

**SCHEME FOR FINANCING TO START-UP**

<b>S. No.</b>	<b>Parameter</b>	<b>Guidelines</b>
1.	<b>Objective Purpose</b>	Develop long-term relationship with start-ups in order to potentially secure future business. Financing to Start-ups in MSME, Agriculture and allied services
2.	<b>Eligibility</b>	<p>a) <b>Constitution:</b> Private Limited Company, Registered Partnership, or a Limited Liability Partnership.</p> <p>b) <b>Recognition:</b> Should be registered with/ recognized by DPIIT, Govt. of India or State Government.</p> <p>c) <b>Age of startup:</b> 1 years to 10 years from the date of incorporation/registration.</p> <p>d) <b>Turnover:</b> Not to exceed ₹100 crore in any of the Financial Year after incorporation/registration.</p> <p>e) <b>Financial:</b> Minimum 51% equity shall be held by the promoter.</p> <p>f) <b>Attributes:</b> Working towards innovation, development or improvement of products/processes/services or if it is scalable business model with high potential of employment generation or wealth creation.</p> <p>g) <b>Others:</b> Should not have been formed by splitting or reconstructing an already existing business.</p> <p>Start-ups, not satisfying the eligibility criteria but recognized as start-ups by DPIIT may be financed as per the extant Bank guidelines on merits of the case.</p>
3.	<b>Funding requirement of a Start-up (Indicative List)</b>	<p>a) For Prototype creation, product development, website or app development</p> <p>b) Team hiring</p> <p>c) Legal and consulting services</p> <p>d) Other Pre-Operative Expenses</p> <p>e) Equipment</p> <p>f) Licenses and certifications</p> <p>g) Marketing and Sales</p> <p>h) Purchase/Leasing of Office spaces and administrative expenses</p> <p>i) Furnishing/Renovation of the office/work-place</p> <p>j) Advance against future receivables of reputed firms/companies</p> <p>k) Working capital requirement</p>
4.	<b>Quantum of Finance</b>	<p>Min: ₹ 1.00 crore</p> <p>Max: ₹ 50.00 crore</p>
5.	<b>Facility</b>	<p><b><u>Fund Based</u></b></p> <p>a) Cash Credit</p> <p>b) Term Loan including Preliminary &amp; Pre- operative expenses</p>

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		c) Overdraft <b><u>Non-Fund Based:</u></b> LC/BG
6.	<b>Margin</b>	a) Minimum 25% b) Funding only after Equity is tied up/ fully funded.
7.	<b>Security</b>	a) Hypothecation/Mortgage of Assets if any. b) Collateral/ Personal Guarantee, wherever available. c) Pledge of Promoters shares – Min. 10% up to Max. 28%. d) Loan up to ₹ 5.00 crore (Rupees Five crore only) may be covered under the CGTMSE Scheme. e) National Credit Guarantee Trustee Company Ltd. (NCGTC) has set up Credit Guarantee Scheme for Startups up to a limit of ₹ 10.00 crore per borrower.
8.	<b>Service Charges</b>	Upfront fees, Processing fees, Inspection fees, Commitment charges to be waived. However, out of pocket expenses shall be recovered from the borrower.