

**ALLAHABAD BANK  
SME CREDIT DEPARTMENT  
HEAD OFFICE: 2, NETHAJI SUBHAS ROAD, KOLKATA-70001**

**INSTRUCTION CIRCULAR No.13233/ MSME/ 2014-15/04**

**DATE: 01/08/2014**

**To: All Offices / Branches**

**Revised General Credit Card (GCC) Scheme**

Attention of Branches /Offices is drawn to Head Office Instruction Circular No. 9136/PSC/ACD/2006-2007/05 dated 26.04.2006 on the "Allahabad Bank General Credit Card Scheme".

2. Reserve Bank of India has now revised the General Credit Card (GCC) scheme and circularized vide RBI/2013-14/389-RPCD.MSME & NFS.BC.No.61/06.02.31/2013-14 dated 02.12.2013.

3. RBI has further advised that –

3.1. The objective of revised GCC scheme is to extend credit to individuals for non-farm entrepreneurial activities.

3.2. Any other credit card (e.g. Artisan Credit Card, Laghu Udyami Card, Swarojgar Credit Card & Weaver's Credit Card) in existence and catering to the non-farm entrepreneurial credit needs of the individuals should be included for Financial Inclusion Plan (FIPs). Consumption Credit extended to individuals should not be reported under GCC.

3.3. Issuance of GCC does not preclude Bank from issuing any other card to the individual for consumption needs.

3.3. These guidelines will supersede GCC guidelines earlier issued by Reserve Bank of India in December 2005 and May'2008.

4. Branches/Offices are advised to carefully go through the Memorandum of Changes and the revised guidelines for 'Revised General Credit Card (GCC) Scheme' as provided in Annexure- A & B and act promptly in terms of the extant guidelines.

5. The Revised GCC Scheme shall be implemented in consideration with other relevant policies /guidelines of the Bank and it would be subject to changes due to any mandatory directives of the RBI/any policy changes effected by the Government of India/Bank's Board from time to time.

The Hindi version of the Circular follows.

(Sanjay Mathur)  
**Dy. General Manager (SME & Retail Lending)**

**Memorandum of Changes in General Credit Card (GCC) scheme**

<b>Sl. No</b>	<b>Parameter</b>	<b>Old Scheme</b>	<b>New Scheme</b>
1	Objective	To cover general credit needs of bank customers based on assessment of cash flow without insistence of security, purpose or end-use of credit.	To increase flow of credit to individuals for <b>entrepreneurial activity</b> in the non-farm sector provided through the General Credit Card (GCC). The credit is eligible for classification under the priority sector guidelines.
2	Coverage	Rural & Semi-urban areas	Entire country (All rural, semi-urban, urban & metro branches)
3	Nature of credit	Overdraft or Cash-credit	Term loan & Cash Credit
4	Nature of Card	Card holder was eligible to draw cash at the specified branch.	Smart card / Debit card (Biometric smart card compatible for use in the ATMs / Hand held Swipe Machines and capable of storing adequate information on entrepreneur's identity, assets and credit profile etc.).
5	Security	No security	As per Reserve Bank guidelines on collateral free lending for micro & small units issued from time to time.

**REVISED GENERAL CREDIT CARD SCHEME (GCC)**

1. **The Scheme:**

The revised General Credit Card Scheme is introduced for our customers in rural, semi-urban, urban & metropolitan areas for entrepreneurial activities in non-farm sector. The scheme will be named as “**Revised General Credit Card (GCC) Scheme**”. This will replace existing GCC scheme.

2. **Objective:**

The objective of the scheme is to increase flow of credit to individuals for entrepreneurial activity in the non-farm sector provided through the General Credit Card (GCC).

3. **Coverage Area:**

The scheme shall cover the entire country. Thus all branches (metro, urban, semi urban & rural) will be eligible for financing under revised GCC scheme.

4. **Eligible Borrowers.**

All non-farm entrepreneurial credit extended to individuals. The circularized KYC / due diligence norms will be applicable for deciding eligible beneficiaries under the revised GCC scheme. With a view to bring the women beneficiaries under the fold of bank credit, a preferential treatment may be given to women under the revised GCC scheme.

5. **Nature of Financial Accommodation.**

The credit facility extended under the scheme will be in the nature of Term Loan and Cash Credit. The GCC-holder will be entitled to draw cash within the available drawing power from any of the ATM / POS through Smart Card / Debit Card.

6. **Quantum of Limit.**

- **Maximum Rs.25000/- per borrower.**
- The credit limits will be fixed based on the assessment of term loan & working capital requirements of the borrower by the Manager / Appraising Officer as under **subject to maximum ceiling of Rs.25000/-**.
  - ❖ **Term Loan** : Cost of plant & machineries/ Equipments
  - ❖ **Cash Credit** : Upto 20% of projected sales turnover. However, in case of borrower applying for working capital limit higher or lower than the working capital computed on the basis of turnover method shall be assessed as per actual requirement.
  - ❖ Both limits will be segregated, as per requirement, subject to combined limit of Rs.25000/-.

