

Annexure-I**CREDIT SCORING CRITERIA****Name of the Company / Firm:****Name of the chief promoter / chief executive:**

(In case of partnership concerns, where the partners are having equal stake, the personal profile of the active promoter as decided by the concern could be taken)

1. Personal details:

Sr. No.	Parameters	Maximum marks	Marks Scored	Criteria	Marks
1	Age	5		18 to 24 25 to 49 50 to 59 60 to 65	3 5 1 0
2	No.of children	2		Upto 3 > 3	2 0
3	Owning a house	5		Own Not owning house	5 0
4	Academic qualifications	4		Professional Graduate/PG Metric Below Metric	4 2 1 0
5	Experience in the line of trade	5		> 5 years 2 to 5 years < 2 years	5 3 0
6	Spouse details	1		Employed Homemaker	1 0
7	Assessed for income tax	2		Assessed Not assessed	2 0
8	Deposit account with SBI (min. deposit should be Rs.10,000/- in the period under review)	5		3 Yrs. & above 6 M to < 3 Yrs. < 6 M	5 2 0
9	Have life insurance policy	1		Yes No	1 0
	MARKS SCORED	30			

Minimum score should be 15 marks

2. Business Score:

2.A For existing units which have not so far availed any loan from the Bank. If takeover from another Bank, takeover norms, prescribed by the bank are to be first evaluated and fulfilled.

Sr. No.	Parameters	Maximum marks	Marks Scored	Criteria	Marks
1	Years in business	5		5 Years & over 3 Years to < 5 1 year to < 3	5 3 1
2	Continuous net profits (before tax)	5		Last 3 years Last 2 years Last year	5 3 1
3	Sales show a rising trend	5		Last 3 years Last 2 years	5 3
4	Factory premises	3		Owned or over 5 years of lease Rented	3 0
5	Know-how	2		Specialised Common	2 0
6	Line of activity	1		Priority Sector Non priority	1 0
7	Competition	4		Low Medium High	4 2 0
8	TOL/TNW (quasi equity to be added to TNW and reduced from TOL)	5		2 & Below > 2 but upto 3 > 3 but upto 4 > 4 but < 5	5 4 2 1
9 a	Quality of receivables	5		Upto 3 months of sales > 3 but upto 4 months of sales > 4 months of sales	5 1 0
9 b	Quality of finished goods inventory	5		Upto 1 month of sales > 1 but upto 2 months of sales > 2 months of sales	5 1 0
10	Repayment period (not applicable for only working capital loans)	5		Upto 3 years > 3 to 5 years > 5 years	5 3 0
11	Gross DSCR (not applicable for only working capital loans)	5		> 2 1.5 To 2 < 1.5	5 2 0
	MARKS SCORED	50			

Items 10 & 11 are not applicable for working capital loans alone. In that case the score should be normalized for 50 (marks scored/40)*50

Minimum score should be 25

2B. For Greenfield ventures:

Sr. No.	Parameters	Maximum marks	Marks Scored	Criteria	Marks
1	Branch is in the know of business (includes cases where the project is appraised by consultants of repute)	10		Yes No	10 0
2	Manufacturing/servicing/trading process is well known to applicant to produce/service/trade the required quality and quantity of the product	5		Yes Mo	5 0
3	Location advantage	2		Yes No	2 0
4	Availability of utilities including labour	2		Easy Ok	2 0
5	Firm's capacity to sell the product at the price and quantity	5		Good Ok	5 0
6	Line of activity	1		Priority Sector Non priority	1 0
7	TOL/TNW (quasi equity to be added to TNW and reduced from TOL) Competition	5		1 and below > 1 upto 2 > 2 upto 3 > 3	5 4 3 0
8 a	Quality of receivables as per projections	5		Upto 3 months of sales > 3 but upto 4 months of sales > 4 months of sales	5 1 0
8 b	Quality of finished goods inventory as per projections	5		Upto 1 month of sales > 1 but upto 2 months of sales > 2 months of sales	5 1 0
9	Repayment period (not applicable for only working capital loans)	5		Upto 3 years > 3 to 5 years > 5 years	5 3 0
10	Gross DSCR (not applicable for only working capital loans)	5		> 2 1.5 to 2 < 1.5	5 2 0
	MARKS SCORED	50 / 40			

Minimum Marks: 25 out of 50

3. Collateral conditions:

Sr. No.	Parameters	Maximum marks	Marks Scored	Criteria	Marks
1	Equitable Mortgage of property : Value of property (if TDR or cash equivalent is offered as security multiply cash equivalent by 2 and add to the collateral value) / loan amount (%)	15		75% and over 50% to <75% 25% to <50% <25% NIL	15 10 5 3 0
2	Residential property as part of 1	5		Yes No	5 0
	MARKS SCORED	20			

Minimum Marks are 10 (except in cases where Collateral should not be asked as per Bank's norms, where the minimum marks will be NIL)

ASSESSMENT OF WORKING CAPITAL**I. For SSI, SBF and Retail traders:**

Name of the Borrower:

Rs.in lakhs.

