

Credit Guarantee Scheme for Small and Rural Enterprises

Instructions to PFIs on CGS Reporting

With reference to the introduction of reporting through Data Acquisition Portal (DAP) under the subject scheme, please find below reporting instructions to be followed:

Access to DAP and Reporting Format

1. PFIs are advised to ensure access of relevant reporting official to “Credit Guarantee Scheme for Small and Rural Enterprises” dataset on SBP Data Acquisition Portal (DAP) through coordination with their respective internal DAP administrator.
2. The latest Client File to be used for the purpose of reporting can be downloaded from DAP Knowledge Center.
3. In case of any query regarding access to DAP, DWH Support team may be contacted through email at: DWHSupport@sbp.org.pk or phone at: 021-3245 4992.

Quarterly Submission through DAP

1. Reports under Credit Guarantee Scheme for Small and Rural Enterprises will be submitted through DAP. Submission of excel files via email will not be accepted, unless otherwise required.
2. Submission deadline for reporting on DAP is 15 working days after the end of the respective quarter. All reports i.e. CG-1, CG-2, CG-3 and CG-4 will be uploaded within the stipulated time.
3. In case of any issue being faced during the uploading process, DWH Support team may be contacted through email at: DWHSupport@sbp.org.pk or phone at: 021-3245 4992.
4. In case a PFI fails to submit data successfully within the due date, request for extension, along with justification of delayed reporting, should be submitted through SME Head as well as Compliance Head via email to CGS.SRE@sbp.org.pk. In this regard, the session will be opened for data loading subject to the approval of competent authority.
5. In case of NIL reporting (i.e. no loan disbursed by a PFI since its participation in the scheme), blank/ empty CSV will be uploaded by the PFI to ensure submission of NIL report and completion of session.

Applying for Guarantee Cover

1. PFIs will send ‘Request for Guarantee’ through cover letter, duly signed by authorized signatories and containing summary of guarantee requests (total no. of loans, total amount, and total guaranteed amount) within 20 working days after end of respective quarter (i.e. within 5 working days after submission on DAP). Draft of letter for ‘Request for Guarantee’ is provided at **Annexure A**. After ensuring that all the conditions specified in the Scheme have been complied with, DFSD will intimate

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the concerned PFI regarding issuance of guarantees through issuance of 'Guarantee Cover Letter'.

Payment of Claims under the Guarantee Scheme

1. For the processing of claims, following documents will be submitted by PFIs to DFSD within 20 working days after end of the respective quarter (i.e. within 5 working days after submission on DAP):
 - a. Cover Letter, duly signed by authorized signatories and containing summary of claims.
 - b. Audit Verification Certificate (AVC) duly signed by Internal Audit and Authorized Signatories as per the format at **Annexure B**. Required details of all delinquent borrowers against which claim is lodged should be mentioned in single AVC.
 - c. e-CIB against each delinquent borrower.
 - d. Any other document (if required by DFSD)

*(Since CG-3 is already uploaded on DAP, hardcopy of the same is **not required**)*

DFSD will take 15 working days to process the claims, subject to receipt of complete information and satisfactory response of PFI on any queries raised. To ensure timely processing of claims, each query raised by DFSD via email will be addressed by respective PFI within 3 working days of its receipt. Subsequent to approval of claim by competent authority and transfer of funds, PFIs will be intimated by DFSD via email.

Recoveries

1. Proof of recoveries will be submitted by PFIs to DFSD within 20 working days after end of the respective quarter (i.e. within 5 working days after submission on DAP). Following documents are to be submitted:
 - a. Cover Letter duly signed by authorized signatories and containing summary of recoveries.
 - b. CG-4 form of the quarter submitted through DAP, duly signed by Authorized Signatories as per format at **Annexure C**.
 - c. Any supporting document showing credit to SBP e.g. receipt, intimation by SBP BSC Karachi Office etc.

Other Instructions

1. Going forward, all queries or submissions, related to the subject scheme, should be sent to CGS.SRE@sbp.org.pk. The email group includes all relevant officials working on the scheme, therefore, emails may not be addressed or c.c-ed to individual officials.

