

Covid-19 related Credit Schemes

1) Common COVID-19 Emergency Credit Line (CCECL)- (Brief details)

Parameters	Details/ Particulars
Eligibility	All existing Standard Accounts including SMA 0 and SMA 1 accounts as on date of sanction are eligible.
Loan Amount	10% of the existing fund based working capital limits with maximum cap of Rs. 200.00 Cr.
Tenor	24 months
Repayment	Repayable in 18 equal monthly instalments after a moratorium of 6 months from date of disbursement. Interest to be serviced as and when applied
Rate of interest	1 year MCLR to be reset after 1 year. (Current 1 year MCLR is 7.40%)
Processing fee & margin	Nil
Facility	Demand Loan
Security	Extension of charge on existing primary and/ or collateral security.
Disbursement	On completing documentation & other formalities.
Validity of scheme	Scheme will be available up to 30.06.2020

2) Liberalized Working Capital Assessment Scheme for MSME borrowers (Brief details)

Parameters	Details/ Particulars
Purpose	To provide additional finance on liberal terms for build-up of current assets and to tide over the fallout of COVID-19 Pandemic, our Bank will provide enhanced working Capital (WC) limits for meeting the genuine business requirements of the unit.
Facility Type	Working Capital (FB + NFB)
Rate of Interest	As per card rate, linked to External Benchmark Rate
i) Scheme for borrowers with Max limits upto Rs. 5.00 Cr (Including Revised Limits)	
Eligibility	<ul style="list-style-type: none"> • Existing MSME Borrowers only. • Account should be a Standard Asset as on date of sanction (SMA 0, 1 & 2 are also eligible)

Salient features	<p>Based on Projected annual turnover for FY 2021.</p> <p>Assessment: Borrowers will be eligible for WC limits upto max. 33 % of the revised projected annual turnover for FY-21. Max Rs. 5.00 cr (FB + NFB), whichever is lower.</p> <ul style="list-style-type: none"> • Reduction in margins and extension of cover period of receivables is also permissible. • Cover period on receivables (other than associates) may be increased by up to a maximum of 90 days (over and above the cover period) sanctioned during last assessment). • All other ad-hoc Limits sanctioned (if any) sanctioned earlier, will be subsumed in this limit. • The limits proposed should be renewed/ reviewed within 12 months from the date of sanction of liberalised WC limits. • Extension of Charge over the existing Primary and Collateral Security • Scheme will be valid till 31.05.2020
ii) Scheme for borrowers with Max limits above Rs. 5.00 Cr	
Eligibility	<p>Existing MSME Borrower (Limits above Rs 5.00 cr.)</p> <p>Standard Accounts as on date of sanction (SMA 0, 1 & 2 are also eligible)</p> <p>NWC should not be negative as per the last renewal.</p>
Salient features	<ul style="list-style-type: none"> • Relaxation in holding period/ cover period is permissible. • Eligible for reduced margin and cover period of receivables. • All other ad-hoc Limits sanctioned (if any), will be subsumed in this limit. • Extension of Charge over the existing Primary & Collateral Security • Scheme will be valid till 31.05.2020

3) Guidelines on (i) Computation of Drawing Power (ii) Reviewing the cash margin on LC/BG- (Brief details)

Parameters	Details
Eligibility	<ul style="list-style-type: none"> • Existing borrowers having working capital facilities sanctioned in the form of CC/ OD • Borrowers facing stress on account of Covid-19. • Accounts should be Standard asset (including SMA 0 & SMA 1)
	<ul style="list-style-type: none"> • In cases of borrowers where their Drawing Power is lower than the Sanctioned Limit, the margins on all forms of Stocks can be

Salient features	<p>reduced and cover period for Receivables can be increased suitably in order to help the borrowers to avail additional DP, (in any case not higher than the sanctioned limits)</p> <ul style="list-style-type: none"> • Scheme will be valid till 31.05.2020
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4) Easing of working Capital Financing- Reassessment of FBWC limits-(Brief details):

Parameters	Details
Eligibility	<ul style="list-style-type: none"> • Existing borrowers having working capital facilities sanctioned in the form of CC/ OD • Borrowers facing stress on account Covid-19. • Borrowers accounts shall be standard including SMA 0 & SMA 1
Salient features	<ul style="list-style-type: none"> • Reassessment of limits to provide the borrower with need based financial support. • Assessment is done, keeping in mind the reduced margin requirement & revised holding period on Current Assets, enhanced cover period for Receivables and other genuine business requirements. • Scheme will be valid till 31.05.2020 • Interchangeability: If the limits are reassessed both ways interchangeability (from NFB to FB and vice - versa) may be permitted up to the extent of enhanced FBWC limits.

