

TRANSPORT LOAN SCHEME

PURPOSE:

To provide financial assistance for the purchase of the following:

- Tourist Transport vehicle sponsored by Tourism.
- Trucks (with minimum 3 years of experience in operation of own trucks)
- Tankers for carrying Petroleum products (with confirmed placement order)
- Deluxe Bus(with necessary route permit)

LIMIT OF ASSISTANCE:

Max.limit of assistance of 80% of the cost of Chassis and Body subject to max.

DER of 4:1

ELIGIBILITY:

Assistance under the scheme will be available to only to existing transport operators having good track records of performance and sound financial position.

The promoter(s) should:

1. Have experience for at least 3(three) as a transport operator.
2. Have at least one number of similar vehicles.
3. Have earned profit during last two financial years.
4. Have no default to Bank/Financial Institution.
5. Have CART rating of not below CA(Adequate safety)

However all the eligibility criteria, except clause 4 stated above, may be relaxed in case of transport proposals sponsored by ATDC.

PROJECT COST:

The project cost include the cost of chassis, body building, tax ,insurance, spare tyre tube etc.

PROMOTER'S CONTRIBUTION:

Minimum promoter's contribution shall be 20% of the total cost of the scheme.

However; the minimum promoter's contribution can be considered upto 10% of the total cost of the scheme in case of proposal sponsored by ATDC.

RATE OF INTEREST:

The Prime Lending Rate of interest shall be 14% per annum and the interest rate will be determined by CART rating.

LOAN PROCESSING FEES:

The loan processing fees is 1% of the loan amount plus applicable service tax.

REPAYMENT PERIOD:

The loan shall be repayable will be repayable within a period of 48 months including the moratorium period of 3 to 6 months. The repayment shall be on a monthly basis along with interest (EMI).

SECURITY:

- Primary Security: Loan sanctioned under this scheme shall be secured by hypothecation of the vehicle financed.
- Personal guarantee of the promoter(s) shall be obtained.
- Collateral Security in the form of immovable assets shall obtained so as to retain a security margin of at least 50% of the loan amount.
- Collateral Security to the extent of 5% of the loan amount in the form of Fixed Deposit (face value)/NSC/LIC Policies (Surrender Value) shall be obtained. However for proposals sponsored by ATDC this clause may be waived.

OTHERS:

The vehicle shall be registered within in the operational jurisdiction of the Corporation. The vehicle should be registered as a "Public Carrier". The loan shall be considered for procurement of new vehicles only. Not more than one (1) vehicle will be considered for financial assistance per applicant

SANCTIONING AUTHORITY:

All loans under this scheme will be sanctioned by the Head Office Level Credit Committee.
