose project cost including fixed capital and working capital up to 10 lakhs are eligible for the assistance under the scheme. Preference is given to special categories such as women, handicapped persons, ex-servicemen and persons belonging to SC/ST. Youth entrepreneurs up to the age of 40 are also given priority under the scheme. 30% of the beneficiaries under the scheme shall be women entrepreneurs.
Nodal Agency	District Industries Centre
Assistance	<p>Maximum limit of margin money grant under the scheme shall be Rs 4 lakhs per unit as follows.</p> <p>a. Loan given by financial institution/KFC/Co-operative bank: Minimum 40 % of the project cost</p> <p>b. Promoter's contribution: Minimum 30 % of the project cost</p> <p>c. Margin money grand by Industries Department: 30 % of the project cost limited to a maximum of 3 lakhs.</p> <p>d. In case of special categories MMG will be 40 % of the project cost limited to a maximum of 4 lakhs and promoter's contribution shall be 20%.</p>



For more details	<a href="https://industry.kerala.gov.in/index.php/schemes-mainmenu/margin-money-grand-to-nano-units-schemes">https://industry.kerala.gov.in/index.php/schemes-mainmenu/margin-money-grand-to-nano-units-schemes</a>
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## 7. Scheme for Interest Subvention to Nano Household Enterprises

Objective	This scheme has been introduced to promote the Nano and household enterprises in the state. The scheme intends to provide financial assistance in the form of interest subvention to Nano and household enterprises on a reimbursement basis for the term loan availed by the unit. The units engaged in the manufacturing, services as well as job work can apply under the scheme.
Nodal Agency	District Industries Centre
Definitions	<p>A unit which satisfies the following conditions;</p> <ul style="list-style-type: none"> <li>• The fixed capital investment is 10 lakh or less,</li> <li>• Engaged in the manufacturing, services or job work,</li> <li>• In white and green category as per pollution control norms,</li> <li>• Connected load is 5 HP or less.</li> </ul> <p><b>Note</b></p> <ul style="list-style-type: none"> <li>• Manufacturing units which are eligible to claim assistance under the Entrepreneur Support Scheme or any other schemes of Govt. of India or Govt. of Kerala cannot apply under the scheme.</li> <li>• Unit which has availed special low rate of interest from Government Agencies are not eligible for further interest subvention under this scheme.</li> </ul>
Benefit of the scheme	<ul style="list-style-type: none"> <li>• The unit will be eligible for interest subvention to an extent of 6% per annum for the term loan availed by the unit on reimbursement basis for three years.</li> <li>• For women and SC/ST enterprises, the interest subvention will be 8% for three years.</li> <li>• The assistance shall be limited to the fixed percentage of the composite investment upon <ul style="list-style-type: none"> <li>a. plant &amp; machinery,</li> <li>b. other fixed assets including essential office equipment and</li> <li>c. Electrification. Cost of Land and Building shall not be included in the Fixed Capital Investment under this scheme.</li> </ul> </li> <li>• In the event of default of re-payment of loan with interest at the end of 1st year, the subvention will not be passed. The same is applicable for 2nd and 3rd years.</li> </ul>
For more details	<a href="https://industry.kerala.gov.in/index.php/schemes-mainmenu/interest-subvention-scheme-to-nano-units-schemes">https://industry.kerala.gov.in/index.php/schemes-mainmenu/interest-subvention-scheme-to-nano-units-schemes</a>

## 8. Revival and Rehabilitation scheme for Defunct MSMEs and Cashew processing units

Objective	The scheme envisages supporting defunct MSMEs in the manufacturing sector including cashew processing units through assistance in the form of capital grants and working capital incentives.
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Nodal Agency	District Industries Centre
Definition	<ul style="list-style-type: none"> <li>• <b>Defunct MSMEs</b> – MSMEs which are non-operational for 6 months or more but can be revivable. In the case of units which become defunct due to plastic ban and those wish for diversification, the above time limit is not applicable.</li> <li>• <b>Defunct Cashew Processing Units</b> – The Cashew Processing Units which were defunct at least for six months/ and no matter whether they have received any Government assistance or bank loan within six months and in the process of revival.</li> </ul>
Beneficiaries	All MSMEs in manufacturing sector which are defunct for at least 6 months due to genuine issues including cashew processing enterprises that have potential to be revived and rehabilitated, are eligible for assistance under the scheme.
Financial Assistance	<p>All MSMEs in manufacturing sector which are defunct for at least 6 months due to genuine issues including cashew processing enterprises that have potential to be revived and rehabilitated, are eligible for assistance under the scheme.</p> <p>Financial Assistance under the scheme provided for the following components.</p> <ul style="list-style-type: none"> <li>• Building Renovation- 25% of the total revival project cost limited to Rs.2 lakh: - Building Renovation includes maintenance and repair of existing factory building, construction of fresh roofing in factory shed, infrastructure for Waste Disposal / Treatment facilities etc.</li> <li>• Plant &amp; Machinery and Electrification-40% of the total revival project cost limited to Rs.8 lakh:- It will be available for purchase of new machinery, Repair and Maintenance of Existing machines, industrial electrification etc. .</li> <li>• Working Capital (Margin)- 50% margin of working Capital loan approved by Financial institution subject to. <ul style="list-style-type: none"> <li>○ Assistance limited to Rs.2 lakhs for defunct MSMEs.</li> <li>○ Assistance limited to Rs.5 lakhs for Cashew Units.</li> </ul> </li> </ul> <p>Bank Sanction of fresh working capital loan is mandatory for availing Working Capital (Margin) Assistance, but bank loan is not mandatory for assistance for building renovation, plant and machinery, electrification etc.</p>
For more details	<a href="https://industry.kerala.gov.in/index.php/schemes-mainmenu/revival-and-rehabilitation-scheme-for-defunct-msmes-and-cashew-processing-units-schemes">https://industry.kerala.gov.in/index.php/schemes-mainmenu/revival-and-rehabilitation-scheme-for-defunct-msmes-and-cashew-processing-units-schemes</a>

## 9. Ente Gramam

Objective	The Scheme was introduced with a view to generate continuous and sustainable employment opportunities all over the state. To provide employment opportunities to unemployed youth, through setting up of new enterprises. The Scheme also comes to contribute for minimizing migration of youth to other state and foreign countries seeking job opportunities.
Implementing	Khadi & Village Industries Board( KVIB)

