



Emergency Credit Line Guarantee Scheme (ECLGS)

The Emergency Credit Line Guarantee Scheme (ECLGS) was unveiled as part of the Rs 20 lakh crore comprehensive package announced by Finance Ministry on 13/05/2020, to aid Micro, Small and Medium Enterprises (MSMEs) sector in view of the economic distress caused by the COVID-19 pandemic. The key highlights of the scheme are as follows

Name of the Scheme	Emergency Credit Line Guarantee Scheme (ECLGS). (Under the aegis of the GOI, through the Ministry of Finance, Dept. of Financial Services)
Name of the Product	Guaranteed Emergency Credit Line (GECL).
Facility Type	Fund Based- Term Loan
Eligibility	<ul style="list-style-type: none">• All Business Enterprises /MSME borrower accounts with combined outstanding loans of up to Rs. 25 crore as on 29.2.2020, and annual turnover of up to Rs. 100 crore for FY 2019-20 are eligible for the Scheme.• Total Outstanding Amount would comprise of the on-balance sheet exposure. Off-balance sheet and non-fund-based exposures will be excluded.• Loans provided to Business Enterprises / MSMEs constituted as Proprietorship, Partnership, registered company, trusts and Limited Liability Partnerships (LLPs) shall be eligible under the Scheme.• Business Enterprises / MSMEs would include loans covered under Pradhan Mantri Mudra Yojana extended on or before 29.2.2020, and reported on the MUDRA portal.• Loans provided in individual capacity are not covered under the Scheme.• The Scheme is valid for existing customers on the books of Sundaram Finance• Borrower accounts should be less than or equal to 60 days past due as on 29th February, 2020 in order to be eligible under the Scheme. Borrower accounts which had NPA or SMA-2 status, as on 29.02.2020 shall not be eligible under the Scheme.• Business Enterprises / MSME borrower must be GST registered in all cases where such registration is mandatory. This condition will not apply to Business Enterprises / MSMEs that are not required to obtain GST registration



	<ul style="list-style-type: none">To be eligible under the Scheme it is not necessary that the existing loans of the borrowers should be covered under the ECLGS of NCGTC.
Credit Limit	Credit under GECL would be up to 20% of the borrower's total outstanding credit up to Rs. 25 crores, excluding off-balance sheet and non-fund-based exposures, as on 29th February, 2020, subject to the borrower meeting all the eligibility criteria. The maximum is Rs. 5 cr.
Interest Rate	Please contact your nearest branch to know more details
Government Guarantee	The entire funding provided under GECL shall be provided with a maximum of 100% credit guarantee coverage by NCGTC under the Scheme.
Repayment	<ul style="list-style-type: none">Maximum 4 years from the date of disbursementMoratorium period of one year on the principal amount. Interest shall, however, be payable during the moratorium period.The principal shall be repaid in 36 equal instalments after the moratorium period is over.Interest to be serviced as and when applied.
Security /collateral	<ul style="list-style-type: none">No additional collateral to be obtained for the loan under GECL.However, the additional credit facilities being covered under this scheme shall rank second charge with the existing credit facilities in terms of cash flows and security, with charge on the assets financed under the Scheme to be created within a period of three months from the date of disbursal.
Validity of Scheme	The scheme is valid till 31.10.2020 or till an amount of Rs 3,00,000 crore is sanctioned under the GECL Scheme by all banks/NBFCs (as notified by NCGTC), whichever is earlier.
Processing fee/ Pre-	Nil



payment penalty	
Guarantee Fee payable to credit guarantee trust	Nil
NCGTC Guidelines	Please visit https://www.eclgs.com/

For further details on the GECL product, [please contact your Branch.](#)