

PNB LAGHU UDYAMI CREDIT CARD - A Simplified Loan Delivery Mechanism

OBJECTIVE:

To provide hassle free financial support to Small Business units, Retail Traders, Artisans, Village Industries, Micro & Small Enterprises (Manufacturing & Services) & Tiny Units, Professionals and Self Employed Persons, etc.

ELIGIBILITY

Borrowers belonging to aforesaid categories enjoying Cash Credit limits upto Rs. 10 lakh and having satisfactory dealings with the bank for the last three years.

LOAN AMOUNT

Extent of limit Maximum upto Rs. 20 lakh*

*Condition apply

Nature of limit Cash Credit

ASSESSMENT OF CREDIT CARD LIMIT

Credit Card Limit
Small business, retail traders, etc upto 20% of the annual turnover
Professional and self-employed persons 50% of their gross annual income as per Income Tax Return
Micro & Small Enterprises units as per simplified turnover method.

MARGIN

A. For Micro & Small Enterprises (other than Trading)

a- Cash Credit (Stocks)

	Extent of Limit	Margin
(i)	Upto Rs.2.00 lakh	Nil
(ii)	Above Rs.2.00 lakh upto Rs. 5.00 lakh	15%
(ii)	Above Rs 5.00 lakh	20%

B. For Micro & Small Enterprises (Trading)

Cash Credit (Stocks): :30% - 40%
keeping in view, nature of stocks, price fluctuation, shelf life etc.

SECURITY

Hypothecation of stock, receivable, machinery, equipment, etc.

COLLATERAL SECURITY (For Micro & Small Enterprises)

No Collateral Security & Third Party Guarantee for Loans upto Rs.100 lakh covered under Credit Guarantee Fund Trust for Micro & Small Enterprises (CGTMSE).

In other cases, collateral security or third party guarantee is asked only in cases where primary security is inadequate or for other valid reasons and not as a matter of routine.