Agency	
Eligible borrowers	Individual above 18 years of age, self-help groups and charitable trusts institutions registered under society's registration Act of 1860 production based Cooperative Societies.
Eligible Activities	All economically viable activities under Industries, service
Maximum Project Cost	Rs 10 lakhs
Margin	General Category 10%; Special category 5%
Subsidy	General Category 25%; OBC/Women 30%; SC/ST/NRI s who has lost job due to Covid pandemic crisis: 40%
Security	No collateral to be insisted as project cost below Rs.10 Lakhs
Implementing Financial Institutions	Nationalized Bank, Scheduled Bank, Co-operative Banks, Primary Cooperative Banks.
For more details	<a href="http://kkvib.org/images/pdf/SEGP_Guideline.pdf">http://kkvib.org/images/pdf/SEGP_Guideline.pdf</a>

## 10. Schemes of Kerala Finance Corporation

### a) Other Loan Schemes of KFC

Chief Ministers Entrepreneurship Development Programme - II [CMEDP II]	<ul style="list-style-type: none"> <li>MSMEs - Loans up to Rs.2 crore at 5% interest.</li> <li>loan will be up to 90% of the project cost</li> <li>Specialized training and follow-up services for the selected entrepreneurs.</li> </ul>
Term Loan	<ul style="list-style-type: none"> <li>To meet loan term requirements for projects</li> <li>New and existing enterprises</li> <li>Loan up to 8 crore for non-corporates and up to 20 crore for Corporates</li> </ul>
Working Capital Loans	<ul style="list-style-type: none"> <li>Loan upto 80% of working capital requirement</li> <li>Working Capital Term Loans</li> <li>Revolving Fund Loans</li> </ul>
Modernisation Scheme	<ul style="list-style-type: none"> <li>Expansion / Modernisation / Upgradation</li> <li>Hotels, Hospitals, Resorts, Multiplexes, Manufacturing units etc.</li> <li>Loan up to 90% of expansion cost</li> </ul>
Short Term Loans	<ul style="list-style-type: none"> <li>New and Existing Enterprises</li> <li>Should be prompt in servicing existing liabilities</li> <li>Up to 4 years repayment period</li> </ul>
Contractor Loans	<ul style="list-style-type: none"> <li>For executing Govt. Contract works</li> <li>Loan up to 80% of contract value</li> <li>Equipment Finance Facility</li> </ul>
Bill Discounting Facility	<ul style="list-style-type: none"> <li>For Govt. Contractors and PSUs</li> <li>Loan up to 100% of Promissory Note</li> <li>Interest rate 10.50%</li> </ul>
Start-up Loans	<ul style="list-style-type: none"> <li>Loan up to 10 crore for executing purchase orders from Govt. / PSU / Reputed private sector enterprises;</li> <li>Seed loan assistance up to 1 crore for developing socially relevant products prescribed by UNO.</li> </ul>

Guarantee Facility	<ul style="list-style-type: none"> <li>• For Govt. Contractors and MSMEs</li> <li>• Covers 100% of guarantee required</li> <li>• Commission 0.5% per quarter</li> </ul>
MSME Bill discounting facility	<ul style="list-style-type: none"> <li>• For Govt works.</li> <li>• Loan upto 80% of work order</li> <li>• Interest rate starts at 8%</li> </ul>
Special Scheme for MSMEs located at Industrial Estates	<ul style="list-style-type: none"> <li>• Up to 75% loan for setting up new units.</li> <li>• Up to 90% loan for modernisation / Expansion / Diversification of existing units</li> <li>• Minimal security requirement</li> </ul>

#### **b) Start-Up Loans of KFC**

Loan for executing purchase orders	<ul style="list-style-type: none"> <li>• Should have secured a firm purchase order from a Government / PSU / Reputed Private Sector Enterprise</li> <li>• Maximum Loan Rs. 10 crore</li> <li>• Interest @ 7.6%</li> </ul>
Venture Debt Funding	<ul style="list-style-type: none"> <li>• For IT Hardware and Software Enterprises</li> <li>• Should have undergone due diligence by a SEBI accredited Venture capital Fund</li> <li>• Maximum Loan Rs. 10 crore</li> <li>• Interest @ 7.6%</li> </ul>
Seed Loan Assistance	<ul style="list-style-type: none"> <li>• Should be working on development of socially relevant product which addresses any of the Sustainable Development Goals prescribed by UNO</li> <li>• Loan up to Rs. 1 crore</li> <li>• Repayment period up to 3 years</li> <li>• Interest @ 7.6%</li> </ul>
Loan for Productization /commercialisation / scaling up	<ul style="list-style-type: none"> <li>• Productization- 25cr</li> <li>• Commercialisation-50cr</li> <li>• Scaling up- 100cr</li> <li>• Interest- 5.6%</li> </ul>
For more details	<a href="https://kfc.org/">https://kfc.org/</a>

### **11. Loan Schemes of Kerala Bank**

Name of Scheme	Link
KB MITHRA MSME LOAN	<a href="https://keralacobank.com/p_msme_001.php">https://keralacobank.com/p_msme_001.php</a>
KB SUVIDHA MSME LOAN	<a href="https://keralacobank.com/p_msme_002.php">https://keralacobank.com/p_msme_002.php</a>
KB SUVIDHA WORKING CAPITAL MSME LOAN	<a href="https://keralacobank.com/p_msme_003.php">https://keralacobank.com/p_msme_003.php</a>
KB YUVAMITHRA – MSME LOAN	<a href="https://keralacobank.com/p_msme_004.php">https://keralacobank.com/p_msme_004.php</a>
KB GST MITHRA – MSME LOAN	<a href="https://keralacobank.com/p_msme_005.php">https://keralacobank.com/p_msme_005.php</a>
KB SUVIDHA PLUS – MSME LOAN	<a href="https://keralacobank.com/p_msme_006.php">https://keralacobank.com/p_msme_006.php</a>
KB SMART – MSME LOAN	<a href="https://keralacobank.com/p_msme_007.php">https://keralacobank.com/p_msme_007.php</a>

KB PRAVASI KIRAN – MSME LOAN	<a href="https://keralacobank.com/p_msme_008.php">https://keralacobank.com/p_msme_008.php</a>
KB PRAVASI BADRATHA – MSME LOAN	<a href="https://keralacobank.com/p_msme_009.php">https://keralacobank.com/p_msme_009.php</a>
KB PM SVANIDHI – MSME LOAN	<a href="https://keralacobank.com/p_msme_010.php">https://keralacobank.com/p_msme_010.php</a>

