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SCHEME GUIDELINES OF Emergency Credit Line Guarantee Scheme 4.0 (ECLGS 4.0)		
1	Title	Emergency Credit Line Guarantee Scheme 4.0 (ECLGS 4.0)
2	Purpose	For setting up low cost oxygen generation plants, involving technologies like Pressure Swing Adsorption for on-site oxygen generation.
3	Target Group	Eligible hospitals/nursing homes/clinics/medical colleges / units engaged in manufacturing of liquid oxygen, oxygen cylinders etc., for setting up of on-site oxygen generating plants.
4	Eligibility	<p>a) Existing customers whose limits are in force as on date of sanction, irrespective of risk rating.</p> <p>b) All Business Enterprises /MSMEs in the hospitals/nursing homes/clinics/medical colleges / units engaged in manufacturing of liquid oxygen, oxygen cylinders etc., sectors who have a credit facility from a lending institution with days past due up to 90 days as on 31.03.2021 are eligible for assistance of up to Rs.2 Crore for setting up oxygen generation plants involving low cost technologies like Pressure Swing Adsorption for on-site oxygen generation plants.</p> <p>c) 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.</p> <p>d) Days Past Due status as on 31.3.2021 to be checked across all lending institutions from credit bureau.</p> <p>e) Loans provided to Business Enterprises / MSMEs constituted as Proprietorship, Partnership, registered company, trusts and Limited Liability Partnerships (LLPs) or any other legal entity shall be eligible under the Scheme.</p> <p>f) Business Enterprises / MSME borrower accounts which have been classified as NPA by any of the lender as on 31.03.2021 shall not be eligible. However, exception has been allowed for overdues of the borrower in respect of their credit card/savings account/current account provided the said overdues did not exceed 1% of the loan amount (i.e. GECL amount) extended under ECLGS facility and that the overdue amount was regularized prior to assistance being extended under ECLGS and provided further that the member lending institutions ensure that the overdues were covered by the materiality concept being followed by the Member lending Institutes.</p> <p>g) For the purpose of this Scheme it is not necessary that the existing loans of the borrowers should be covered under the existing NCGTC or CGTMSE Scheme.</p>
5	Nature of facility	Additional Term Loan/Working Capital Term Loan, and/or, Non-Fund based facility(LC for import of Capital goods)

6	Quantum	<p>a) The amount of GECL 4.0 funding to eligible borrowers in the form of fund based (term loan) or non-fund based (LC for import of capital goods) facility and would be limited to Rs.2 Crore per borrower for setting up on-site oxygen generating plant.</p> <p>b) Total Outstanding Amount would comprise of the on-balance sheet exposure such as outstanding amount across WC loans, term loans and WCTL loans. Off-balance sheet and non-fund based exposures will be excluded.</p> <p>c) Branches/Offices are expected to check with credit bureau the overall outstanding of the borrower to assess the overall additional loan amount eligible for sanction under the Scheme.</p> <p>d) WCTL facility granted under ECLGC 4.0 Scheme shall be opened in system as a separate credit facility.</p> <p>e) Branches/Offices to evaluate credit proposals by using prudent banking judgment and use their business discretion / due diligence in selecting commercially viable proposals and conduct the account(s) of the borrowers with normal banking prudence under this scheme also.</p>
7	Margin	<p>NIL – for existing borrowers. 15% - For new to bank customers.</p>
8	Interest	<p>MSME - RLLR + 0.60% per annum.</p> <p>Other than MSME – 1 year MCLR +0.15% per annum (Interest is subject to a maximum of 7.50% per annum during the entire tenure of the loan)</p>
9	Repayment	<p>a) The tenor of facilities provided under GECL shall be for a period of 5 years from the date of first disbursement of fund based facility including moratorium of 6 months.</p> <p>b) The last date for sanction of loans under GECL 4.0 under fund based facility and utilization of LC under non-fund facility shall be 31.03. 2022 or till guarantees for an amount of Rs.4,50,000 Crore are issued (taking into account ECLGS 1.0, 2.0 & 3.0), whichever is earlier. The last date of disbursement under ECLGS 4.0 shall be June 30, 2022.</p>

		<p>c) Moratorium period of 06 months on the principal amount shall be provided to borrowers for GECL facility (fund based and non-fund based), during which interest shall be payable.</p> <p>d) No pre-payment penalty to be charged in case of early repayment.</p> <p>e) Borrowers availing assistance under ECLGS 4.0 shall open ESCROW A/c on which Bank shall have its charge</p> <p>f) The account may be operated in combination with applicable Interest Subvention Scheme(s) as far as feasible.</p>
10	Processing charges	<p>Existing borrowers - NIL.</p> <p>New Borrowers – applicable as per extant guidelines All other charges as applicable.</p>
11	Security	<p>Primary: Assets created out of the credit facility.</p> <p>Collateral: No fresh collateral security to be obtained. However, the additional WCTL granted under GECL shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and security, with charge on the assets financed under the Scheme to be created on or before June 30, 2022 or date of NPA, whichever is earlier.</p>
12	Guarantee Scheme	Emergency Credit Line Guarantee Scheme (ECLGS) under ECLGS 4.0 Administered by National Credit Guarantee Trustee Company (NCGTC) Limited.
13	Guarantee Fee	NIL
14	Validity of the Scheme	<p>➤ 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 31.03.2022 or till guarantees for an amount of Rs.4,50,000 Crore is sanctioned under the GECL (taking into account ECLGS 1.0, 2.0 & 3.0), whichever is earlier.</p> <p>The last date of disbursement for fund based facility under the scheme (ECLGS 1.0, ECLGS 2.0 and ECLGS 3.0) shall be June 30, 2022.</p>

Conditions apply. The information provided above is only illustrative and not exhaustive.

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