Summary of Reporting Timelines for PFIs

S. No.	Caption	Timeline
1	Reporting on DAP of CG-1, CG-2, CG-3 and CG-4	Within 15 working days after respective quarter end
2	Submission of Documents for Guarantee Cover	Within 20 working days after respective quarter end
3	Submission of Claims and documents	Within 20 working days after respective quarter end
4	Submission of Proof of Recoveries	Within 20 working days after respective quarter end

Annexure A

Draft Guarantee Request Letter

(To be submitted on letterhead)

The Director,
Development Finance Support Department
SBP BSC (Bank), Head Office
I.I. Chundrigar Road
Karachi

Dated:

Dear Sir,

Request for Guarantee Cover under Credit Guarantee Scheme for Small and Rural Enterprises for Q__ CY____

With reference to above mentioned subject , you are requested to approve our request for Guarantee Cover under the subject scheme for loans submitted in CG-1 for the Q__CY__ on DAP. Below is the summary of request for submitted loans:

Period	No. of Cases	Amount Sanctioned (in Rs.)	Fresh Guarantee Request (in Rs.)
Q__ CY__			

We further undertake as under:

1. The PFI has carried out its internal due diligence of all of the above mentioned accounts individually and ensured that the loans under the guarantee portfolio are eligible as per the PFI's own risk assessment criteria.
2. The clients are eligible as per the instructions of the Guarantee Scheme.
3. The bank acknowledges that only the principle amount is guaranteed under the Scheme.
4. The bank has assessed repayment capacity of borrower based on its cash flows

Authorized Signatory

Signature & Stamp: _____

Name:

Designation:

Authorized Signatory

Signature & Stamp: _____

Name:

Designation:

Annexure B

Audit Verification Certificate Format

Audit Verification Certificate (AVC) for Credit Guarantee Scheme for Small & Rural Enterprises												
S. No.	Loan Identification Number (LIN)	Borrower's Name	CNIC/NTN of the Borrower/Firm	Gender	District and Province of the borrower	Sanctioned Amount (PKR)	Date of Sanction (YYYY-MM-DD)	% of Guarantee Share	Outstanding Amount at time of default (PKR)	Outstanding Guaranteed Amount (PKR)	Date of Classification as "Loss" (YYYY-MM-DD)	Possible Reasons of Delinquency (WD=Willful Defaulter/ LIB=Loss_In_Business/ CD=Crop_Destroyed/ NC=Natural_Calamity/ DET=Death/ O=Others)

Undertaking by PFI

1. We hereby confirm that all the terms and conditions and prescribed criteria and formalities under Credit Guarantee Scheme for Small and Rural Enterprises (CGS) issued through IH&SMEFD Circular No. 01 dated January 13, 2017 and other relevant instructions issued from time to time were fulfilled while facilitating the above mentioned borrowers under CGS.
2. The particulars of borrowers, as mentioned above, have been verified from the bank's records and e-CIB.
3. Loans have been classified as 'Loss' under relevant PRs.
4. The claim has been lodged by the bank to the extent of % of the outstanding amount (Principal only) opted at time of guarantee request.
5. The bank made efforts to recover the amount against above mentioned loans, despite which the total outstanding amount could not be recovered.

Authorized Signatory

Signature & Stamp: _____
Name:
Designation:

Authorized Signatory

Signature & Stamp: _____
Name:
Designation:

Head of Audit/Regional Audit Head (Not less than VP or equivalent)

Signature & Stamp: _____
Name:
Designation:

Annexure C

Form CG-4 Format

Credit Guarantee Refunds						Form :	CG4
						No. of records :	0
Loan Identification Number (LIN) <small>Format: ABC-00000001-001</small>	CNIC/NTN of the Borrower/Firm	Recovery Date <small>(YYYY-MM-DD)</small>	Amount Recovered <small>(Rs.)</small>	Guarantee Amount Refunded <small>(Rs.)</small>	Nature of Recovery <small>(BOR=Borrower_Repay SBP=SBP_Demand)</small>	Date of transfer to SBP BSC A/c <small>(YYYY-MM-DD)</small>	
Total Amount							

Notes:

1. The costs incurred on recovery efforts is to be borne by the concerned bank and cannot be passed on to the guarantee fund.
2. For loans guaranteed under the scheme, any recovery by a PFI from a delinquent customer shall be accounted towards the recovery of the principle (not markup) till the time that full principle amount is recovered.

Authorized Signatory

Signature & Stamp: _____

Name:

Designation:

Authorized Signatory

Signature & Stamp: _____

Name:

Designation: