

SCHEME FOR FINANCING VEHICLE FOR FARMERS/ AGRICULTURISTS

➤ **PURPOSE:**

- a. Purchase of New Four wheelers, three wheelers (carriers) and Two Wheelers (LMVs) of all types, by Agriculturists for managing and supervising their farming activities and other farm related marketing activities etc., for transporting agriculture inputs/ produce, labours etc. to and from their farm.
- b. The loan amount will comprise of: Cost of vehicle (invoice price) + One time Insurance cost + One time Registration cost (NOTE: Costs of accessories are NOT to be included)

➤ **ELIGIBILITY:** All new and existing farmers engaged in agriculture and/or allied activities having repayment capacity assessed by the branch based on income from agriculture and/ or allied activities.

- a. **For Two Wheeler:** Individual should be engaged in direct agriculture and/ or allied agriculture activity.
- b. **For Three Wheeler (carrier) and Four Wheeler (LMV):** All agriculturists owning and cultivating agricultural lands of more than 1 acre of agriculture land in their name/s with 2 years of satisfactory dealing with the bank are eligible to apply under the scheme.
- c. In case of agriculturists engaged in Dairy farming, Poultry farming, Plantation Crops and Horticultural produce or other allied activity, the minimum land holding requirement does not apply, instead they should have minimum gross annual income of Rs. 2.50 lacs for 3 & 4 wheeler.
- d. It may, however, be noted that financing at 1 acre may be allowed only in cases where the Branch Head is satisfied that farmer would be able to use the vehicle for purposes like transportation of farm produce and economic viability of the loan must be ensured. Economic viability will be ensured before extending finance to any borrower.

➤ **EXTENT OF LOAN & MARGIN:**

- a. **For Scooters, Motorcycles etc.:** Need Based. Maximum Rs 1, 00, 000/- (subject to repayment capacity).
- b. **For Three- Wheeler (carriers):** Need based, maximum to a limit of Rs. 3.00 Lacs. (subject to repayment capacity)
- c. **For Four- Wheeler (LMVs):** Need Based. Maximum upto a limit of Rs. 15.00 Lacs. (subject to repayment capacity)

➤ **MARGIN:** For Loan up to Rs. 10.00 Lacs - 10%
For Loans above Rs.10.00 Lacs & up to Rs.15.00 Lacs - 15%

➤ **REPAYMENT PERIOD:**

- a. In case of 2/3 wheeler- Maximum 60 months
- b. In case of new 4 wheeler vehicle-Maximum 84 months.
- c. The periodicity of repayment i.e., monthly /quarterly/ half yearly and should be fixed depending upon the activity carried on by the borrower / income stream of the borrower /cropping pattern etc.