

**EMERGENCY CREDIT LINE GUARANTEE SCHEME (ECLGS) UNDER THE ATMANIRBHAR BHARAT ABHIYAN PROGRAM**

Government of India and RBI has taken various measures for combating the challenges faced by the Indian economy due to COVID-19 crisis. As part of relief measures, the Department of Financial Services through the National Credit Guarantee Trust Company (NCGTC) has introduced the Emergency Credit Line Guarantee Scheme (ECLGS) for providing 100% guarantee coverage for additional Term Loans to eligible borrowers.

The key highlights of the scheme are as follows:

<b>Sr. No.</b>	<b>Parameter</b>	<b>Details</b>
1	Name of the facility	Guaranteed Emergency Credit Line (GECL)
2	Facility Type	Fund Based Term loan
3	Scheme validity	The Scheme would be applicable to all loans sanctioned under GECL during the period from May 23, 2020 to 31st October, 2020, or till an amount of Rs. 3 lakh crore is sanctioned under GECL by all Member Lending Institutions (MLIs), whichever is earlier.
4	Credit Limit	Up to 20% of the borrower's total fund based outstanding credit up to Rs.50 crore, as on 29th February, 2020 depending of borrower's need/credit assessment.
5	Purpose	The Scheme is a specific response to the unprecedented situation of COVID-19. It seeks to provide additional liquidity, thereby enabling MSMEs/Business Enterprises/Individuals who have availed loan for business purposes to meet their operational liabilities and restart their businesses.
6	Eligible Borrowers	<ol style="list-style-type: none"> <li>All borrower accounts pertaining to Business Enterprises /MSMEs/Loans to Individuals for business purposes with combined outstanding loans across all MLIs of up to Rs. 50 crore as on 29.2.2020, and annual turnover of up to Rs. 250 crore for FY 2019-20 are eligible for the Scheme.</li> <li>Loans provided to Business Enterprises / MSMEs constituted as Proprietorship, Partnership, registered company, trusts</li> </ol>

		<p>and Limited Liability Partnerships (LLPs) shall be eligible under the Scheme. As per decision taken on August 03, 2020, loans provided to individuals for business purposes shall also be eligible</p> <p>3. Borrower with combined outstanding loans across all Member Lending Institutions of up to Rs. 50 crore as on 29.2.2020, and annual turnover of up to Rs. 250 crore for FY 2019-20 are eligible for the Scheme.</p> <p>4. The Scheme is valid for existing customers on the books of the Company. Borrower accounts should be less than or equal to 60 days past due as on 29th February, 2020. 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.</p>
7	Security	The additional facility shall rank second charge with the existing credit facilities, in respect of underlying security as well as cash flows for repayment, with charge on the assets financed under the Scheme to be created within a period of 3 months from the date of disbursal. No additional/fresh collateral security required.
8	Rate of Interest	Up to 14%.p.a.
9	Tenure / Moratorium	Maximum 48 months with first 12 months as Principal repayment Moratorium; during the first 12 months, only Interest would be payable
10	Processing fee/ Prepayment penalty	Nil
11	Guarantee Fee payable to credit guarantee trust	Nil

For more details & FAQs click on <https://www.ncgtc.in/> or <https://www.eclgs.com/>