

FAQs on Commercial Loans

1. Who can apply for Commercial Loan?

- Individuals: Self-employed professionals, single proprietors, and partnership firms
- Businesses: Private limited corporations, public limited companies, and Limited Liability Partnerships (LLPs)

2. What is the average time to process MSME Loan?

- Bank has stipulated the time frame for disposal of MSME proposals mentioned as under:

Credit Limit or the existing credit limit	Timeframe for disposal provided the application complete in all respects and is accompanied by the documents as per checklist provided
Up to Rs.5.00 lakh	2 Weeks
Above Rs.5.00 lakh & upto Rs.25.00 lakh	3 Weeks
Above Rs.25.00 lakh & upto Rs. 25.00 crore	6 Weeks
Above Rs.25.00 crore	8 Weeks

3. What documents need to be submitted for a Commercial Loan?

- List of Documents to be submitted along with the loan application form for MSME proposals are mentioned as under:

Sr. No.	Checklist for MSME Proposals
1.	Request of the borrower / Duly filled and signed application form
2.	KYC of the borrowing company / promoters / directors / guarantors: <ul style="list-style-type: none">• Identity Proof: PAN / Aadhaar Card / Voter's ID Card / Passport / Driving License / Passport.• Address Proof: Aadhaar Card / Recent telephone bills, electricity bill, property tax receipt /Passport / voter's ID Card of Proprietor, partner of Director (if a company)
3.	<ul style="list-style-type: none">• Business Documents: UDYAM Registration Certificate (Mandatory for MSMEs) / CIN / GST registration / LEI / Import Export Code etc.• Memorandum and Articles of Association of the Company / Partnership Deed of partnership firms, etc.• Certificate of incorporation from RoC in case of company (CIN No. and DIN no. of directors)• Networth certificate of promoters and guarantors along with latest income tax returns.
4.	Board resolution for certifying borrowing powers in case of Company

5.	Latest CA certified networth with valid UDIN number for all the borrowers/guarantors
6.	Duly verified GST returns from GST website for last completed year and up to latest completed month (if applicable)
7.	Audited financials of last two years
8.	CMA/Projections (signed and stamped by the borrower) <ul style="list-style-type: none"> • Minimum next two years in case of working capital • Projections up to the period of term loan in case of term loan.
9.	Banking Arrangement with latest outstanding and unavailed position.
10.	Sanction letters of existing facilities from other banks if applicable
11.	TEV report for proposal above Rs.10.00 cr. (as per applicable guidelines)
12.	Copies of lease deeds/ title deeds of all the properties being offered as primary and collateral securities
13.	External Credit Risk Rating Report for proposals above Rs.25.00 crore
14.	Other documents / licensees etc. required based on the nature of the business entity such as manufacturing, trading, export-import, service sector etc. on case-to-case basis.

There are certain documents, licensees, etc. which are required based on the nature of the business entity such as manufacturing, trading, export-import, IT, service sector, etc.

4. Do the Bank provide any checklist of documents required?

- Bank is providing checklist of the documents to be submitted (compliant with legal and regulatory requirements) along with the loan application form which is to be completed in all respects. **If required, we will assist you in filling up your loan application form.**

5. Do the Bank provide any acknowledgement for loan application?

- Bank is providing acknowledgement of loan application, whether submitted online or manually.

6. Credit for MSMEs

I. What is full form of MSME?

Micro, Small & Medium Enterprises.

II. What are the criteria of classification as MSMEs?

An enterprise shall be classified as a micro, small or medium enterprise based on the following criteria viz.,

- i. a micro enterprise, where the investment in plant and machinery or equipment does not exceed ₹1 crore and turnover does not exceed ₹5 crore;

- ii. a small enterprise, where the investment in plant and machinery or equipment does not exceed ₹10 crore and turnover does not exceed ₹50 crore; and
- iii. a medium enterprise, where the investment in plant and machinery or equipment does not exceed ₹50 crore and turnover does not exceed ₹250 crore.

III. Which credit facilities are classified under MSME Credits?

Credit facilities to units having valid Udyam Registration Certificate / Udyam Assist Certificate are classified under MSME Credits.

IV. Is there any specific scheme for GST registered MSMEs?

Yes, Bank has special scheme for GST registered MSMEs. The assessment of limit under this scheme is based on the turnover of business as per annual GSTR.

V. Is there any concession available based on collateral coverage?

For MSME Loans, Bank provides concession in RoI maximum upto 0.75% based on collateral coverage.

