

IREP Credit Capital – ECLGS

In view of the current economic distress caused by the COVID-19 pandemic, the Finance Ministry of India has introduced Emergency Credit Line Guarantee Scheme (“ECLGS” or “Scheme”) with a view to provide additional working capital term loans to the eligible borrowers to meet operational liabilities and restart their businesses. The Scheme is administered by National Credit Guarantee Trust Company (“NCGTC”).

IREP Credit Capital Pvt. Ltd. (“IREP”) is pleased to offer this Scheme to its eligible borrowers to help them restart their businesses. The key details of Scheme are listed below:

Nature of facility: Term Loan (TL)

Key Eligibility Criteria:

- All borrower accounts pertaining to Business Enterprises/MSMEs/Individuals with combined outstanding loans across all Member Lending Institutions (MLI / Lenders) of up to Rs. 50 crore as on 29.02.2020, and annual turnover of up to Rs. 250 crore for FY 2019-20 are eligible.
- Loans provided to Business Enterprises/MSMEs constituted as Proprietorship, Partnership, registered company, trusts and Limited Liability Partnerships (LLPs) are eligible along with loans provided to individuals for business purposes.
- Only existing borrowers on the books of IREP as on 29.02.2020 are eligible.
- Borrower accounts should be less than or equal to 60 days past due as on 29.02.2020 across all MLIs. Borrower accounts which had NPA or SMA-2 status as on 29.02.2020 across MLIs are not be eligible.
- Loans provided in individual capacity are covered under the Scheme; however, such loans should be restricted to business loans taken by individuals for their own businesses. These loans should also meet all the eligibility criteria of the Scheme.
- Business Enterprise/MSME borrower must be GST registered in all cases where such registration is mandatory. This condition will not apply to borrowers that are not required to obtain GST registration.
- Such other conditions as detailed in the Scheme and as may be stipulated from time to time

Validity: Scheme is valid until 31.10.2020 or on reaching the threshold stipulated as per Scheme by NCGTC whichever is earlier.

Loan amount: Maximum up to 20% of the total fund based outstanding (up to Rs. 50 crores) as on 29.02.2020. IREP reserves the right on the final loan amount to be sanctioned.

Rate of Interest: 14% p.a

Tenor & Repayment: Maximum of 4 years from the date of disbursement, including moratorium of 12 months for principal repayment (interest payable during this period). The principal shall be repaid in 36 instalments after the moratorium period is over.

Prepayment penalty & Processing Fees: NIL

Security:

- The security shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and security.
- Charge on the assets financed under the Scheme is to be created within a period of three months from the date of disbursal.
- No additional collateral required for TL under

ECLGS. The Scheme is subject to revision as per

NCGTC guidelines.

For operational guidelines, FAQs and / or more details on the Scheme please [click here](#).