

Guaranteed Emergency Credit Line (GECL) Facility Details

SN	Parameter	Guidelines
1.	Name	'Emergency Credit Line Guarantee Scheme (ECLGS)' (hereinafter referred as the 'Scheme') and the credit product for which guarantee would be provided under the Scheme shall be named as 'Guaranteed Emergency Credit Line (GECL)'
2.	Purpose	The Scheme is a specific response to the unprecedented situation COVID-19. It seeks to provide additional liquidity, thereby enabling MSMEs to meet their operational liabilities and restart their businesses.
3.	Nature of Facility	Fund Based: Working Capital Term Loan
4.	Eligible Borrower	MSMEs/ Business Enterprises which are constituted as Proprietorships, Partnerships, Registered Companies, Trusts and Limited Liability Partnerships (LLPs), and also interested borrowers under PMMY.
5.	Eligibility Criteria	<ul style="list-style-type: none"> • All Business Enterprises /MSME borrower accounts with combined outstanding loans across all Member Lending Institutions (*MLIs) of up to Rs. 25 crore as on 29.2.2020, and annual turnover of up to Rs. 100 crore for FY 2019-20 are eligible for the Scheme. • The Scheme is valid for existing customers on the books of the Bank. Borrower accounts should be less than or equal to 60 days past due as on 29th February, 2020 in order to be eligible under the Scheme. i.e. All borrowers (including restructured accounts) which have not been classified as SMA 2 or NPA by any of the MLIs as on 29th February, 2020 will be eligible for the Scheme. • Loans provided in individual capacity are not covered under the Scheme. • Business Enterprises / MSME borrower must be GST registered in all cases where such registration is mandatory. This condition will not apply to Business Enterprises/ MSMEs that are not required to obtain GST registration.
6.	Quantum of Finance	<ul style="list-style-type: none"> • Up to 20% of the borrower's total outstanding credit up to Rs.25 crore, excluding off-balance sheet and non-fund based exposures, as on 29th February, 2020, i.e., additional credit shall be up to Rs.5 crore.
7.	Tenure	The tenor of loans provided under this scheme shall be four years from the date of disbursement.
8.	Moratorium	A moratorium period of one year on the principal amount shall be provided under this scheme.

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		Interest shall, however, be payable during the moratorium period. The principal shall be repaid in 36 instalments after the moratorium period is over.
9.	Margin	NIL for ECLGS. However, margin for the existing limits will continue as per the sanctioned terms.
10.	Scheme Validity	The Scheme would be applicable to all loans sanctioned under GECL during the period from May 23, 2020 to 31 st October, 2020, or till an amount of Rs. 3 lakh crore is sanctioned under GECL by all MLIs, whichever is earlier.
11.	Insurance	Comprehensive insurance of all the securities charged to the Bank should be taken with Bank clause.
12.	Processing Fee	Nil
13.	Prepayment Charges	Nil