

## **KISAN TATKAL LOAN SCHEME-COVID 19**

### **FREQUENTLY ASKED QUESTIONS (FAQ)**

- 1. Entire India is currently under Lockdown on account of COVID- 19. How is Bank of India proposing to address COVID 19?**

**Reply:** The rapid outbreak of the “COVID - 19”, a disease caused by Novel - Coronavirus has led to an alarming health crisis as well as a significant commercial impact. As a definite fallout of the pandemic, the business worldwide is adversely affected/disrupted.

As a Premier Nationalised Bank, we understand the difficulty being faced by our borrowers and the greater hardships they would have to face in the wake of the pandemic in their business. Lockdown/disruption of activity in units due to shortage of labour/raw materials, inability to dispatch finished goods, logistic issues, increasing period of receivables etc. may lead to elongated working capital cycles, and hence working capital crunch.

- 2. What is Kisan Tatkhal Loan Scheme COVID 19?**

**Reply:** The Kisan Tatkhal Loan Scheme COVID 19 ensures an instant credit for farming community to meet the emergency requirements for agriculture and domestic purposes for tiding over temporary difficulties such as repairs of farm equipment, repairs/construction of cattle shed, farm produce store for warehouse/farm house etc., and likewise other activities.

- 3. What type of borrowers are eligible under the scheme?**

**Reply :** The applicant should have well conducted KCC account having past history of satisfactory repayment performance and categorised as Standard as per IRAC norms of RBI/Bank as on the date of sanction of Tatkhal Loan.

- 4. Whether farmers who have already availed loans under either existing Kisan Tatkhal Loan Scheme and/or Bol-Samanya Credit Card scheme are eligible?**

**Reply:** No.

- 5. What is the quantum of loan amount?**

**Reply:** The quantum of loan is restricted upto Rs. 50000/- subject to ceiling at 50% of KCC limit or 25% of annual income of borrower.

**6. What is the rate of interest under the scheme?**

**Reply:** The rate of interest will be as applicable to card rate for KCC (without interest subvention) (To arrive at ROI, all limits/ credit facilities may be clubbed for the farmer)

**7. What is the margin and security under the scheme?**

**Reply:**

**Margin:** Margin is Nil.

**Security:** The Existing security/ies obtained for KCC to be continued. No additional securities to be obtained even if the combined exposure (KCC plus proposed Kisan Tatkal Loan Scheme) exceeds the present cut-off ceiling of Rs.1.60 Lakh.

**8. What is the repayment schedule for this limit?**

**Reply:** The proposed loan is repayable in 3 to 5 years.

**9. Till when can a borrower avail the limit?**

**Reply:** A borrower can approach the branch as per his requirements. However, the scheme is valid currently upto 30.06.2020.