

ARIHANT – TRANSPORT (FOR COMMERCIAL VEHICLES)

NATURE OF FACILITY

Term Loan

PURPOSE

For purchase of new/second hand (not older than 3 years) / heavy transport vehicles i.e tempos (4 wheelers), trucks, trailers, buses etc..

Loans for vehicles used for mining/digging/Road or other construction activities like Excavators /Bulldozers /Cranes / Road Rollers / Mixer / Tippers may also be considered under the scheme subject to condition that such vehicles are required to be registered with RTO.

ELIGIBILITY

- All persons engaged in the business of transportation of goods/passengers by road. (Not prohibited by any law or opposed to public interest).
- Individuals, Proprietary/ Registered Partnership Firms, Limited Companies, Trust/Institutions can avail this facility.
- The borrower should be shareholder of Bank. In case of prospective Borrower, he should be enrolled as a member before sanctioning Loan.

AGE OF THE BORROWER

- In case of individual, the repayment period of Loan should be completed before the borrower attains age of 65 years. However, the age restriction is not applicable to borrowers other than individuals.

AMOUNT OF LOAN

- For Tempos (4 wheeler) – Max Rs 15.00 Lacs per vehicle
- For Trucks –Max Rs 50.00 Lacs per vehicle
- For heavy vehicles – Max Rs 100.00 Lacs per vehicle.
- The total exposure along with other credit facilities not to exceed exposure limit of the Bank fixed for individual/ group.

MARGIN

For New Vehicle – 15% to 25% of the total cost (including cost of body building and CNG kit.)

For Old Vehicle – 40% of market value as certified by the competent valuer or purchase price of Old vehicle offered by seller whichever is less. The residual economic life of the vehicle should be not less than 4 years.

PERMISSIBLE BANK FINANCE

Repayment capacity should be arrived at on the basis of Debt Service Coverage Ratio. The average DSCR should be worked out for the period of repayment of loan. i.e 60 months or 84 months.

RATE OF INTEREST

New Vehicle – @ 12.00% p.a

Old Vehicle – @ 13.00% p.a
(Not more than 3 years old).

If Customer/Group of Customers taken minimum of Rs 50.00 lacs Term Loan for New Trucks Only- @ 11.50% p.a.

PROCESSING CHARGES

1% of limit, with minimum cap of Rs 250.00 and maximum cap of Rs 2.00 lacs + GST

REPAYMENT

New Vehicle : 60 months – For Trucks and Tempos
84 months – For other Heavy Vehicles.

Old Vehicle : 48 months

For fixing a repayment period beyond 60 months for new vehicle, a specific permission is required from Head Office/ Board. However, in no case the repayment period shall exceed 84 months (including the moratorium period) except expressly sanctioned by the Board.

SECURITY

Prime Hypothecation of Vehicle to be purchased out of Bank finance along with noting of Bank's lien with RTO.

Other Requirement

- Audited/CA Certified Balance Sheet & Profit & Loss Accounts Statement of Applicant /Guarantors for last 3 years.
- Projected Balance Sheet & Profit & Loss Accounts Statement of Applicant for the Loan Period.
- Two Guarantors acceptable to Bank (should be our Bank's Member as Nominal Member OR Regular Share Holder)
- KYC Documents of Applicant & Guarantors.
- Other necessary papers as required by Bank.