

**Press Release
For Immediate Release**

September 10, 2018

ICICI Bank launches lending to MSMEs based on their GST returns

- **Quick overdraft facility of upto Rs 1 crore**
- **Any MSME customer (including non ICICI Bank customers) can apply for it**
- **Customers can apply for the OD without showing financial statements**

Mumbai: ICICI Bank Ltd. announced the launch of a new working capital facility that enables MSMEs (Micro, Small and Medium Enterprise) to get an overdraft (OD) based on the turnover reported in their Good and Services Tax (GST) returns. Christened 'GST Business Loan', the facility is available to any MSME including non-customers of ICICI Bank, upto Rs 1 crore.

This facility brings in the improved convenience of availing quick OD facility, as it does away with the requirement of paper-intensive assessment of financial documents including balance sheets of previous years. This also enhances convenience for MSMEs by enabling the usage of GST returns for assessing their eligibility of working capital limit, thereby simplifying the process for sanction of the OD within two working days. This is in lieu of the traditional/standard industry practice which requires scrutiny into multiple documents that typically takes several days.

Sharing his view on the launch, **Mr. Anup Bagchi, Executive Director, ICICI Bank**, said, "The Goods & Services Tax (GST) has been a transformational structural reform that has strengthened the economy with the creation of a national market, enhanced ease of doing business, greater productivity & efficiency and improved tax compliance. Since GST takes into account comprehensive business flows, we believe that GST returns will change the lending paradigm for MSMEs with faster and hassle-free access to working capital finance from financial institutions.

In line with this, we are delighted to launch GST backed overdraft facility that enables MSMEs to avail an OD of upto Rs 1 crore based on their GST returns and without any additional assessment of balance sheets. With over one crore MSMEs registered in the GSTN network, we believe that this facility will give a boost to the MSME industry as a whole and open new avenues for business expansion for them. This new proposition resonates our effort in developing path breaking innovations for MSME customers, thereby offering them with solutions that cater to all their business needs."

As per our bank's internal customer survey, 90% of the respondents have reported a positive impact of the new tax regime on increase in digitization, simplification of tax process and transparency in transactions. This is a notable testimony of the industry moving forward in an encouraging manner post the introduction of GST. The study also witnessed a significant drop in the number of customers anticipating a negative impact of GST on their turnover in the current financial year, with the percentage dropping steeply to 11% from the 22% that was reported in the last financial year.

The 'GST Business Loan' facility can be availed by an MSME against mortgage of residential, commercial or industrial property.

Key features:

- Flexible OD amount: Rs 10 lakh – Rs 1 crore
- Hassle-free, simplified documentation: Customers are required to submit GST return of past 6 months. There is no requirement of submitting financial statements. OD is sanctioned upto 20% of the turnover reported in the GST returns
- Quick sanction: Under this facility, MSMEs get sanction of their OD within two working days.
- Collateral based OD: MSMEs can give residential/commercial /industrial property as collateral security

'GST Business Loan' is renewable on an annual basis, depending on the repayment track record of the overdraft facility by the customer.

To apply for a 'GST Business Loan', customers can walk-in to any ICICI Bank branch or can send an SMS 'GSTOD' to 5676766 or also can apply through the ICICI Bank Website.

The launch of 'GST Business Loan' comes close on the heels of an array of pioneering initiatives undertaken by the Bank to create awareness about GST since its introduction in July 2017. It includes workshops across cities like Ahmedabad, Jaipur, Ludhiana & Kolkata for MSME clients and their chartered accountants. Additionally, the Bank also constituted forums with GST experts for its MSME customers to address queries on GST and impact on business. Further, ICICI Bank has introduced host of digital initiatives to make GST payment even more convenient for its customers like online payment options through ICICI Bank Corporate and Retail internet banking facility and **flexibility of providing separate user ID's to tax departments / chartered accountants** of MSMEs giving them access to make GST related payments from internet banking.

For more details on GST Business Loan, please visit: <https://www.icicibank.com/business-banking/finance/gst-business-loan.page>

For news and updates, visit www.icicibank.com and follow us on Twitter at www.twitter.com/ICICIBank

ICICI Bank services its large customer base through a multi-channel delivery network of 4,867 branches, 14,394 ATMs, phone banking, internet banking (www.icicibank.com), mobile banking, banking on Facebook & Twitter and 'PocketsbyICICIBank' the country's first digital bank on mobile (as at June 30, 2018).

About ICICI Bank: ICICI Bank Ltd (NYSE:IBN) is a leading private sector bank in India. The Bank's consolidated total assets stood at US\$ 160.5 billion at June 30, 2018. ICICI Bank's subsidiaries include India's leading private sector insurance, asset management and securities brokerage companies, and among the country's largest private equity firms. It is present across 17 countries, including India.

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