



## **EDC CREDIT SUPPORT SCHEME**

### **PURPOSE OF LOAN**

To meet the temporary liquidity mismatch of existing borrowers arising out of COVID 19 pandemic for working capital requirements including payment of statutory dues, staff salaries, utility bills, rent, delayed receivables, etc.

### **ELIGIBILITY**

1. All existing MSME borrowers of the Corporation as on 29.02.2020. This scheme is valid up to 31<sup>st</sup> October 2020 unless extended.
2. The repayment history & past dealings of the promoters/unit /sister concerns/group concerns with the Corporation should have been satisfactory and the loan account classified as standard as on date of application for loan.

### **AREA OF OPERATION**

State of Goa.

### **QUANTUM OF LOAN**

The proposed credit support to be extended shall be as **Additional Term Loan** subject to a maximum of 20% of all the loans outstanding of the applicant as on 29<sup>th</sup> February 2020 with the Corporation. The proposed additional term loan shall not exceed Rs.500.00 lakhs.

The loan assistance shall be considered subject to the availability of adequate security cover. The actual amount of loan sanctioned shall be decided by the Corporation on case to case basis.

### **MAXIMUM DEBT-EQUITY**

The current outstanding along with the proposed additional term loan should preferably not exceed the maximum debt equity ratio of 2:1.

### **MARGIN ON SECURITY**

Nil.

**INTEREST RATE: 10.50% p.a. (Fixed)**

### **PROCESSING FEES**

0.50% of the loan amount subject to maximum of ₹1.00 lakh (plus GST as applicable) as against 1% of the loan amount subject to maximum of ₹2.00 lakhs. The processing fees are non-refundable.

### **SECURITY FOR LOAN**

The existing outstanding term loan and proposed additional term loan shall be secured by not less than 125% security cover.

**Primary security:** Mortgage / Hypothecation of fixed assets / current assets.

**Additional / Collateral security:** Commercial or residential non-agricultural immoveable properties with clear marketable title or any other security acceptable to the Corporation on case-to-case basis, if required.

**Personal Guarantee** of the promoters/directors/a suitable person of sound financial means, etc. could be insisted in addition to the above wherever felt necessary by the Corporation.

### **LOAN REPAYMENT**

The loan is repayable within 4 years including a moratorium period upto 1 year, depending on repayment capacity of the project. The repayment will be in quarterly installments.

### **GENERAL**

1. The units having availed a similar facility from banks/institutions shall not be considered eligible under this scheme.
2. The loan shall be disbursed after execution of legal documents and compliance of terms of sanction/ disbursement formalities.
3. The loan proposal shall be considered on its own merit and mere compliance of the eligibility and other criteria may not entitle the applicant for the loan.
4. The Corporation reserves the right suitably modify any of the above criteria on a case to case basis.