1. Projected Turnover Method (Nayak Committee Method)

Estimated 1st year	Projected 2 nd Year
-----------------------	-----------------------------------

a. Estimated Sales for the Current year

b. Working capital required (25% of 'a')

Eligible Bank Finance (80% of 'b')

Bank finance Required (A)**2. Assessment as per Traditional Method**

Estimated Purchases in the current Year

Estimated Average Raw Material Holding at any time
(Calculated at cost of Purchases)Estimated Average holding of Stock in process and Finished goods at
any one time

(calculated at cost of Production)

Estimated Average Receivable outstanding at any one time

Total Requirement

Less estimated average credit enjoyed on purchases

Less estimated average credit enjoyed on purchases

Less Other Sources like unsecured loans, plough back of profits etc

Bank Finance Required (B)

Working Capital Assessed/recommended

A or B above whichever is higher i.e**II. For Self Employed and Professionals**

50% of Gross annual income as declared in their Income Tax return.

III. Comments on Production aspects: (covering location advantages, availability of raw material and other utilities like water, power, fuel, labour etc.**IV. Brief Comments on Marketing Aspects:**

V. i) Assessment of EPC limits:

Rs.in lakhs

Sr. No	Particulars	Estimated 1st year	Projected 2nd year
1	Estimated Exports		
2	Exports - at cost		
3	Lead time and usance period (includes order period / manufacturing period etc.)		
4	No. Of Cycles in a year		
5	EPC requirement per cycle		
6	Less:- Margin on EPC – %		
7	Eligible Limit		
8	EPC limit recommended		

ii) Assessment of EBD limits:

Rs.in lakhs

Sr. No	Particulars	Estimated 1st year	Projected 2nd year
1	Estimated Exports		
2	Exports on Usance bill basis		
3	Usance period		
4	Lead Time		
5	No. of cycles in a year		
6	Eligible EBD Facility		
7	Limit requested by the unit		
8	Limit recommended		

iii) Brief Comments on the above limits:**VI. Assessment of Non fund based limits:****i)Assessment of LC limits:**

Rs.in lakhs

Annual Raw Material purchases	
Monthly Raw Material purchases	
Monthly Raw Material purchases through LC's @ % (A)	
Average Usance Period (B)	
Lead Time and transit period (C)	
Total of 'B' and 'C' (D)	
LC limits required (= A X D)	
Recommended LC Limits	

Assessment of BG limits:

Rs.in lakhs

Outstanding BGs as on	
Add: BG's required during the next 12 months, as under	
1.Earnest Money deposit 2.Security Deposit 3.Advance Payment BG 4.Retention Money Deposit/Maintenance Guarantee 5. Guarantees on account of sales tax, commercial tax and excise duty payments	
Less: Estimated maturity/cancellation of BG's during the period .	
Requirements of BG's	
Recommended BG limit	

Brief comments on requirements of above limits:

Annexure-III

Assessment of Term Loan:

Name of the Borrower:

1. Project Details

Project cost	Cost	Margin (%)	Margin amount	Rs.in lakhs. Required Finance	Bank
Land & Buildings					
Plant & Machinery					
WC margin					
Contingencies					
Total project cost					

Means of finance

- Own funds
- Borrowings from friends and relatives
- Bank finance
- others

Total means of finance **Debt /Equity :**

3. Details of capital expenditure i.e land and factory building as well as machinery proposed to purchase:

4. Remarks on cost of project & means of finance (in brief)

5. Term Loan Assessment:

Years	Rs.in lakhs					
	1	2	3	4	5	6
	(Act)	(E)	(E)	(E)	(E)	(E)
Net Profit						
Depreciation						
Cash Accruals						
Repayment obligations (including Interest)						
DSCR						
Average DSCR						

6. Project implementation schedule:

7. Comments on Commercial viability:

Term Loan assessment for Transport Operators (SRTO)

Name of the Borrower:

Cost of Vehicle/s		Rs.
Borrower's Margin (%)	Rs.	
Term loan recommended		Rs.

Assessment:

Earnings

- 1 Total No. of Kilometers to be run per day (estimated)/ No. of trips per day
- 2 Earnings per Km / earning per trip
- 3 No. of working days in a month
- 4 **Total monthly earnings 1 x 2 x 3A**

Expenses

- 5 Cost of Fuel per litre
- 6 Quantity of fuel required per month
- 7 Cost of fuel per month
- 8 Monthly Wages / batta for driver / cleaner etc
- 9 Maintenance
- 10 Repair
- 11 Insurance (annual premium / 12)
- 12 MV Tax (annual tax /12)
- 13 Interest on borrowings
- 14 Sustenance
- 15 Other expenses
- Total Monthly Expenses (5 to 15)....B**
- 16 **Monthly surplus A - B**
- 17 Monthly TL repayment
- 18 **DSCR 16/17**

Brief details of above workings:

TERMS AND CONDITIONS**Name of the Borrower:**

1.	Facility	
	Limit	
2.	Security	
	Primary	WC: TL:
	Collateral	
	Personal Guarantee (Indicate Net worth of Guarantors with date of compilation of opinion reports)	
3.	Interest (Linked to SBAR)	CC (HYP): TL:
4.	Margin(%)	Stocks: Receivables: Cover Period: BG/LC (cash Margins):
		Term loan:
4.	Repayment	CC(HYP):- Repayable on demand. TL:
5.	Validity of Sanction, Review/Renewal	Sanction valid for two years. A review shall be made after 12 months.
6.	Inspection	Quarterly
7.	Stock Statement	To be submitted monthly.
7.	Insurance	
8.	Processing fee	
9.	EM Charges	
10.	Commitment Charges	CC(HYP):- Term Loan:-
11.	Penal Interest	
12.	Documents	As per SME Documentation
13.	Other Stipulations, if any.	