



# SCHEME OF LOAN ASSISTANCE TO STATE GOVERNMENT AGENCIES

Salient features of the Scheme are as under:

## I. **PURPOSE :**

To provide finance to the State Government Departments/Corporations/ Board/Autonomous Bodies and other establishments. The finance would either be Short term or Medium or Long Term in nature and would be granted for:

- For Infrastructure Development Project.
- Repayment/takeover of outstanding liabilities of other Banks/Financial Institutions (except loans in doubtful/loss category).
- Operation of State Government Schemes.
- Any other funding as approved by the Board.

## II. **CATEGORY OF BORROWERS:**

State Government Corporations/ Departments/ Board/ Autonomous Bodies/Agencies and other establishments operating in the State of Goa.

## III. **QUANTUM OF LOAN:**

Quantum of loan assistance under the scheme shall be need based and as approved by the Finance Department, Government of Goa.

## IV. **MARGIN:**

Margin up to 10% of the project cost to be fixed on case to case basis.

## V. **SECURITY/LEGAL DOCUMENTATION:**

The financial assistance shall be in the form of Term loan and shall be secured by:

- (1) Term Loan Agreement creating charge on all the Fixed assets and receivables of the borrower.
- (2) Demand Promissory Note.
- (3) Assurance letter from Finance Department to ensure Budgetary Provision to borrowing agency to cover repayment of the term loan and the interest till loan is fully repaid.
- (4) Any other security/document as deemed fit.

## VI. **PROCESSING FEES:**

The non refundable loan processing fees shall be 1.00% of the Term loan subject to maximum ₹2.00 lakh excluding GST.

## VII. **RATE OF INTEREST:**(w.e.f. 01/10/2017)

The rate of interest shall be charged on floating basis. Presently the minimum interest rate is 10.00 % p.a. The rate chargeable shall be revised based on the cost of funds to the Corporation and as decided by the Board on case to case basis.

## VIII. **REPAYMENT:**

The repayment of Term loan shall be in suitable EMI/Quarterly/Monthly installments as requested by the Borrower. The loan assistance shall be repayable normally within 7 years with a moratorium up to 12 months.

## IX. **OTHER TERMS AND CONDITIONS :**

As stipulated on case to case basis.