## **12. Loan Schemes of KSIDC**

### **a) Term Loan**

- To provide hassle free finance for meeting long-term establishing, expansion, modernizing and plant modification requirements of the applicant.
- To Partnership, LLP, Private Limited and Public Limited Companies
- Financial Assistance of Rs. 100 Lakhs to Rs. 6,000 Lakhs
- Repayment period of 6 to 10 years, fixed depending on the cash flow
- Moratorium period of 1 to 2 years
- Interest rate of 8.50% to 10.50% (floating, based on internal credit rating mechanism)
- Additional 0.5% rebate on prompt repayment of financial assistance
- Security for the loan shall be exclusive/ pari passu charge over the assets of the unit financed

### **b) Equipment Purchase Loan**

- To provide financial assistance for meeting plant & machinery / utilities / equipment purchase requirements of the existing/ new clients with good track record
- To Partnership, LLP, Private Limited and Public Limited Companies
- Financial Assistance of Rs. 200 Lakhs to Rs. 2,000 Lakhs
- Repayment period of 5 to 8 years, fixed depending on the cash flow
- Moratorium period 6 months
- Financial assistance of up to 77.50% of the acquisition cost of plant & machinery / utilities / equipment (i.e., promoter's margin required shall be minimum 22.50%)
- Interest rate of 8.50 % to 10.50% (floating, based on internal credit rating mechanism)
- Additional 0.5% rebate on prompt repayment of financial assistance
- Security for the loan shall be as per the prevailing lending norms for both the existing and new clients

### **c) Corporate Loan**

- To provide financial assistance to established Corporate groups for acquisition of assets or/and expansion / modernization / diversifications
- The group company shall be a reputed player in the sector led by a professional and proven management of good reputation
- Existing and new clients with good performance track record can avail the scheme
- Sanction is purely based on the strength of the balance sheet & profitability and volume & prospects of the existing business

- Financial Assistance of Rs.200 Lakhs to Rs. 4,000 Lakhs
- Repayment period of 5 to 8 years, fixed depending on the cash flow
- Moratorium period of 6 to 12 months
- Interest rate of 8.50 % to 10.50% (floating, based on internal credit rating mechanism)
- Additional 0.5% rebate on prompt repayment of financial assistance
- Security for the loan shall first charge on the existing fixed assets of the company, assets to be acquired, collateral etc. to cover at least 150% of the loan

#### **d) Working Capital Term Loan**

- To provide hassle free finance for meeting long-term establishing, expansion, modernizing and plant modification requirements of the existing/ new clients with good track record
- To provide financial assistance to eligible entities for meeting the working capital requirements
- To Partnership, LLP, Private Limited and Public Limited Companies
- Financial Assistance of Rs. 200 Lakhs to Rs. 2,500 Lakhs
- Repayment period of 5 to 8 years, fixed depending on the cash flow
- Interest rate of 8.50% to 10.50% (floating, based on internal credit rating mechanism)
- Additional 0.5% rebate on prompt repayment of financial assistance
- Security shall be first charge over the existing fixed assets of the company exclusively or on a pari passu basis so as to provide security margin of 25% or 133.33% collateral security or a combination of two

#### **e) Share investment**

- To give financial assistance in the form of share capital contribution to public limited entities
- Equity Share Investment up to 26% in select cases
- Preference Share Investment up to 11% in select case. Dividend rate prescribed is the term lending rate

#### **f) KSIDC Privilege Card**

- To give financial assistance to the best of KSIDC assisted units having a minimum of 3 years of association
- The new loan up shall be 50% of the outstanding amount
- Loans shall be offered in the lowest rate in the interest band
- Should have good repayment track record with KSIDC and the accounts must be in standard category
- Has submitted the latest audited/provisional balance sheet
- Processing fee shall be waived

#### **g) CM Special Assistance Scheme**

- To provide hassle free finance for enabling environment in the state for MSMEs, Start-ups and NRKs for working capital & asset creation purposes

- Financial assistance shall be provided to all forms of new and existing entities i.e., proprietorship, partnership, company etc.
- Loan assistance of up to 80% of project cost shall be provided
- Lending limits shall be Rs. 100 Lakhs to Rs. 500 Lakhs
- Repayment period of 5 years
- Moratorium period of 1 year
- Interest rate of 5.50 % (floating, after 3% interest subvention from Government)
- Additional 0.5% rebate on prompt repayment of financial assistance
- Security for the loan shall be exclusive/ pari passu charge over the assets of the unit financed or collateral security
- Age limit: 18 – 60 years
- Should have a good CIBIL score i.e., above 650

#### **h) Bill Discounting Loan**

- To provide finance support purchase / discounting of bills arising out of genuine trade transactions made by clients with Government / PSUs
- To Corporate entity or partnership firm with minimum 3 years' experience related to civil, mechanical & engineering works and other business (excluding trading), duly supported by a certificate from authorized agencies such as PWD, KWA etc.
- Work advance and credit / loan together shall not exceed 80% of the value of the contract / purchase limited to Rs. 5 Crore at a time
- Financial Assistance of Rs. 200 Lakhs to Rs. 500 Lakhs
- Interest rate of 10.50% (floating)
- The loan will be secured by the personal guarantee of Partners / Directors, necessary agreement / POA with KSIDC, tripartite agreement between Company / firm, purchaser and KSIDC, and irrevocable power of attorney in favour of KSIDC to receive bill amount directly from the work issuing Department / Govt. Undertaking

#### **i) Contractor Loan**

- To provide financial assistance by way of working capital term loan to eligible, established and creditworthy applicants in the State for execution of various works in connection with Government assigned contracts in the State
- To Company, LLP, Proprietorship concern or Partnership Firm
- Shall be provided a financial assistance of 60% of the cost of work awarded
- Financial Assistance of Rs. 50 Lakhs to Rs. 6,000 Lakhs
- Repayment period of 3 years
- Interest rate of 9.50% (floating)
- Security for the loan shall be unencumbered collateral security, irrevocable Bank Guarantee, and fixed deposit in nationalized / scheduled banks providing 133% of cover for the loan sanctioned

#### **j) Caravan Loan**

- To provide finance for meeting the expenditure for purchasing of new caravans and / or setting up caravan parks



- Maximum finance from KSIDC per caravan is limited to 70 % of the cost of caravan. Promoters have to bring in the balance 30 %
- Financial Assistance of Rs. 25 Lakhs to Rs. 100 Lakhs per caravan, with the maximum lending limit being Rs. 500 Lakhs
- To Existing resorts/resort groups (firms, LLP and limited companies), Existing fleet owners/tour operators (firms, LLP and limited companies) and Returnee migrants
- Repayment period of 7 years
- Moratorium period of 12 months, extendable by another 6 months, from the date of first disbursement
- Interest rate of 8.50% (floating)
- Security for the loan shall be hypothecation of the caravan. In case of multiple vehicles financed, collateral security to cover 140% security shall be provided
- In case of funding for caravan parks, mortgage of caravan park exclusively to cover 140%

