



Date last Updated: 26.04.2021

**CLUSTER SPECIFIC SCHEME  
BILL DISCOUNTING FACILITY TO CONTRACTORS  
AREA OF OPERATION: KERALA**

<b>Purpose</b>	To pay off the bills raised by the PWD Contractors/ Contractors/ Suppliers / Accredited Agencies of all other Departments/ Institutions / Local state Government Department on Government of Kerala (GOK).
<b>Operation of the scheme</b>	Kerala (Branches coming under Trivandrum Circle)
<b>Eligibility</b>	Scheme available to the existing as well as new creditworthy clients under MSME category with KYC compliance and due diligence, who are in the approved list of contractors of Government of Kerala (GOK) with satisfactory dealings, subject to ensuring that they are not enjoying any working capital limit with other Banks/FIs.
<b>Type of Facility</b>	Single Transaction - Short Term Credit
<b>Margin</b>	NIL
<b>Quantum of finance</b>	Minimum: No Ceiling Maximum: No Ceiling
<b>Rate of interest</b>	Rate of interest as per prevailing guidelines of the Bank linked to RLLR of the Bank, subject to changes from time to time
<b>Tenure of the loan</b>	Maximum of 5 Months from the date of discount.
<b>Repayment</b>	Proceeds of bills discounted are credited directly to the borrower's account (Current/OCC A/c) as confirmed by the Bank through certification to the Drawing and Disbursing Officer (DDO) / Cheque Issuing Authority/Divisional Office of Kerala Govt.
<b>Security</b>	Prime: Hypothecation of Book debts. Collateral:  2nd charge on securities linked to the existing exposure, excluding the limits granted under the subject scheme while arriving at collateral security comfort in respect of the existing limit/exposure.  Personal Guarantee: As per the extant guidelines in respect of existing as well new clients.
<b>Validity</b>	16.04.2022

**Conditions apply. The information provided above is only illustrative and not exhaustive. Contact: For more details, please contact your nearest: Canara Bank Branch or E-mail to: [hosbu@canarabank.com](mailto:hosbu@canarabank.com)**