

## **J&K Bank Scheme for Business Acceleration of Existing Enterprises** **(JK Bank Yuva Parwaaz)**

<b>Purpose</b>	The primary objective of the Scheme is to provide targeted financial support to existing <b>Micro &amp; Small Enterprises</b> in Jammu & Kashmir through interest subvention. This financial assistance aims to enable these enterprises to scale their operations and enhance productivity, thereby fostering economic growth and stability in the region.
<b>Nature of the loan</b>	Financial assistance under the scheme can be availed in the form of Term Loan facility and/or Working Capital Loan.
<b>Eligibility</b>	<ul style="list-style-type: none"> <li>The scheme is applicable to Micro &amp; Small Enterprises in J&amp;K, which have been existing for at least five years.</li> <li>Eligible applicants must belong to the domicile of Jammu &amp; Kashmir, including Kashmiri migrants who may have taken up residence in other parts of the country. However, the business operations they establish must be within the Union Territory of Jammu &amp; Kashmir. If the location of the activity is significantly distant from the beneficiary's domicile, his case will be processed at the branch nearest to his/her place of activity.</li> <li>The beneficiary must belong to the age group of 18-59 years.</li> <li>The Scheme is for expansion of existing businesses and not for the creation of New Enterprises.</li> <li>Applicants who have availed other government schemes before can also apply under this Scheme but only if they have fully repaid those loans at least 6 months before applying for this Scheme. Furthermore, it must be ensured that no member of applicant's family is a defaulter of any previously availed benefit under any govt. sponsored self-employment scheme.</li> </ul>
<b>Eligible Activities</b>	<p>List of activities to be considered under the scheme include-local manufacturing units, small-scale food processing units, repair services, handicrafts such as leather, jewellery and candle making units, boutique retail shops.</p> <p><i>The list is indicative and not exhaustive.</i></p>
<b>Project Cost</b>	Above Rs 10.00 lakhs up to Rs 25 Crores
<b>Margin Money</b>	Minimum 20% of the project cost
<b>Bank finance</b>	Maximum 80% of the project cost
<b>Financial Assistance under the scheme</b>	<ul style="list-style-type: none"> <li>Eligible micro &amp; small enterprises will receive an interest subvention of <b>6% per annum</b>.</li> <li>The interest subvention will be provided for a period of up to 5 years. At the end of this time period or in case of early loan repayment, the actual interest subvention amount or ₹10 lakhs, whichever is lower, will be provided to the beneficiary.</li> </ul>
<b>Security</b>	<p><b><u>1.Primary Security:-</u></b> Bank's charge on assets created out of bank Finance.</p> <p><b><u>2.Collateral Security:-</u></b></p> <ul style="list-style-type: none"> <li>➤ Third Party Guarantee of two persons with sufficient net worth to withstand the liability*</li> <li>➤ Mortgage of property having minimum realizable value equal to 75% of the Limit. *</li> <li>➤ Personal Guarantee of Mortgagor(s)/Promoter(s)/Director(s) (wherever applicable) *</li> <li>➤ CGTMSE cover for MSE units*</li> </ul> <p><i>*Depends on various factors. Kindly contact your concerned Branch for more details.</i></p>
<b>Interest Rate</b>	<p><b><u>1)For MSE:</u></b> Up to Rs.15.00 lakhs – RLLR+1.50% Above Rs.15.00 lakhs –RLLR+Spread, As per internal rating of the borrower.</p> <p><b><u>2)For Agri. Loans:</u></b> Up to Rs.15.00 lakhs – 1Y MCLR+1.50% Above Rs.15.00 lakhs –1Y MCLR+Spread, As per internal rating of the borrower.</p> <p><b><u>3)Other than 1&amp;2 Above:</u></b> Up to Rs.15.00 lakhs – RLLR+2.00% Above Rs.15.00 lakhs –RLLR+Spread As per internal rating of the borrower. [The nature of pricing shall be Floating (p.a.). Interest shall be charged with monthly rests]</p>
<b>Processing Fee</b>	NIL
<b>Charges</b>	CIBIL/CRIF/other charges shall be recovered upfront from the applicant. Penal charges on account of default in loan terms and conditions as per applicable charges schedule of the bank.

<b>Moratorium</b>	Moratorium, in case of term loans on repayment will be provided to the borrower for a <b>maximum period of 06 months from the date of first disbursement. It can also be extended on request to the borrower who shall take up the matter with DLIC.</b>
<b>Repayment</b>	<ul style="list-style-type: none"> <li>• Repayment of Term loan will be <b>maximum in 66 EMIs including moratorium period.</b></li> <li>• The working capital component, if any, shall be initially valid for a period of one year &amp; subject to annual review/renewal thereafter.</li> </ul>