LIFE SCIENCES ENTREPRENEUR ALL PRAISE FOR COLLATERAL-FREE LOANS

Nidhi Saxena's dream of floating her own company bore fruit in 2005. After having served 15 years in the IT and the BPO industry, she was keen to become an entrepreneur. This had been her goal ever since she completed her MBA from the SP Jain College, Mumbai, in 2002. Sensing unlimited potential in the life sciences business, Nidhi took the plunge and started Karmic Life Sciences with a fund of Rs 80,000 backed by an angel investment.

Initial year's success meant that Nidhi had to raise funds to grow her business but she had no collateral to raise loans from banks. Private equity funding was her first natural choice until her angel investor, Indian Internetwork, put her on to an MLI of CGTMSE for collateral free loans. After evaluating Nidhi's requirements, the MLI recommended the CGTMSE scheme and explained to her how the Trust can help her not only in getting a collateral free loan but also get timely advisory assistance.

Since the fund requirement was higher than what CGTMSE could cover, it was decided that a mix of loan and equity investment could be worked out under the small and medium enterprise promotion loan of the MLI.

The only thing Nidhi had to assure was the promoter's guarantee. Moreover, CGTMSE scheme gave her business a clear window to pay back in easy quarterly installment, a real boon for a startup.

Today, with about 45 professionals in its fold, Karmic Life Sciences is on the growth path. The company which is aiming at Rs. 8 crore turnover in 2011, has already got into the US market. The company has a 12,000-square feet facility in Mumbai. It is planning to go for full Gold Standard in terms of information security by September 2010. It also plans to set up a sales office in the US.

Nidhi's company is also working towards setting up a cancer hospital in India. Contented with the collateral-free loans availed by her, Nidhi now recommends the Trust to potential entrepreneurs.