



## Secured Business Loan for MSMEs (SBL)

### **Secured Business Loans for MSMEs**

#### **Objective:**

The SBL is designed to provide faster dispensation of credit to MSME's, particularly in the manufacturing segment and service sector. The scheme offers financial assistance for planned or unplanned business related expenses, depending on the strength of the collateral security and the repayment capacity of the MSME, based on current operations

#### **Eligibility:**

1. Existing MSME units having a net profit in 2 years out of last three years with cash profits in all the three years
2. The borrower should not be a defaulter to any bank/ F1
3. The other financial norms as a specified from time to time

## Secured Business Loan for MSMEs (SBL)



### Objective

- To provide fast dispensation of credit to MSMEs in manufacturing as well as service sector for planned or unplanned business related expenditure on the strength of the collateral security and repayment capacity based on current operations.

### Eligibility

- Existing MSME units having net profits in 2 years out of last three years with cash profits in all the three years.
- The borrower should not be defaulter to any bank / FI
- Other financial norms as specified from time to time.

### Nature of Assistance

Open term loan

### Quantum of assistance

- Linked to gross cash accruals and collateral security value
- Maximum assistance not exceeding ₹10 crore.

### Eligible heads for financing

- For any bonafide business expenditure.

### Rate of Discount

- Fixed interest rate linked to PLR as per credit rating

### Security

- Upto 10 years including moratorium.

### Foreign Currency Assistance

- Foreign currency assistance can be availed under the scheme towards creation of tangible assets subject to natural hedge & other terms & conditions.

For enquiries, please contact the nearest SIDBI office