

**FREQUENTLY ASKED QUESTIONS (FAQs)**  
**COMMON COVID EMERGENCY CREDIT LINE (CCECL)**  
**(WORKING CAPITAL DEMAND LOAN)**  
**FOR FARMERS /SHG MEMBERS**

**1. What are the objectives of Common Covid Emergency Credit Line (CCECL)?**

- To provide relief to Agri borrowers / Agri entrepreneurs / SHG Members to tide over the COVID 19 pandemic outbreak.
- To extend an additional credit facility to the eligible existing borrowers by way of ad-hoc facilities viz Common Covid 19 Emergency Credit Line for sustaining Agri income generation activity.

**2. Who are eligible for finance under CCECL?**

- All existing KCC / ACC/ ABAL / SHG ACC borrowers.
- All standard accounts including SMA 0 and SMA 1 accounts (Risk Grade 0, 1 and 2) as on date of sanction irrespective of internal rating (**SMA 2 are not eligible**).

**3. What are the purposes covered under CCECL?**

- Need based credit to meet the emergency needs for payment of Agri seasonal operations, allied Agri activities, farm maintenance, enhanced labor wages, transport, marketing expenses, breakdown of farm maintenance, incidental expenses, etc., for sustaining their income generation activities

**4. What are the documents required for availing CCECL?**

**For loan limit up to Rs.1.60 lakh**

- Application form cum appraisal.
- Two latest Passport Size Photos,
- ID Proof such as Aadhar Card / Voter Identity Card etc.,
- Address Proof such as Driving License, Aadhar Card, etc.
- DP Note and DP Note Take Delivery Letter
- Arrangement letter.
- Hypothecation Supplementary Agreement (AB1-A)

### **For loan limit above Rs.1.60 lakh**

- Application form cum appraisal.
- Two latest Passport Size Photos,
- ID Proof such as Aadhar Card / Voter Identity Card etc.,
- Address Proof such as Driving License, Aadhar Card, etc.
- DP Note and DP Note Take Delivery Letter
- Arrangement letter.
- Hypothecation Supplementary Agreement (AB1-A)
- Deed of Extension of mortgage (AB3-A) , if applicable
- Extension of equitable mortgage, if applicable.

### **For SHG-CC**

- Application for loan assistance by SHG
- Resolution for availing “CCECL”
- Inter -se Agreement.to be executed by all members of SHG
- Articles of Agreement for financing SHGs-executed by Authorized Representatives
- Arrangement Letter

### **5. What is the validity period of the scheme CCECL?**

- The scheme (CCECL) will be in force up to 30.06.2020 (*drawdown will be permitted up to 31.07.2020 either in single tranche or maximum of three tranches*).

### **6. What is the minimum and maximum loan under CCECL?**

- Maximum loan: Ten (10%) of the existing limit.
- The maximum cap is Rs.200 lakh.
- For SHG, Rs,5,000/- per member is the minimum

### **7. What is the margin required under CCECL?**

- NIL

### **8. What is the interest rate for the CCECL?**

- 1- Year MCLR (*Marginal Cost of Funds Lending Rate*) to be reset after one year.
- At present, interest rate applicable is @7.40% p.a.

**10. What is the loan facility of CCECL and its tenor?**

- Demand Loan- Maximum 24 months

**11. What are the security norms for the loan availed under CCECL?**

**a. For loan limit up to Rs.1.60 lakh:**

- **Primary security:** Hypothecation of assets created out of Bank's finance and extension of charges on stocks /other assets.

**b. For Loan limit above Rs.1.60 lakh**

- **Primary security:** Hypothecation of assets created out of Bank's finance and extension of charges on stocks /other assets.
- **Collateral security:** Extension of charges on existing collateral security mortgaged to Bank, wherever applicable.
- **Collateral security:** Nil for SHG.

**12. What is the repayment period fixed for loans availed under CCECL?**

- **For existing KCC borrowers:** shall coincide with repayment period of KCC ( primary account) subject to maximum of 12 months.
- **For existing ABAL /SHG borrowers:** Repayable in 18 EMIS after a moratorium of 6 months from the date of disbursement.

**13. What is the processing / inspection / prepayment / penal interest charges for loans availed under CCECL?**

- NIL