



EMERGENCY CREDIT LINE GUARANTEE SCHEME (ECLGS)

Introduction & Objective: Government of India launched Emergency Credit Line Guarantee Scheme (ECLGS) as a special scheme to strengthen the crisis credit delivery system and facilitate flow of credit to the MSE sector. The main objective is to provide guarantee coverage for Emergency Funding provided by Banks & NBFC's due to Coronavirus (COVID-19) crisis

Name of the Facility: Emergency Credit Line Guarantee Scheme (ECLGS)

Facility Type & Purpose: Working Capital Term Loan (WCTL) to augment the Business Enterprises/Micro, Small & Medium Enterprises (MSME) borrowers working capital needs, to meet operational liabilities and restart their businesses which have been impacted due to the COVID-19 crisis.

Validity of the Scheme: Scheme is available up to Oct 31, 2020 or on reaching the threshold of Rs. 3,00,000 Crore as stipulated under the ECLG Scheme is sanctioned by all Banks/FIs/NBFCs put-together, as prescribed by the Government of India under Emergency Credit Line Guarantee Scheme (ECLGS)

Loan Amount & Interest offered: Loan amount is up to 20% of the Principal Outstanding as on 29 February 2020 and rate of Interest is 14% per annum

Tenure and Moratorium: Total 48 months with first 12 months only interest payable (Moratorium on Principal) and remaining 36 EMI's with Principal and Interest would be payable

Eligibility Borrowers: JDFIPL existing customers having business enterprises/MSME borrower/Individuals accounts with combined outstanding loans across all Member Lending Institutions of up to ₹ 50 crore as on 29.02.2020 and annual turnover of up to ₹ 250 crore for FY 2019 – 20.

- ❖ Borrower accounts should be less than 60 days past due as on 29th February 2020 in order to be eligible under the Scheme.
- ❖ Loans provided to Business Enterprises /MSMEs /Individuals (for business purpose only) shall be eligible under the Scheme.
- ❖ Loans sanctioned under ECLGS would be up to 20% of the borrower's total outstanding credit as on Feb 29, 2020
- ❖ Business Enterprises / MSME/ Individual borrower must be GST registered in all cases where such registration is mandatory. This condition will not apply to Business Enterprises / MSMEs /Individual that are not required to obtain GST registration.
- ❖ Nil processing charges and waiver of foreclosure/prepayment charges.
- ❖ No additional collateral requirement.

Detailed guidelines & FAQs on ECLGS is available at <https://www.eclgs.com/>