

PNB PROFESSIONAL SCHEME	
Applicability	All branches
Objective	<p>Providing credit to professionally qualified persons to set – up or enhance their practice/ business or taking up self employment either for service activities or manufacturing activities under MSME. This scheme is to assist self-employed professional persons, firms, associations and joint ventures of such professional persons having professional degree/ diploma/ certification as under:</p> <ol style="list-style-type: none"> 1. Engineering and Technical including software professionals 2. Business Management 3. Media & Journalism 4. Law 5. Foreign Language 6. Computer 7. Animation 8. Designing 9. Fine arts 10. Certified Tax Return Preparers (TRPs) 11. CA/ICWA/CS Etc.
Eligibility	<p>Professionally qualified person excluding medical professionals and traders, desirous of setting up/ enhancing own practice/ business/ taking up self employment.</p> <p>*A professionally qualified person is one who has obtained the requisite degree/ diploma/ certification approved by UGC/ Central or State government/ approved certifying agency by virtue of which he becomes entitled to practise that profession.</p> <p>Persons already practising or new. Individuals / Partnership / Ltd Liability Partnership / Pvt. Ltd. Co. / Ltd. Co. / Associations.</p> <p>For constituents other than individuals & associations a minimum 75% of stake (Equity in case of Pvt. Ltd. Co/ Ltd. Co) should be from qualified professionals. In case of associations at least 75% of the members of the association should be qualified professionals.</p> <p>The FGM may further relax the minimum stake (Equity in case of Pvt. Ltd. Co/ Ltd. Co) from qualified professionals to 50% and minimum number of qualified professionals in case of associations to 50% on merits on case to case basis.</p> <p>The qualified professionals will be required to produce a certified copy of the licence for record at the bank.</p> <p>For individual self employed professionals, total deductions should not exceed 60% of net salary / income.</p>

	<p>1. Where license is needed under any statute in force to do business/ profession, eligibility for advances only after the compliance of the legislation and issuance of valid license.</p> <p>2. Those who are connected with our bank for purposes such as revenue audit, inspection, and statutory audit and indebted in any manner, thereby having disqualification under Section 141 of the Companies Act 2013 are not eligible to raise loan.</p>
Purpose	<p>To finance for purchase of equipments for self employment.</p> <p>Finance can also be allowed for purchase, construction, addition, alteration, renovation, furnishing of the work place (including land for workplace). However, it must be ensured that land is not used for any other commercial purpose.</p> <p>To meet working capital requirements for day to day operations. Example: salaries, purchase of books etc.</p>
Type	<p>Term Loan or OD for service sector. Term loan or CC for manufacturing sector.</p>
Amount of loan	<p>Term loan : Minimum Rs.1.00 lakh Maximum Need Based Overdraft : Minimum Rs.1.00 lakh Maximum Rs.25.00 lakhs. Cash credit : Minimum Rs.1.00 lakh Maximum Need Based.</p>
Assessment	<p>As per Simplified Turnover Method for all MSME loans upto Rs. 5 crore. MPBF system for WC limits above Rs. 5 crores. Cash Budgeting System.</p>
Margin	<p>Nil up to Rs.2.00 lakhs. 25% above Rs.2.00 lakhs.</p>
Rate of Interest	As per rating / extant guidelines.
Repayment	<p>Term Loan: Maximum 7 years in equal monthly / quarterly instalments inclusive of a maximum moratorium period of 6 months. However, a higher moratorium period of 18 months may be allowed in case of</p>

	<p>Construction of work place. (Where land is purchased for construction of work place, the construction should start within a period of 6 months from the date of last disbursement of loan for land and should be completed within moratorium period).</p> <p>Overdraft / CC: WC facilities shall be sanctioned for a period of one year and shall be reviewed / renewed annually.</p>
Primary Security	<p>Primary : Hypothecation of equipments / items purchased / equitable mortgage of land and building of work place in case the loan is for acquiring / constructing the work place.</p>
Collateral Security	<p>A) For Accounts covered under CGTMSE</p> <p>i) Loans up to Rs. 10 Lakh: No collateral security to be taken. To be covered on merits under Credit Guarantee Scheme of CGTMSE.</p> <p>ii) Loans above Rs. 10 lakh and upto Rs. 100 Lakh, covered under Credit Guarantee Scheme of CGTMSE:</p> <p>No collateral or third party guarantee. Note: However, the personal guarantee of Partners in case of Limited Liability Partnership and Promoters Directors in case of private / public limited company should invariably be taken in all cases (covered under Credit Guarantee Scheme of CGTMSE or not). The personal guarantees of these persons are not treated as third party guarantee under CGTMSE.</p>
	<p style="text-align: center;"><u>Extent of Collateral</u></p> <p>For accounts not covered under CGTMSE, the extent of collateral security will be as under:-</p> <p>Loans above Rs. 10 Lakh up to Rs. 20 Lakh Third Party Guarantee.</p> <p>loans above Rs. 20 Lakh Collateral Security: Equitable mortgage of immovable property equivalent to 100% of loan amount.</p> <p>No collateral security is required, in case where land and/or building of work place is financed by us and is mortgaged as primary security and adequately covers the loan amount (at least to 110% of loan amount). However, in case where the value of land and building of work place mortgaged as primary security is less than 110% of loan amount, additional collateral security to be taken to the extent of short fall from the stipulated 110%.</p>