5) Acceptable mode of submission of request for credit facility:

Request/ Application can be submitted to the Home Branch physically or through e-mail (if submitted through e-mail- original request to be submitted later within 4 working days of lifting of lock down)

6) Checklist of documents required (category- wise)

- a) **Common COVID-19 Emergency Credit Line (CCECL)**
- b) **Liberalized Working Capital Assessment Scheme for MSME borrowers limits upto Rs 5 crores**
- c) **Liberalized Working Capital Assessment Scheme for MSME borrowers limits above Rs 5 crores**

Documents Required for 6a	Documents required for 6b	Documents required for 6c
Application/ Request letter for CCECL with justifications/certificate.	Request/Application (as per Annexure-I). Turnover originally estimated for FY 2020-21 (Rs. in cr/ lacs) Revised estimated turnover for FY 2020-21 (Rs. in cr/ lacs).	Request/Application (as per Annexure-II) Projected Balance Sheet for FY 2021.

7) Frequently Asked Questions (FAQs):

FAQs on Common Covid-19 Emergency Credit Line (CCECL Scheme)

i) Who are eligible to avail CCECL?

All existing borrowers whose accounts are Standard (including SMA 0 and SMA 1 status) as on date of sanction irrespective of internal rating. (SMA 2 status accounts are not eligible).

Existing customers who have availed other loan products like “SME Assist”, “SLC for MSME” and “SLC for GST Input Credit” etc. are also eligible for the facility. However, total additional exposure including the CCECL facility should not exceed 25% of the Fund Based Working Capital limits.

MSME accounts that have been restructured in terms of RBI Circular No. DOR NO BP BC 34/21.04.048/2019-20 dated 11.02.2020 and not classified as SMA-2 as on 01.03.2020 will also be eligible under this dispensation.

ii) Whether NBFCs/HFCs/MFIs are eligible for availing CCECL loans?

CCECL facility is not extended to NBFCs/ HFCs/ MFIs and other financial intermediaries.

iii) For what purposes CCECL can be given?

CCECL can be given to meet the temporary mismatch arising out of COVID-19 involving payment of statutory dues, salary/ wages/ electricity bill, rent etc.

iv) What is the loan amount that can be sanctioned under the scheme?

Loan amount: Maximum 10% of the existing fund based working capital limits. **The maximum cap is Rs.200.00 cr.**

v) Type of facility sanctioned under the scheme and what is the loan tenor?

CCECL will be made available as Working Capital (Demand Loan). Tenor of the loan: 24 months including 6 months moratorium.

vi) What is the validity period of the scheme?

Scheme will be in force upto 30.06.2020. (Drawdown will be permitted up to 31.07.2020 either in single tranche or maximum of three tranches).

vii) How the loan can be repaid?

Loan is to be repaid in 18 equal monthly instalments after a moratorium of 6 months from date of disbursement. Interest to be serviced as and when applied.

viii) What is the applicable margin?

Nil. The CCECL limit should be covered by market value of the stocks and receivables as per the stock statement. The existing limits however need to be covered by the advance value of securities

ix) What is the applicable rate of interest?

1-year MCLR to be reset after one year, Current 1 year MCLR is 7.40%.

x) Whether I need to offer any new collateral security?

No. Only extension of charge on primary and or collateral securities in addition to personal and corporate guarantee of Promoters year / Concern/ group as applicable. Wherever CGTMSE cover is available/eligible, it can be availed.

xi) Do I need to pay any processing fee?

No. Processing fee is waived.

xii) What are the assessment and appraisal criteria?

Limits will be assessed over and above the Assessed Bank Finance.

xiii) Whether our existing working capital limits are eligible for enhancement in terms of providing additional working capital facilities?

Yes. For genuine business requirements, reassessment of existing working capital limits may be done with reduced margin & revised holding period for stocks and enhanced cover period for receivables. However, the existing ad-hoc limits will be subsumed into the revised working capital assessed.

xiv) How can I apply for loan?

Submit simple application to your home branch either in hard copy or via email.