

CENT – COVID-19 - SAHAYATA

1. At present the entire world is reeling under COVID-19 crisis which is declared as Global Pandemic by World Health Organization. Due to outbreak of COVID-19, though human beings are the most sufferers but the economy of entire world has also been impacted adversely and there is drastic decline in cash flow. Our constituents whom we have financed Working Capital/ Term Loan etc. to run their business are not also isolated and they are facing liquidity crunch.
2. To support liquidity mismatch, Bank has approved a new product for our existing borrowers enjoying Fund Base Working Capital limits to tide over the current crisis.
3. The details of the proposed product are as under:

Sr No	Parameter	Details
1	Name of the facility	CENT - COVID 19- SAHAYATA
2	Facility Type	Term Loan
3	Total Period	24 months
4	Validity of the Scheme	Scheme will be in force up to 30.06.2020
5	Eligibility	All borrowal accounts availing Fund Based Working Capital Limit which has been classified as Standard or SMA 0. In other words, the account should not have been classified as SMA 1, SMA 2 or NPA either with our Bank or with any other Bank as on the date of application as well as on the date of disbursement.
6	Loan Amount	a. Limit: Up to 10% of the existing Fund Based Working Capital Limit (FBWC). Maximum amount: Rs 50 crore b. Existing customers who have availed concessions under special dispensation under RBI scheme for MSME are also eligible for the facility. However in such cases the total additional exposure including the present facility should not exceed 25% of the FBWC exposure. c. The facility will be considered as an exposure on the borrower and guidelines stipulated under the large exposure framework and market mechanism shall be adhered to. d. The facility be need based and on specific request from the borrower.
7	Disbursement	The borrower can avail the sanctioned amount in one go or in tranches. Disbursement of at least 75% of sanction limit be made directly to the suppliers / vendors of inputs. Amount up to a maximum of 25% of limit may be disbursed for payment of pending salary, wages and other statutory dues. In case there is a delay in documentation due to non-availability of stamp duty etc, amount up to one month's salary and wages,

		subject to maximum of 25% of the sanctioned Limit under Cent Covid-19 - Sahayata, may be disbursed for meeting the cash flow mismatch after obtaining DPN for the sanctioned limit from the borrower. The quantum of salary and wage expenses so submitted by the borrower need to be supported by certificate from a chartered accountant firm.
8	Repayment	Repayable in 18 Equated Monthly Instalments (EMI) after a moratorium period of 06 months from the date of disbursement of the loan. Interest during the moratorium period shall be serviced as and when due.
9	Margin	NIL However the proposed limit should be covered by the market value of stocks and receivables as per the Stock Statement as of the end of the current month after disbursement of the loan.
10	Interest Rate	Rate of interest applicable for the FBWC limit of the borrower subject to a maximum of one year MCLR.
11	Security	Extension of charges on the Primary Security / Collateral Security
12	Guarantees	Existing Guarantees, if any, will also be extended to the proposed facility
13	Credit Rating	The existing internal rating should be CBI VI or better.
14	Documentation / ROC Charges	Documents as applicable to Term Loans as per the extant guidelines are to be executed. However, as given in point number 7, after execution of specific DPN for the limit, amount up to one month's salary and wages, subject to maximum of 25% of the sanctioned limit be disbursed for meeting the cash flow mismatch. The registrations of the security with CERSAI need to be completed within one week's time from the date of execution of security documents. The registrations with ROC, if applicable, need to be completed within the stipulated period of 30 days from the date of execution of security documents. In case of consortium accounts and accounts under MBA, maximum 3 months' time is allowed for security creation/perfection and execution of necessary documents.
15	Processing Fee	NIL
16	Prepayment Penalty	NIL
17	Others	I. The limit will be over and above the MPBF calculated as per our policy II. All terms and conditions of existing limits, including

		<p>perfection of security, should be complied with, by the borrower before sanction of this facility.</p> <p>III. The facility be made available at the specific request of the borrower, stating that the business has been adversely affected by COVID 19</p> <p>IV. In case of consortium accounts, if the limit is sanctioned based on mutual consensus of all the member banks, then the terms and conditions of the facility should be either in line with our scheme, or better than our scheme.</p> <p>V. In case of accounts under consortium, NOC from the lead bank need to be obtained for ceding the charge within the stipulated period of 3 months.</p> <p>VI. The facility should not be used for payment of existing overdue of the borrower with our Bank or any other bank or for any other speculative purposes. An undertaking to this effect has to be obtained from the borrower.</p> <p>VII. End use to be ensured through post sanction inspection.</p>
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