#### **k) WE Funding**

- To provide financial assistance to existing women entrepreneurs in the manufacturing/service business using industrial machinery/equipment with average turnover of Rs. 10 lakhs and above, for scaling up through expansion, modernization and related diversification
- Assistance shall be given to proprietorship, partnership firms, limited liability partnerships, private limited companies etc. owned and managed by women
- Loan assistance of up to 80% of project cost shall be provided
- Lending limits shall be Rs. 25 Lakhs
- Interest rate of 7.50%
- Tenure of loan shall be limited to a maximum of 5-6 years, including a moratorium up to 6 months from the date of sanction of loan

### **13. Financial Schemes of Kerala Startup Mission**

#### **a) Soft Loan Scheme for Women Entrepreneurs**

Eligibility Criteria	<ul style="list-style-type: none"> <li>• The Startup should be approved by DPIIT and have the Unique ID issued by the Kerala Startup Mission.</li> <li>• The women co-founder should have a majority stake in the startup.</li> <li>• The Startup should be registered in Kerala.</li> <li>• The client shall be a Government Department or Public Sector Undertaking</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/women/soft-loan">https://startupmission.kerala.gov.in/schemes/women/soft-loan</a>

#### **b) Innovation and Entrepreneurship Development Centres**

Eligibility Criteria	<ul style="list-style-type: none"> <li>• Eligibility criteria include availability of built-up space of 500 - 1000 sq.ft., minimum enrolment of students, dedicated faculty coordinator, basic infrastructure including availability of computers and internet connectivity, Lab etc.</li> </ul>
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Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/iedc">https://startupmission.kerala.gov.in/schemes/iedc</a>
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### c) International Exchange program

Eligibility Criteria	<ul style="list-style-type: none"> <li>• Applicable to Start-ups as defined by DIPP.</li> <li>• Start-ups will be eligible only for 2 travels in a year under this scheme</li> <li>• Support for Start-ups attending National Programs/ Conferences</li> <li>• Applicable to Start-ups as defined by DIPP.</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/international-exchange-program">https://startupmission.kerala.gov.in/schemes/international-exchange-program</a>

### d) Marketing Support

Eligibility Criteria	<ul style="list-style-type: none"> <li>• Startup has to apply online to KSUM much in advance before applying for the event</li> <li>• KSUM shall evaluate and approve the same based on the actual need of the event based on the startup product</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/marketing-support">https://startupmission.kerala.gov.in/schemes/marketing-support</a>

### e) Support to Rural Innovators

Eligibility Criteria	<ul style="list-style-type: none"> <li>• Rural technologies are technologies developed by/ arising from the rural sector or has direct applications to the rural sector, which can be upgraded and perfected for wider applications and employment generations in the rural sector.</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/pages/rural-innovators-support">https://startupmission.kerala.gov.in/pages/rural-innovators-support</a>

### f) Fund of Funds

Eligibility Criteria	<ul style="list-style-type: none"> <li>• The fund should be registered as Category 1 or Category II Alternative Investment Fund under SEBI AIF Regulations.</li> <li>• Other criteria as and when put forward during the Tendering process for selection.</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/fund-of-funds">https://startupmission.kerala.gov.in/schemes/fund-of-funds</a>

### g) Innovation Grant

Eligibility Criteria	<ul style="list-style-type: none"> <li>• For Idea Grant, an innovator should be based in and out of Kerala. Company incorporation and KSUM unique ID are mandatory for the fund disbursement process.</li> <li>• For all other grants, the Startup should be completed Company Incorporation process and KSUM unique ID Certification</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/innovation-grant">https://startupmission.kerala.gov.in/schemes/innovation-grant</a>

### h) Rent Subsidy

Eligibility Criteria	<ul style="list-style-type: none"> <li>• Rent Subsidies will be extended only to product startup companies at scale-up space. The company should be registered as a startup</li> </ul>
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	<p>and should have DIPP startup registration to avail this benefit of rent subsidy.</p> <ul style="list-style-type: none"> <li>• The company should be operational in Kerala and shall have at least 70% of employees with Kerala domicile.</li> <li>• The company should have at least 10 employees and of which, 70% of them shall be from Kerala.</li> <li>• The company should have annual revenue of at least Rs.50 Lakhs or should have received equity funding of at least Rs.150 Lakhs from external sources.</li> <li>• The maximum area eligible for a company will be 10000 sq. ft or 70 sq. ft/employee whichever is less.</li> <li>• The rent subsidy will be available for companies operating in Government Parks or any other locations owned or leased by Govt. agencies.</li> <li>• The spaces by startups, for which the rent subsidies are already in place are may not apply for the scheme</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/rent-subsidy">https://startupmission.kerala.gov.in/schemes/rent-subsidy</a>

#### i) Seed Fund for Women Entrepreneurs

Eligibility Criteria	<ul style="list-style-type: none"> <li>• The women co-founder should have a majority stake in the startup</li> <li>• The startup should be a registered company in Kerala as an LLP or Pvt. Ltd company and should have an active registration with KSUM at the time of application.</li> <li>• The startup company has DIPP registration and an 'Active'/'Active Compliant' status with MCA. Applications with 'Active Non-compliant' have chances to be rejected and this (Form INC 22A) should be done before fund disbursements are made.</li> <li>• The startup must be working on an innovative product or technology. The seed fund is not generally given for service startups and SMEs working in trade and commerce.</li> <li>• The startups shall not have any other pending dues with any of the Government agencies, KSUM, Other incubators in the state and shall not be blacklisted by any Govt. agency in India</li> <li>• The startup director should have a good CIBIL Score, preferably more than 750.</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/women/seed-fund">https://startupmission.kerala.gov.in/schemes/women/seed-fund</a>

