

Union Standby Line of Credit(SLC)

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| 1. | Eligibility | <ul style="list-style-type: none"> All Existing MSME Units having limit up to Rs.5.00 Crore. Accounts which are in standard category (including SMA) are eligible under the scheme. |
| 2. | Purpose | To meet the temporary liquidity mismatch arising out of delayed realization of receivables, receipts of GST Inputs tax credits (including for Exports) and other Business requirements. |
| 3. | Quantum of Finance | 25% of the existing working capital limit (FBWC + NFBWC) with a cap up to maximum amount of Rs. 1.25 Crore. |
| 4. | Margin | <ul style="list-style-type: none"> For the proposed SLC for MSME margin will be nil. However margin for the existing limits will continue as per the sanctioned terms. |
| 5. | Interest Rate | <ul style="list-style-type: none"> As per the extant interest rate circular of our Bank. Penal Interest as applicable to Cash Credit account will be charged, if not repaid within the stipulated period. |
| 6. | Facility | Demand Loan/ WCDL |
| 7. | Security/Guarantee | <p>Hypothecation of stocks and receivables. Extension of charge on the Primary Security / Collateral security.</p> <p>Guarantee: Extension of existing Personal/Corporate guarantee of promoters/ concern/ group concerns/ guarantors, as applicable.</p> |
| 8. | Repayment | Working Capital: Limit outstanding / disbursed should be adjusted within a maximum period of 12 months. Repayment is to be fixed as per cash flow of the unit, i.e. Monthly / Quarterly / Half yearly / Bullet repayment after 12 months. |
| 9. | Assessment | <ul style="list-style-type: none"> SLC for MSME to be made available at the specific request of the borrower. 25% of the existing working capital limit (FBWC + NFBWC) with a cap up to maximum amount of Rs. 1.25 Crore. The limit will be over and above the assessed Banking finance. IRAC norms as stipulated to Demand Loan shall be applicable. |

- For more details, Please contact our nearest branch