

## Frequently Asked Questions on UCO Covid-19 Emergency Credit Line (UCECL)

With a view to provide some degree of relief to the borrowers whose operations have been affected due to impact of lockdowns in the country triggered by the Covid-19 pandemic, Bank has made available additional credit facilities to eligible existing borrowers by way of ad-hoc facilities named UCO COVID-19 EMERGENCY CREDIT LINE (UCECL). This facility will help the borrowers to tide over their temporary liquidity mismatch problems.

The salient features of the UCECL are provided below:

Sl no.	Frequently Asked Questions
<b>1</b>	<b>Who are eligible for this Scheme</b>
A	All existing Standard Accounts Borrower, including SMA-0 and SMA-1 on the date of sanction, are eligible for loan under this scheme
<b>2</b>	<b>What is the maximum amount of loan eligibility under the Scheme</b>
A	<p><b>Bank has decided to extend maximum 10% of the existing Working Capital Limits FB+NFB(ILC+FLC) subject to maximum of Rs. 50 crs.</b></p> <p><b>Full interchangeability from Non-Fund based (ILC/FLC) to Fund based limit may be allowed till 30.09.20 and such Interchangeability shall be subject to availability of Drawing Power (DP)</b></p> <p>In case of borrowers, who have been sanctioned ad-hoc/excess/Gold card limits, the total of such limits including proposed scheme exposure should not exceed 25% of the total FB working capital limit.</p>
<b>3</b>	<b>What will be the nature and tenor of the facility? Is there any moratorium?</b>
A	The Facility will be in the form of Term Loan, of total tenor 24 months, repayable in max. 18 Equated Monthly Installments (EMIs), after a moratorium of 6 months from the date of disbursement.
<b>4</b>	<b>What will be the security on this facility? Is there requirement of any additional security?</b>
A	<p>The proposed limits should be fully covered by the value of the stocks and receivables as per the Stock statement. No clean facility shall be approved.</p> <p>Extension of charge will be carried out on the existing primary and collateral security.</p> <p>Cover period on Receivables may be extended by maximum period of six months (180days) for this ad-hoc portion, till closure of the facility.</p>
<b>5</b>	<b>What are the Drawing Power (DP) requirements?</b>
A	<p>For availing the limits, Drawing Power should be available.</p> <p>However, Bank may reduce the margins on the stocks and receivables and increase the cover period if it is justified.</p>

<b>6</b>	<b>What is the interest rate on UCECL?</b>
A	The Interest Rate shall be at Bank's prevailing 1 year MCLR (presently 7.90%), for MSMEs ROI shall be UCO Float rate i.e. 7.30%
<b>7</b>	<b>Are there any charges?</b>
A	There are no Processing fees or Prepayment charges. However, penal interest charges will be applicable as per Bank's extant guidelines.