#### j) Seed Fund

Eligibility Criteria	<ul style="list-style-type: none"> <li>• The startup should be a registered company in Kerala as an LLP or Pvt. Ltd company and should have an active KSUM Unique ID.</li> <li>• The startup company has DIPP registration and an 'Active'/'Active Compliant' status with MCA. Applications with 'Active Non-compliant' have chances to be rejected and this (Form INC 22A) should be done before fund disbursements are made.</li> <li>• The startup must be working on an innovative product or technology. The seed fund is not generally given for service startups and SMEs working in trade and commerce.</li> </ul>
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	<ul style="list-style-type: none"> <li>The startups shall not have any other pending dues with any of the Government agencies, KSUM, Other incubators in the state and shall not be blacklisted by any Govt. agency in India</li> <li>The startup director should have a good CIBIL Score, preferably more than 750.</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/seed-fund">https://startupmission.kerala.gov.in/schemes/seed-fund</a>

#### **k) Soft Loan against PO for Women Entrepreneurs**

Eligibility Criteria	<ul style="list-style-type: none"> <li>The women co-founder should have a majority stake in the startup.</li> <li>The startup should be a registered company in Kerala as an LLP or Pvt. Ltd company and should have an active registration with KSUM at the time of application.</li> <li>The startup company has DIPP registration and an 'Active'/'Active Compliant' status with MCA. Applications with 'Active Non-compliant' have chances to be rejected and this (Form INC 22A) should be done before fund disbursements are made.</li> <li>The startups shall not have any other pending dues with any of the Government agencies, KSUM, Other incubators in the state and shall not be blacklisted by any Govt. agency in India.</li> <li>The startup director should have a good CIBIL Score, preferably more than 750.</li> <li>The client shall be a Government Department or Public Sector Undertaking.</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/women/po-soft-loan">https://startupmission.kerala.gov.in/schemes/women/po-soft-loan</a>

#### **l) Startup Communities Development and Partnership Programmes**

Eligibility Criteria	<ul style="list-style-type: none"> <li>The community should be registered in Kerala. NGO or Not profit company is preferred</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/community/development-program">https://startupmission.kerala.gov.in/schemes/community/development-program</a>

#### **m) R & D Grant**

Eligibility Criteria	<ul style="list-style-type: none"> <li>This is given to hardware startups with a significant R&amp;D component. Up to INR 30 Lakh can be given to each startup, and recommendations for nominees will be made during the quarterly reviews. In order to qualify for the grant, startups need to have a working prototype of their product and be a member of at least one approved incubator in the state. Applicants must submit a clear business plan stating how they plan to use the money — at least 50% of the grant must be spent on hardware, with not more than 20% on marketing expenses. R&amp;D grants cannot be used for covering manpower or hiring costs. Preference is given to startups that have secured patents or those that are scaling up their product.</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/rd-grant">https://startupmission.kerala.gov.in/schemes/rd-grant</a>

#### **n) Technology Commercialization Support**

Eligibility Criteria	<ul style="list-style-type: none"> <li>• The startup should be a registered company in Kerala as an LLP or Pvt. Ltd company and should have an active registration with KSUM at the time of application.</li> <li>• The startup company has DIPP registration and an 'Active'/'Active Compliant' status with MCA.</li> <li>• The startups shall not have any other pending dues with any of the Government agencies, KSUM, Other incubators in the state and shall not be blacklisted by any Govt. agency in India</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/technology-commercialisation">https://startupmission.kerala.gov.in/schemes/technology-commercialisation</a>

#### **o) Patent Reimbursement**

Eligibility Criteria	<ul style="list-style-type: none"> <li>• The patent applications which are filed only after 09.11.2015 will be considered</li> <li>• The patent support can be directly applied by Student Entrepreneurs through their IEDC's</li> <li>• For a startup, it should be a legal entity registered with RoC as Pvt Ltd or LLP. The schemes are not applicable to Innovators.</li> <li>• The startup must be registered in Kerala, within 10 years from date of Incorporation and must have a DIPP and Udyam Registration</li> <li>• For students, the support will be given only for those who are pursuing the academics</li> <li>• The scheme does not extend support to patent renewals and prosecutions against appellate authority who have already rejected one's patent claims.</li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/patent-support">https://startupmission.kerala.gov.in/schemes/patent-support</a>

#### **p) Government as a market place**

Eligibility Criteria	<ul style="list-style-type: none"> <li>• Relaxation for Startups in Participating in Public Tenders               <ol style="list-style-type: none"> <li>a. Relaxation in Tender Fee and Earnest Money Deposit</li> <li>b. Relaxation in Prior Experience and Turnover</li> </ol> </li> <li>• Direct Procurement               <ol style="list-style-type: none"> <li>a. Government of Kerala has sanctioned permission to Government Departments to purchase product from Startups registered with Kerala Startup Mission directly upto Rs 20 Lakhs exclusive of GST without any tendering process subject to approval by the technical committee constituted as per the GO (Ms) No 19/2017/ITD dt. 04.08.2017.</li> </ol> </li> <li>• Limited Tender Process               <ol style="list-style-type: none"> <li>a. Government of Kerala has sanctioned permission for Government Departments, Boards, PSUs, Corporations etc. to procure IT products upto a value of Rs 100 Lakhs through a limited tender process i.e. limited to startups registered under Kerala Startup Mission</li> </ol> </li> </ul>
Details of the scheme	<a href="https://startupmission.kerala.gov.in/schemes/gaam">https://startupmission.kerala.gov.in/schemes/gaam</a>

## 14. Financial Schemes of NORKA ROOTS

### a) NDPREM

Key Features	<p>NORKA ROOTS have tied up with the</p> <ul style="list-style-type: none"><li>❖ State Bank of India</li><li>❖ Canara Bank</li><li>❖ Bank of Kerala</li><li>❖ Bank of Baroda</li><li>❖ Federal Bank</li><li>❖ South Indian Bank</li><li>❖ Indian Overseas Bank</li><li>❖ Union Bank of India</li><li>❖ Bank of India</li><li>❖ UCO Bank</li><li>❖ Dhanalakshmi Bank</li><li>❖ Kerala State Cooperative Agricultural Rural Development Bank</li><li>❖ Kerala Financial Corporation</li><li>❖ Kerala State Backward Development Corporation</li><li>❖ Kerala State SC / ST Corporation</li><li>❖ Kerala State Women Development Corporation</li><li>❖ Kerala State Pravasi Welfare Development Cooperative Society Limited (Malappuram).</li><li>❖ Travancore Expatriate Development Cooperative Society (Thiruvananthapuram)</li></ul> <ul style="list-style-type: none"><li>• Seed capital funding of upto 30 lakhs is available under the scheme.</li><li>• Banks will sanction loans for modest enterprises as per the business interest and the terms and conditions of the bank</li><li>• For prompt repayment, 15% subsidy on capital and 3% rebate on interest of loan are offered for the first 4 years.</li><li>• In case of default, the benefit can be availed after clearing off the pendency.</li><li>• NORKA ROOTS also conduct mentoring camps to boost the confidence of the NRKs</li></ul>
Implementing Agency	NORKA ROOTS
Who can apply for NDPREM?	<ul style="list-style-type: none"><li>• The applicant should have not less than 2 years of work experience abroad.</li><li>• Societies, trusts, companies formed by a group of returnees are also eligible to apply</li><li>• 15% subsidy on capital and 3% rebate on interest of loan are offered.</li><li>• Loans available for MSMEs, agricultural, industries, merchant establishments, services etc.</li></ul>
Details of the scheme	<a href="https://norkaroots.org/ndprem">https://norkaroots.org/ndprem</a>