7. **Margin:** NIL.

8. **Rate of Interest:** Prevailing Rate of Interest for Micro enterprises. Presently as per HOIC no. 12305 dated 12.02.2013 is as under:

Loan Limit	Rate of Interest
Upto Rs.0.50 Lac	Base Rate %

Note : The above Rate of Interest is subject to change from time to time as per H.O. circularized instructions.

9. **Validity Period:** 5 years subject to satisfactory operation of the account. However, the limit/account will be periodically reviewed /revised / cancelled depending on repayment/track record of the borrower.

10. **Issuance of Card.**

- Smart Card / Debit Card (Biometric smart card capable for use in ATM / Hand held Swipe machines and capable of storing adequate information on entrepreneur's identity, assets and credit profile etc.). Pending finalizing of smart card for GCC, Rupay card will be issued or the GCC may be issued as a card/pass book or a credit card cum pass book incorporating the name, address, photograph of the holder, particulars of borrowing limit, validity period etc. for the time being which will serve both as an identity card as well as facilitate recording of the transactions on an ongoing basis.
- The borrower will be able to withdraw funds to the extent of Drawing Power allowed by the branch, subject to ceiling of transaction of Rs.1000.00 in a day.
- Drawing power will be worked out, on the basis of duly verified quarterly stock statement, over fully paid up stock & book-debt of not more than 90 days old. (in case of **Cash Credit**).
- On the basis of bills / quotation of the machines to be purchased. (in case of **Term Loan**).

11. **Repayment:**

- Door to door tenure of **term loan** will be 60 months.
- Moratorium period of 6 to 18 months will be allowed depending on requirement of the project.
- Draw down period will be as per the nature of the activity, but not more than 12 months from the date of sanction.
- **Term Loan** will be repaid in 42-54 equal monthly principal installments & interest will be repaid as and when due. Repayment schedule should be fixed taking into account the sustenance requirements, surplus generating capacity, the break-even point, the life of the asset, etc., and not in an "ad hoc" manner.
- Moratorium period may be **extended by further six months** where project implementation has been delayed for reasons whatsoever beyond control of the borrower.

- Interest accrued during moratorium period may be capitalized and accordingly loan installment may be fixed.
  - In case of Term Loan minimum DSCR of 1.10 and average DSCR of 1.30 will be considered as reasonable.
  - **Cash Credit:** No drawl should remain outstanding for more than 12 months. However, the account will be reviewed annually.
12. **Security: Term Loan:** Hypothecation of Plant & machinery and entire movable assets of the unit (Present & Future).
- Cash Credit:** Hypothecation of stocks & book debt and other current assets (Present & Future).
- No Collateral security will be required. However, the eligible account will be covered under CGTMSE coverage.**
13. **Discretionary Authority.** The Branch manager (irrespective of their scale) will sanction the loans under the scheme under their Discretionary Authority.
14. **Application Form:**
- As per appendix -A
15. **Risk Rating :**
- All the MSE accounts (new/existing) are to be rated as per rating modulus (**In-House Module of Rating**) prescribed under Bank's Credit Risk Management Policy.
16. **Processing Fee/ Upfront Fee and Other Charges:** Nil
17. **Documentation :**
- As per extant guidelines of the bank.
18. **Monitoring & Reporting.**
- Progress of financing under the scheme will be monitored & reviewed at ZO level at regular interval.
  - The Branches concerned will submit monthly progress report to their respective ZO and ZO in turn will submit the same to FGMO/HO.
  - Monitoring of borrowal account sanctioned under Revised GCC Scheme should be carried out in terms of HOIC No. 10023/Cr-Mon/2008-09/01 dated 05.05.2008.
19. **Classification of Advances.** The advance will be classified under MSE as micro enterprise.

**ALLAHABAD BANK**  
**HEAD OFFICE : 2 NETAJI SUBHAS ROAD, KOLKATA, 700 001**

**APPLICATION FORM FOR MICRO AND SMALL ENTERPRISES**  
**LOAN UPTO RS.100 LAKHS**

(To be submitted along with documents as per the checklist)

Name of the Branch			
Ref. No.			Date :
1. Name of the Enterprise*			Photograph to be pasted at the time of signing of the application in the designated branch
2. Regd. Office Address*			
3. Address of Factory/Shop*			
4. Whether Belongs to SC/ST/OBC/Minority Community: If Yes, then Please Select: SC/ ST/ OBC/ Minority Community	Yes / No		
5. Telephone No.*			
6. E mail Address*			
7. Mobile No.*			
8. PAN Card No.			
9. Constitution (Please Select)* Individual/ Joint/ Prop. Concern/ Partnership/ Pvt Ltd Co/ Limited Co/ Trust/ others			
10. Date of Establishment*			
11. State *			
12. City where loan is required*			
District			
13. Branch where loan is required. (If any)			

14. Name of Proprietors/ Partners/ Directors of Company and Their Addresses: \*

S.No	Name	Date of Birth	Father/ Spouse	Academic Qualification	Mobile No
1.					

