

SCHEME FOR FINANCING AGAINST IMMOVABLE PROPERTY

1	Name of the Scheme	SCHEME FOR FINANCING AGAINST IMMOVABLE PROPERTY
2	Purpose of Loan	For creation of fixed assets or/and meeting out working capital requirement and for meeting various financial needs.
3	Eligibility Criteria	A) Eligible Immovable Properties: The Borrower would be eligible for availing financial assistance under this scheme against mortgage of following types of fixed assets: (a) Existing industrial units situated in select industrial areas, ready to mortgage their prime security with the Corporation under first charge. (b) Existing Real Estate projects, Hotels, Nursing homes and other Service Sector units situated in Municipal limit of Divisional Headquarters ready to mortgage their mortgageable security with the Corporation. B) Eligibility for Borrowers: Prima-facie there should not be adverse reporting against the borrower by any financial institution/bank in past and their dealing with the bank/financial institution is satisfactory, if any financial assistance availed.
4	Loan Amount	50% of acceptable Realisable value which is generally 10-15% less than the Fair value of land & building subject to maximum of Rs.1000 lac. The amount of loan would depend on the value of security and existing/future cash flow of Borrower Group.
5	Disbursement	The disbursement would be based on Chartered Accountant certified utilization certificate and

		declaration of the borrower. First installment shall be of 50% of the loan sanctioned and thereafter disbursement shall be based on utilization of disbursed amount.
6	Interest	The rate of interest will be charged @ 16.5% p.a. with usual rebate for timely payment and liquidated damages in case of default.
7	Security	Exclusive First charge on mortgaged assets besides personal guarantee of Promoter Directors/third party. The Borrower would provide clear mortgageable title. The assets mortgaged should be in possession of the Borrower and not rented out/leased to any other person/entity. No second charge will be ceded against the mortgaged property.
8	Repayment period	The total loan shall be repayable in 5 years including moratorium period between six to twelve months.