## b) Norka Pravasi Bhadratha Scheme

Objective	Covid 19 pandemic and the subsequent lock down, suspension of flights and other restrictions imposed by various countries across the globe had seriously affected the employment of the NRKs leaving them jobless and stuck in the state. This has created a serious impact in the State since we share the largest diaspora community in the country. Due to the uncertainty prevailing across the globe, a sustainable livelihood for the return emigrants need to be extended to reintegrate them back to the society. NORKA Department is to formulate a rehabilitation package – Co-ordinated Re-integration Programme for NRKs to provide financial support for developing income generation opportunities for the returnees.
Implementing Agency	NORKA ROOTS
About the Scheme	<p><b>Pravasi Bhadratha – PEARL</b></p> <p>Pravasi Bhadratha – PEARL is envisaged to address the weaker/low profile category of NRK returnees with less savings and income. It has been proposed to implement the scheme through Kudumbashree Mission to address the targeted group with a sustainable livelihood. Following are the features of the scheme.</p> <ul style="list-style-type: none"> <li>• Revolving Fund for Individual/ group livelihood activities</li> <li>• Assistance to Micro Enterprises/Livelihood Activity Groups through community lend soft loans</li> <li>• Interest free loans upto Rs. 2 Lac</li> <li>• Repayment with equal installments within two years</li> </ul>
Beneficiaries	<ul style="list-style-type: none"> <li>• Applicants are to be returned emigrants due to job loss or stuck in the state due to Covid 19 Pandemic</li> <li>• Applicants are to be either member of Kudumbashree NHG or any organization formed under the aegis of Kudumbashree.</li> <li>• Applicants are to be Return Emigrants who have completed at least two years of employment abroad</li> </ul>
Financial assistance	<ul style="list-style-type: none"> <li>• Financial assistance upto 75% of the project cost or Rs. 2Lac whichever is lesser will be sanctioned as soft loan. Loan is to be repaid within 2 years (24 months) after the repayment holiday of 3 months. Upfront margin upto 25% should be brought in by applicant.</li> </ul>
	<p><b>Pravasi Bhadratha – MEGA</b></p> <p>Pravasi Bhadratha - MEGA through KSIDC is envisaged to provide loans in the range of Rs. 25 lakhs to Rs. 2 crores per enterprise. KSIDC provides loans @ interest 8.25% to 8.75% and NORKA-ROOTS will provide interest incentives upto 3.25% to 3.75% for the first 4 years. It is extended to NRK returnees/NRK Investors from other States in India.</p> <ul style="list-style-type: none"> <li>• KSIDC shall be the implementing agency and NORKA-ROOTS will meet the interest subsidy of the loans under the scheme and NORKA Department in Government will be the controller of the scheme.</li> <li>• Applications for Loans will be processed through the KSIDC (Contact KSIDC for application form) and on disbursement of loans</li> </ul>

	<p>KSIDC will forward proposal with due recommendation to NORKA-ROOTS for disbursement of interest incentives</p> <ul style="list-style-type: none"> <li>Amount will be disbursed on every quarter on prompt repayment of loans as per the claims raised by KSIDC from time to time.</li> </ul>
	<p><b>Pravasi Bhadratha - MICRO</b>  <b>NORKA - KSFE - Micro Enterprises Assistance Scheme</b>  This scheme is envisaged for assisting returned NRKs in setting up Micro and small scale industries. The scheme is proposed to be implemented through the branches of Kerala State Financial Enterprises. Following are the features of the scheme.</p> <ul style="list-style-type: none"> <li>Loans upto Rs. 5 lacs</li> <li>Capital subsidy @ Rs. 25% of the loan component upto a maximum of Rs. 1 lac</li> <li>Interest subvention for initial 4 years @ 3%</li> </ul>
Details of the scheme	<a href="https://norkaroots.org/web/guest/pravasi-bhadratha-scheme">https://norkaroots.org/web/guest/pravasi-bhadratha-scheme</a>

## 15. Financial Schemes of Employment Exchange

### a) Navajeevan

Objective	Self-Employment Ventures
Implementing Agency	District Employment Office
Eligibility Criteria	<ul style="list-style-type: none"> <li>Senior citizens between 50-65 years of age (cut-off date as of January 1st of applying year)</li> <li>Should be registered in Employment Exchange and renewed their registration every year.</li> <li>Personal Annual Income not more than Rs 1 Lakh</li> </ul>
Priority	<ul style="list-style-type: none"> <li>Those who are currently renewing their employment registration on time.</li> <li>25% of the loan sanctioned will be made available to women. Widows above 55 years and differently abled will be considered first.</li> <li>25% of the loan sanctioned will be available to the below poverty line category</li> </ul>
Extent of Support	Rs.50,000/-
Subsidy	Back ended subsidy of 25%, max Rs.12,500/-
Eligible projects	Trading, Manufacturing, service, Agriculture
Financial institutions	Loans under the scheme are available through District Nationalized/ Scheduled Banks, State/ District Co-operative Banks, Kerala Bank, KSFE and other Public Sector Financial Institutions.
Details of the scheme	<a href="https://employment.kerala.gov.in/en/2021/01/13/navajeevan/">https://employment.kerala.gov.in/en/2021/01/13/navajeevan/</a>



### **b) Kerala State Self Employment Scheme for Registered Unemployed (KESRU)**

Nodal Agency	District Employment Exchange
Eligibility	All unemployed persons in the live Register of Employment Exchanges between the age limit 21 – 50 with annual family income not exceeding Rs.1,00,000/-
Preference	Educational Qualification should suit the project selected. Preference will be given to those with professional or technical qualification, ITI / ITC holders, woman having graduation and beneficiaries of unemployment dole scheme. Students are not eligible for applying under KESRU
Annual Income	< Rs.1,00,000/-
Loan Amount	Max. Rs.1 Lakh. Joint venture with 2 persons with loan amount of Rs.1 Lakh each
Subsidy	20% of loan amount (Front End)
Margin	No margin
Repayment	As per Individual bank's norms
Details of the scheme	<a href="https://employment.kerala.gov.in/en/kesru/">https://employment.kerala.gov.in/en/kesru/</a>

