

## **Emergency Credit Line Guarantee Scheme (ECLGS) Guidelines**

Sr. no.	Particulars	Guidelines
1	Scheme	The Scheme shall be named as '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	Scheme duration	The Scheme would be applicable to all loans sanctioned under GECL during the period from the date of issue of these guidelines by NCGTC to 31.10.2020, or till an amount of Rs 3,00,000 crore is sanctioned under the GECL, whichever is earlier.
3	Purpose of scheme	To provide guarantee coverage for the GECL, which shall be a pre-approved sanction limit of up to 20% of loan outstanding as on 29th February, 2020 to eligible borrowers, in the form additional term loan facility from all Member Lending Institutions (MLIs) to eligible Business Enterprises / Micro, Small and Medium Enterprise (MSME) borrowers, in view of COVID-19 crisis, as a special Scheme.
4	Processing fees	NIL
5	Pre-payment penalty	NIL
6	Type of facility	Term Loan
7	Loan eligibility	Loan eligibility under GECL would be 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
8	Additional collateral for the GECL facility	No additional collateral
9	Eligible borrowers	Existing MSMEs/Business Enterprises which are constituted as Proprietorships, Partnerships, Registered Companies, Trusts and Limited Liability Partnerships (LLPs)
10	Rate of interest	14%
11	Tenor	The tenor of loans provided under GECL shall be four years from the date of disbursement. A moratorium period of one year on the principal amount shall be provided for GECL funding. Interest shall, however, be payable during the moratorium period. The principal shall be repaid in 36 instalments after the moratorium period is over.
12	Eligibility criteria	<ul style="list-style-type: none"> <li>• All MSME borrower accounts with combined outstanding loans across all MLIs of up to Rs. 25 crore as on 29.2.2020, and annual turnover of up to Rs. 100 crore in FY 2019-20. In case accounts for FY 2019-20 are yet to be audited/finalized, the MLI may rely upon the borrower's declaration of turnover.</li> <li>• The Scheme is valid only for existing customers on the books of the MLI.</li> <li>• Borrower accounts should be classified as regular, SMA-0 or SMA-1 as on 29.2.2020. Accounts classified as NPA or SMA-2 as on 29.2.2020 will not be eligible under the Scheme.</li> <li>• The MSME borrower must be GST registered in all cases where such registration is mandatory. This condition will not apply to MSMEs that are not required to obtain GST registration.</li> <li>• Loans provided in individual capacity will not be covered under the Scheme.</li> </ul>

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