

3. The NSIC will forward the credit proposals to CBI's branches, without any liability on its part for sanction.
4. CBI may accept loan applications forwarded by NSIC and consider sanctioning loans on merit basis and as per lending norms laid down in the lending policy of the Bank.
5. After sanction of the loan applications, all necessary action relating to dealing with the borrowers (including disbursement, monitoring, recovery etc.) would be taken up by CBI.
6. Upon sanction of the loan, CBI will pay within 30 days, 50% of the processing fee received from applicants to NSIC for each application so forwarded. Subsequently, processing fee recovered from the applicants at the time of review/renewal will be shared in the same proportion and shall be paid within 30 days from the date of review of the Accounts.
7. This arrangement of financing by CBI's branches shall be extended to the projects relating to SME Sector at different places where bank branches are located or other important industrial centres throughout the country.
8. NSIC is operating a Performance and Credit Rating Scheme for Small Enterprises (SEs) wherein SEs units are rated in terms of 'performance and credit parameters'. Six rating agencies viz., CRISIL, DUN & BRADSTREET, ICRA, CARE, ONICRA & FITCH have been empanelled by NSIC under the scheme for rating of the Small Enterprises. CBI may refer its customers to NSIC so as to be rated by any one of the six agencies as selected by the customer. In respect of the units rated by any of the above agencies and applying for credit support under this arrangement, the Bank will promote such units and re-calibrate the interest rates and security norms while considering the sanction of their proposals.
9. NSIC organizes various open houses/exclusive sessions, campaigns to create awareness of the schemes implemented by it as well as the arrangements like the one covered under this MOU. CBI and NSIC may also jointly hold similar open houses/campaigns to create awareness of their schemes and also take necessary steps to promote the business of mutual interest.
10. Under this understanding, the above arrangements would be given publicity by NSIC and CBI. Details of the arrangement shall also be publicized through the website of NSIC and CBI.

.....4/-

*Mohd*