### **c) Multi-Purpose Service Centres / Job clubs**

Nodal Agency	District Employment Exchange
Eligibility	All unemployed persons in the live Register of Employment Exchanges between the age limit 21 – 45 with relaxation in the upper age limit of three years to OBC applicants and 5 years to SC/ ST/PH applicants are eligible. The annual family income should not exceed Rs.100000/-. Beneficiary contribution is 10%. In the job club there should be 2 to 5 members and a partnership agreement is to be signed by them
Preference	Educational Qualification should suit the project selected. Preference will be given to those with professional or technical qualification, experience, ITI /ITC / Polytechnic certificate holders, graduate woman and beneficiaries of unemployment dole scheme.
Subsidy	25% of project cost (Front End) subject to max. Rs.2 Lakhs
Margin	10% of Total project Cost
Repayment	As per Individual bank's norms
Details of the scheme	<a href="https://employment.kerala.gov.in/en/mpsc-jc/">https://employment.kerala.gov.in/en/mpsc-jc/</a>

### **d) SARANYA**

Nodal Agency	District Employment Exchange
Eligibility	All unemployed widows, divorced, deserted, spinsters above the age of 30 and unwedded mothers of Scheduled Tribe in the live Register of Employment Exchanges between the age limit 18 – 55 except in the case of spinsters, are eligible.
Annual Income	The annual family income should not exceed Rs.100000/-. Preference will be given to those with professional or technical qualification.
Loan Amount/	<ul style="list-style-type: none"> <li>Interest free loan of upto Rs. 50,000 is given for starting self-</li> </ul>



Subsidy	<p>employment ventures, out of which 50% is reimbursed as Government subsidy subject to a maximum of Rs. 25,000/- through Employment Department. Repayment will be in 60 equal monthly installments.</p> <ul style="list-style-type: none"> <li>• If the venture requires an amount above the limit of Rs.50000/-, the applicant has to remit her beneficiary contribution of 10% of that amount. Moreover, the beneficiary has to remit 3% as interest at flat rate for the amount she avails in excess to Rs. 50000/.</li> <li>• For ventures that are running successfully and have repaid at least 50% of the loan amount, additional loan amount subject to a maximum of 80% of the original loan amount at nominal interest rates is eligible for expanding the venture.</li> <li>• This scheme is intended for individual ventures, but it is also allowed to start joint venture by more than one entrepreneurs. Each person of this joint venture will get maximum amount of loan and its subsidy.</li> <li>• The beneficiary is exempted from providing any security for the loan amount.</li> </ul>
Margin	NIL
Details of the scheme	<a href="https://employment.kerala.gov.in/en/saranya/">https://employment.kerala.gov.in/en/saranya/</a>

#### e) KAIVALYA

Nodal Agency	District Employment Exchange
Eligibility	Applicant should be literate and should have registered with any of the employment exchange in the state. Should not be student
Age	21-55 Years
Preference	For Physically challenged. If the applicant is physically challenged to the extent that he/she cannot run the project alone, nearest family member (mother/father/spouse/son/daughter) can be included in the loan
Annual Income	Family Income <2,00,000/-
Loan Amount	Each individual is given a maximum of Rs.50000/- (Rupees Fifty Thousand only). Also there is provision for sanctioning the amount upto one lakh, subject to viability of the project.
Subsidy	50% Loan amount
Margin	NIL
Details of the scheme	<a href="https://employment.kerala.gov.in/en/kaivalya/">https://employment.kerala.gov.in/en/kaivalya/</a>

### 16. Financial Schemes of SC Development Department, Government of Kerala

Name of Scheme	Self-Employment Scheme
Nodal Agency	SC Development Department, Government of Kerala
Objective	The Department provides financial assistance to the individuals/self-help groups who are interested in self-employment.

Eligibility	The project for self-employment is to be submitted to the bank for loan and the Department will give 1/3 of the loan amount as subsidy. The subsidy amount is limited to 1 lakh for individuals and 3.5 lakhs for groups. Any venture can be started as part of self-employment with the approval of the bank. Age limit upto 50 years. Educational qualification 7th standard. There is no income limit, application should be sent to the block/municipal/corporation. Scheduled Caste Development Officer along with certificate of caste, certificates showing educational qualification and age and project report.
Details of the scheme	<a href="https://scdd.kerala.gov.in/index.php/schemes/economic-development-programmes">https://scdd.kerala.gov.in/index.php/schemes/economic-development-programmes</a>

## 17. Loan Schemes of Kudumbashree

### a) Rural Micro Enterprise

Name of Scheme	Rural Micro Enterprise [RME]
Nodal Agency	Kudumbashree Mission
Type of Enterprise	Individual and Group Enterprise
Loan Amount	Individual – 50,000/- to Rs. 2,50,000/- Group – Maximum 10,00,000/-
Subsidy	Subsidy on Matching basis of accrued Interest. Difference between the annual rate of interest of bank and 7% rate of interest will be eligible as subsidy. Prompt payment of loan invites additional subsidy of 3 percent. Subsidy for an individual loan and group loan won't exceed Rs. 2.5 Lakh and Rs. 10 Lakh respectively.
Details of the scheme	<a href="https://kudumbashree.org/">https://kudumbashree.org/</a>

### b) National Urban Livelihood Mission

Name of Scheme	National Urban Livelihood Mission
Nodal Agency	Kudumbashree Mission
Target Sector	Urban Poor who wished to start their own enterprise
Type of Enterprise	Individual and Group Enterprise
Eligibility & Requirements	<ul style="list-style-type: none"> <li>• Should be Urban Poor</li> <li>• Eighteen years of age and above</li> <li>• Both men and women can apply</li> <li>• Education qualification not essential</li> <li>• Not necessary to be a Kudumbashree member. However, recommendation of nearest Kudumbashree Group/ADS/CSD is required.</li> <li>• Necessary documents need to be presented along with the DPR prepared by Kudumbashree Micro Enterprise Consultants is required.</li> </ul>
Loan Amount	Individual – Maximum 2,00,000/- Group – Maximum 10,00,000/-
Margin	5% to 10% of project cost
Subsidy	Subsidy on Matching basis of accrued Interest. Difference between the

	annual rate of interest of bank and 7% rate of interest will be eligible as subsidy. Prompt payment of loan invites additional subsidy of 3 percent. Subsidy for an individual loan and group loan won't exceed Rs. 2 Lakh and Rs. 10 Lakh respectively.
Details of the scheme	<a href="https://kudumbashree.org/">https://kudumbashree.org/</a>

## 18. Kerala State Minorities Development Finance Corporation Ltd.

- The KSMDFC is providing concessional finance for self-employment, micro credit and for other activities. It also introduced welfare schemes to eligible beneficiaries belonging to minority communities. As per the recommendation of the National Commission for Minorities (NCM), the NMDFC (National Minorities Development and Finance Corporation, New Delhi) has identified the KSMDFC as its State Channelizing Agency in the State of Kerala to implement its schemes in the state.

