

Date last Updated: 29.04.2023

### BILL DISCOUNTING FACILITY TO CONTRACTORS: 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 (Designated 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>Nature of Facility</b>	Working Capital
<b>Type of Facility</b>	Single Transaction - Short Term Credit
<b>Loan Quantum</b>	No higher/lower ceiling
<b>Margin</b>	NIL
<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</b>	Maximum 5 months from date of discount
<b>Security</b>	<p><b>Primary:</b> Hypothecation of Book debts.</p> <p><b>Collateral:</b></p> <p><b>I) Existing clients with credit limits:</b> Securities available to the existing exposure to be extended to the subject limits also. However, the same may not be factored into while arriving at security comfort in respect of existing limits in view of availability of promissory notes of GOK, guaranteeing such limits.</p> <p><b>II) For the new clients:</b> Collateral securities may be explored depending on the type of customers and need for the proposal.</p>
<b>Processing charges</b>	As per extant guidelines.
<b>Other Conditions</b>	Discounting of bills should be strictly for works carried out/completed works in accordance with the work order of GOK and not towards advance payments.
<b>Validity</b>	31.03.2024

Terms & Conditions apply. The information provided above is only illustrative and not exhaustive  
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