7. What are special credit schemes for Commercial Loan?

Bank has list of schemes under various segments. Some of them are mentioned as under: **(Detailed guidelines of the schemes are available on Bank's website under respective Icons)**

- i. Mahabank GST Credit Scheme
- ii. Business Loan against Property (MahaLap-Business loan)
- iii. MAHA MSME Project Loan Scheme
- iv. Maha Doc Scheme for Doctors
- v. Mahabank Professional loan scheme
- vi. Mahabank Scheme for Contractors
- vii. Mahabank Scheme for Units Engaged in Hospitality
- viii. Mahabank financial assistance to service sector
- ix. MSME Cluster Scheme for 'Glass & Bangles Cluster'
- x. Mahabank Equipment Finance Scheme
- xi. Maha Mahila Unnati Scheme
- xii. Maha Surya Urja Finance Scheme
- xiii. Maha MSME Machinery, Equipment Loan scheme
- xiv. Mahabank Vehicle loan scheme for Small Road Transport Operator
- xv. TReDS
- xvi. Export Credit
- xvii. Project Finance
- xviii. Mahabank Commercial Lease Rental Discounting Scheme
- xix. Infrastructure Finance

8. What are the government schemes in which Bank of Maharashtra is participating for financing to Commercial Loan?

- i. Pradhan Mantri Mudra Yojana (PMMY)
- ii. Credit Linked Capital subsidy Scheme (CLCSS) for Technology Upgradation
- iii. Stand up India (SUI)
- iv. Prime Minister's Employment Generation Program (PMEGP)
- v. Chief Minister Employment Generation Programme (CMEGP)
- vi. PM-Svanidhi
- vii. PM-Vishwakarma
- viii. Credit Facilities to SCs & STs
- ix. Credit Facilities to Minority Communities
- x. Weaver Mudra Scheme
- xi. Technology Upgradation Fund Scheme (TUFS)
- xii. Pradhan Mantri Formalisation of Micro food processing Enterprises (PMFME) Scheme
- xiii. Agriculture Infrastructure Fund (AIF)
- xiv. Animal Husbandry Infrastructure Development Fund (AHIDF)
- xv. Fisheries and Aquaculture Infrastructure Development Fund (FIDF)
- xvi. Pradhan Mantri Kisan Sampada Yojna(PMKSY)
- xvii. Export Credit

9. Which credit schemes are available for Startups?

- Bank has developed special scheme which are exclusive for startups viz. credit guarantee scheme for startups (CGSS), Stand up India (for Women & SC/ST borrowers) etc. Special 'Startup Branch' is open for supporting the growth of startups.
- Bank finances to Startups on merit basis (viable business plan, financial statement, legal documents etc.) under various other schemes too like MUDRA.

10. Business models surround merging technologies.

- Bank is financing to MSMEs through our co-lending partners. The system of assessment and validations for loan is being done through set business rule engine for analysing digital footprints of the customer.
- Presently Bank is doing auto renewal of existing Cash Credit accounts based on set rule engines.

11. What are the measures taken by Bank to promote Gender Diversity?

- Bank provides MSME advances to all customers irrespective of gender. However, to encourage women entrepreneurs, Bank has developed special customized scheme namely "**Maha Mahila Unnati Scheme**" for providing collateral free loan upto Rs.5.00 crore to Women owned and managed MSMEs. Through this scheme, Bank is providing loans at attractive Rate of Interest and at 50% lower processing fee to assists women in achieving economic empowerment.

- Bank provide loans to SHGs & its members with low rate of interest. Subvention is available from Government under NRLM & NULM.

12. What are the measures being taken by the bank towards Sustainability?

- Bank has taken initiative towards green financing. This covers various segments like financing to project under renewable energy, Solar energy, recycling of waste, Rain harvesting etc.
- In addition to this Bank is promoting digital onboarding of customers on various digital platforms like mobile banking, internet banking, loan application through Bank's website etc. for paperless banking.
- Bank provides incentives in terms of concession in RoI, processing fee and commission on BG & LC to ZED certified MSMEs based on category of certification i.e. Gold, Silver or Bronze.

13. Is it mandatory to provide Collateral security to avail a loan from Bank?

- No, it is not mandatory to provide Collateral security to avail a loan from Bank under mentioned schemes.
- Bank is one of the Member Lending Institution registered with NCGTC & CGTMSE and provides collateral free loans of maximum: upto Rs.10 lakh under CGFMU guarantee cover and Upto Rs.5.00 crore under CGTMSE guarantee cover.

14. Does Bank take very long to sanction a Commercial Loan?

- Through the web portal www.psbloansin59minutes.com, a borrower can get Digital Approval in just 59 minutes from anywhere at any time. Post Digital Approval, the time taken for loan disbursement depends on the information and documentation provided by the borrower on the portal and banks. The more accurate the data, the sooner the loan gets disbursed. Generally, post Digital Approval, the loan is expected to be sanction/disbursed in 7-8 working days and same is updated in Jan-Samarth portal to check real time status of loan application.

15. Is there any recourse in case Bank resorts to undue delay or arbitrary rejection of loan proposal?

- Bank has a customer grievance redressal mechanism and in case of undue delay or arbitrary rejection of the loan, the complaint can be filed with bank's Grievance Officer.
- If case of non-redressal, complaint can be escalated to Internal Ombudsman
- Complaint can also be lodged with RBI Ombudsman.