### a) Self-Employment Scheme for Minorities

Parameters	Credit Line 1	Credit Line 2
	Details	Details
Income Criteria	The annual family income must be below Rs.98000/- in rural area and Rs. 120000/- in urban area.	The annual family income must be below Rs.600000/-
Loan Amount Limit	The maximum amount that can be disbursed under this scheme is Rs. 20.00 lakhs	The maximum amount that can be disbursed under this scheme is Rs.30.00 lakhs
Rate of Interest	6%	6% for female and 8% for male
Moratorium Period	6 Months	6 Months
Repayment Period	60 Months	60 months
Age Limit	Between 18-56 years as on the date of application	Between 18-56 years as on the date of application
Maximum Loan Amount	Up to 95% of project cost	Up to 95% of project cost

### b) Business Development Loan for Minorities (KSMDFC Scheme)

Parameters	Details
Income Criteria	The annual family income must be below Rs.15 lakhs
Loan Amount Limit	The maximum amount that can be disbursed under this scheme is Rs.5 Lakhs
Rate Of Interest	8%
Moratorium Period	1 Month
Repayment Period	60 months
Age Limit	Between 18-56 years

The maximum loan amount that can be disbursed under this scheme is limited to 95% of the project cost or the amount requested by the beneficiary whichever is lower.

### c) Pravasi Loan Scheme

Parameters	Details
Income Criteria	The annual family income must be below Rs.6 lakhs/-
Loan Amount Limit	The maximum amount that can be disbursed under this scheme is Rs.10 Lakh.
Rate Of Interest	5%
Moratorium Period	1 Month
Repayment Period	84 months
Age Limit	Between 18-58 years

The scheme is for individual beneficiaries who are returned from foreign countries and decided to settle in Kerala by starting a self-employment venture. The application for Pravasi loan may be made within one year of return from foreign countries by exit visa. Projects costing up to 10 lakhs are considered for financing under this scheme.

**For further details visit:** <https://ksmdfc.org/>

## 19. Kerala State Backward Classes Development Corporation Limited

- Covid-19 Pandemic Loan Schemes-  
[http://ksbcd.com/images/pdf/COVID19\\_Schemes.pdf](http://ksbcd.com/images/pdf/COVID19_Schemes.pdf)
- Re-Turn Scheme for NRKs  
[http://ksbcd.com/images/pdf/BCDC\\_Re-Turn\\_Brochure.pdf](http://ksbcd.com/images/pdf/BCDC_Re-Turn_Brochure.pdf)
- Start-up Scheme for Professionals  
[http://www.ksbcd.com/images/pdf/KSB CDC\\_Startup\\_Brochure\\_2021.pdf](http://www.ksbcd.com/images/pdf/KSB CDC_Startup_Brochure_2021.pdf)
- National Backward Classes Finance & Development Corporation Schemes[NBCFDC]  
<http://ksbcd.com/index.php/nbcfdc-schemes>
- Types of Loan & Pattern of Finance
  - a) **Term Loan:** Maximum loan limit: Rs. 15 Lakh per beneficiary. NBCFDC Loan: up to 85% of the project cost in general scheme. Balance 15% to be shared by SCA/Beneficiary.
  - b) **Micro Finance:** Maximum loan limit: Rs. 100000/- per beneficiary/member of the SHG. NBCFDC Loan: up to 90% to 95% of the project cost. Balance 5%-10% to be shared by SCA [State Channelizing Agencies]/Beneficiary. The SCAs are to disburse loans for viable projects as per needs and choice of beneficiaries under above mentioned broad sectors.
- **KSB CDC Schemes**

1	Suvarnashree (Multi-purpose loan)	<ul style="list-style-type: none"> <li>• Maximum loan amount - Rs. 3 Lakhs</li> <li>• Interest rate - 8%</li> <li>• Repayment period - 72 months</li> <li>• Age limit - 18 – 55</li> <li>• Annual income - Below Rs. 3,00,000</li> </ul>
2	Working Capital Loan	<ul style="list-style-type: none"> <li>• Maximum loan amount - Rs. 3 Lakhs</li> <li>• Interest rate - 7%</li> <li>• Repayment period - 72 months</li> <li>• Age limit - 18 – 55</li> <li>• Annual income - Below Rs. 3,00,000</li> </ul>

3	Business Development Loan	<ul style="list-style-type: none"> <li>• Maximum loan amount - Rs. 5 Lakhs</li> <li>• Interest rate - 8%</li> <li>• Repayment period - 72 months</li> <li>• Age limit - 18 – 60</li> <li>• Annual income - Below Rs. 8,00,000</li> </ul>
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**20.** For Financial Schemes of ST Development Department, Government of Kerala visit <https://www.stdd.kerala.gov.in/employmentincome-generation-skill-development>

### **Relevant Websites**

- a) [www.msme.gov.in](http://www.msme.gov.in)
- b) [www.dcmsme.gov.in](http://www.dcmsme.gov.in)
- c) [www.champions.gov.in](http://www.champions.gov.in)
- d) <https://www.kviconline.gov.in/>
- e) <https://www.sidbi.in/en>
- f) <https://www.nsic.co.in/>
- g) <https://www.scsthb.in/>
- h) <http://industry.kerala.gov.in/english/>
- i) [www.udyamimitra.in](http://www.udyamimitra.in)
- j) [www.udyami.org.in](http://www.udyami.org.in)
- k) <https://www.standupmitra.in/>
- l) <https://www.psbloansin59minutes.com/home>
- m) <https://kfc.org/>
- n) <https://startupmission.kerala.gov.in/>
- o) <https://norkaroots.org/>
- p) <https://employment.kerala.gov.in/>
- q) [www.invest.kerala.gov.in](http://www.invest.kerala.gov.in)