2.					
3.					

S.No	PAN No.	Residential Address	Telephone No. (Residence)	Experience in the line of activity (Years)
1.				
2.				
3.				

15. Activity\* Existing \_\_\_\_\_ since \_\_\_\_\_

Proposed# \_\_\_\_\_

#if a different activity other than existing activity is proposed.

16. Names of Associate Concerns and Nature of Association:

Name of Associate Concerns	Address of Associate Concerns	Presently Banking With	Nature of Association	Extent of Interest as a Prop./ Partner/ Director or Just Investor in Associate Concern

Relationship of Proprietors/ Partners/ Directors with the officials of the Bank/ Director of the Bank: Please select (Yes/ No) \_\_\_\_\_

17. Banking/Credit Facilities (Existing) (Rs. in lakh)

Type of Facilities	Limit in Lakh	Outstanding as on	Presently Banking with	Securities	Rate of Interest	Repayment Terms
Current Account						
Cash Credit						
Term Loan						
LC/BG						
Others						
Total						

If banking with our Bank, customer ID be given here: \_\_\_\_\_

It is certified that our unit has not availed any loan from any other Bank / Financial Institution in the past and I am not indebted to any other Bank / Financial Institution other than those mentioned in column no. 17 above.

18. Credit Facilities (Proposed)\*

Type of Facilities	Amount (in lakh)	Purpose for which Required	Security Offered
			Primary Security(Details with approx. value to be mentioned)
Cash Credit**			
Term Loan			
LC/BG			
Others			
Total			

\*Mandatory Fields

\*\*Basis of Cash Credit Limit applied

Cash Credit	Projected						
	Sales	Working Cycle in months	Inventory	Debtors	Creditors	Other current assets	Promoters Contribution

19. In case of term loan requirements, the details of machinery may be given as under:

Type of Machine/ Equipment	Purpose for which Required	Whether Imported or Indigenous	Name of Supplier	Total Cost of Machine ( in case of imported machine, the breakup of basic costs, freight, insurance and customs duty may be given)	Contribution being made by the promoters	Loan Required

20. Details of Collateral Securities Offered, if any, including third party guarantee

No Collateral security will be required. However, the eligible account will be covered under CGTMSE coverage.

21. Past Performance / Future Estimates

Past Performance / Future Estimates (Actual performance for two previous years, estimates for current year and projections for next year to be provided for working
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capital facilities. However for term loan facilities projections to be provided till the proposed year of repayment of loan)				
Rs. in lakh	Past Year 1 (Actual)	Past Year 2 (Actual)	Present Year (Estimate)	Next Year (Projection)
Net Sales				
Net Profit				
Capital (Net Worth in case of Companies)				

22. Status Regarding Statutory Obligations:

Statutory Obligation: Remarks ( Any details in Connection with the relevant obligation to be given)

Whether Complied with (select Yes /No). If not applicable then select N. A.		
1. Registration under Shops and Establishment ACT	Yes/ No/ NA	
2. Registration under MSME (Provisional /Final)	Yes/ No/ NA	
3. Drug License	Yes/ No/ NA	
4. Latest Sales Tax Return Filed	Yes/ No/ NA	
5. Latest Income Tax Returns Filed	Yes/ No/ NA	
6. Any other Statutory dues remaining outstanding	Yes/ No/ NA	

22. a.) ID Proof (Any of following):

Passport/ Voter Identity Card/ PAN Card/ Driving Licence/ Job Card/ Aadhaar Card/ Identity Card (subject to the satisfaction of bank)

ID Proof No. \_\_\_\_\_

b.) Address Proof (Any of following:

Electricity Bill/ Telephone Bill/ Bank Account Statement of any other bank/ Letter from reputed employer/ Letter from recognized public authority verifying the address of the customer to the satisfaction of the bank/ Ration Card

Address Proof No:

Declaration:

I/We hereby certify that all information furnished by me/us is true; that I/We have no borrowing arrangements for the unit except is in the application; that there is no over dues/ statutory dues against me/us/promoters except as indicated in the application; that I/We shall furnish all other information that may be required connection with my/our application that this may also be exchanged by you with an agency you may deem fit and you, your representatives or Reserve Bank of India or any other agency as authorised by you, may at any time, inspect/ verify my/our assessment of account etc. in our factory/business premises as given above.

Signature:

***To be signed at the designated branch only'***

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