

FINANCING TO CUSTOM HIRING/ SERVICE UNITS

PURPOSE: Financing for setting up of custom hiring/ service units that maintain a fleet of tractors, bulldozers, well- boring equipment, threshers, combines, harvesters etc. and undertake work for farmers on contract.

ELIGIBILITY: All individuals, organizations, institutions eligible to be covered under Agriculture credit as per extant guidelines issued from time to time.

NATURE OF FACILITY:

- (i) Term loan
- (ii) Working Capital

EXTENT OF LOAN:

Term Loan – Need based.

Working Capital – Need based. Subject to max. 50% of the projected receipts with a maximum of 66% of realizable value of mortgaged IP.

REPAYMENT:

Term Loan – Maximum 7 years repayment period including gestation period (max. 1 year)

Working Capital shall be sanctioned for a period of one year and shall be subject to renewal/ review annually.