

A facility of Term Loan or Overdraft against the security of Jewels and Hall-marked Gold

Purpose:

- ❖ Term loans / Overdraft limit granted for all purposes.

Eligibility:

- ❖ **SyndSwarna-Priority:** Bonafide Individuals pursuing such activity like retail trade, small business, professionals, self-employed and agriculturists.
- ❖ **SyndSwarna-Non-Priority:** Bonafide individuals having any source of income other than above.

Nature of Facility:

- ❖ Term Loan / Secured Overdraft.

Quantum of Loan:

- ❖ Rs.1300/- per gram of 22 carat gold and Rs.1350/- per gram for hallmarked gold or 75% of the market value of the jewels whichever is lower. The Income generation capacity of the applicant will also be taken into account before sanctioning. In case of Secured Overdraft facility the maximum limit is restricted upto Rs.10 Lakhs.

Repayment:

- ❖ **Term Loan:** Maximum upto 24 monthly installments along with interest. However, in case of agriculturists, half yearly/yearly instalment can also be stipulated depending on income generation & seasonality,
- ❖ **Secured Overdraft:** The facility to be renewed / reviewed every year

Interest Rate:

- ❖ Interest linked to Loans-Base Rate of the Bank at monthly compounding.

Particulars	Normal Jewels	
	Base Rate + 0.75	9.00%
For Agriculturists		
Priority Sector other than Agriculturists, Non-Priority Sector and SyndSwarna Express	Base Rate + 2.75%	11.00%

Jewel Appraiser Fees:

- ❖ 50 Ps per Rs.100/- subject to a minimum of Rs.2/-.

Processing Charges:

- ❖ Nominal Processing Charges will be collected at the time of sanction.

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Jewel Loans for Agriculture (JL Agri)

Bank provides jewel loans to agriculturists for their agricultural credit needs on easy terms and at low cost:

- Lending at Rs. 1200/- per gram on 22 carat gold or 80% of market value of the jewel (85% Hall Marked jewels) whichever is lower, for jewel loans with a repayment period up to 12 months.
- Lending at Rs. 1200/- per gram on 22 carat gold or 65% of market value of the jewel (70% Hall Marked jewels) whichever is lower, for jewel loans with a repayment period exceeding 12 months and up to 24 months.
- Lowest interest rate at 7% p.a. for loans up to Rs. 3.00 lakh availed for crop production purposes (during Kharif 2009 and Rabi 2009-10) and at PLR-2.5% p.a. for loans up to Rs. 50,000/- for other agricultural purposes against pledge of Jewels.
- Service charges exempted for loans up to Rs. 25,000/-.
- Loans issued on all working days.

Syndicate Farm House Scheme

Syndicate Farm House Scheme - Bring Home the Happiness

- The scheme is meant for farmers to enable them to have a decent dwelling house which also takes care of other requirements such as cattle shed, drying yard, farm implements shed.
- Credit support is extended up to a limit of Rs.20 lakh for construction of farm house. Loans for repair of damaged houses are also extended in rural and semi-urban areas up to Rs.1.00 lakh.
- Loan is available for purchasing ready built house and also construction of additional farm house. Maximum repayment period is 20 years for new farm house and five years for repair of farm house and the repayment period is linked with the cash flow.
- The borrower should be an agriculturist with assured source of income and should not be more than 55 years of age Margin to be contributed is 25% of the estimated cost of construction / repair.
- No conversion of land is necessary and no income proof insisted.

Note:

PTLR = Prime Term Lending Rate.

Farm Mechanisation Schemes

Farm Mechanisation Schemes - For efficient and timely farming

Medium to long term loans are extended to farmers for

- Purchase of Tractors.
- Power Tillers and Small H.P. Tractors.
- Combine Harvesters.
- Threshers and Sugarcane Crushers.
- Sprayers, Dusters and other equipments.

Hi-tech Agriculture

Finance for Hi-tech Agriculture - Financial support available for

Medium to long term loans are extended for

- Tissue Culture and establishment of Green Houses.
- Mushroom Production and Processing.
- Production of Fruits, Vegetables and Cut flowers.
- Export of Horticultural Products.
- Traditional and non-traditional Plantations.
- Aquaculture.
- Agro-processing Industries.
- Aromatic and Medicinal Plants.
- Cold Storage units.

Development of Irrigation Infrastructure

Development of Irrigation Infrastructure - For greater and sustained production

- Medium to long term loans with repayments upto 15 years.
- Construction of Open Wells, Borewells, Tubewells, Check dams, Irrigation Tanks and Pump sheds.
- Repair of Existing Wells.
- Laying out Pipeline, Sprinkler and Drip Irrigation system.
- Lift Irrigation projects.
- Repayable in convenient Quarterly/Half Yearly/Yearly instalments.
- Loan amount is linked with approved project cost.
- Composite Developments can also be takenup.

SCHEME FOR FINANCING TENANT FARMERS CULTIVATING LAND EITHER AS SHARE CROPPERS OR ORAL LESSEES

A: Joint Liability Group Approach:

1. Objectives:

- To augment flow of credit to tenant farmers cultivating land either as oral lessees or sharecroppers and small farmers, who do not have proper title to their land holding, through formation and financing Joint Liability Groups (JLGs).
- To extend collateral free loans to target clients through JLG mechanism.
- To build mutual trust and confidence between banks and tenant farmers and among group members.

2. General Features of JLG:

- It is an informal group comprising 5 to 10 members.
- The JLG is primarily a credit group and savings by the JLG members is voluntary.
- Each member will be jointly and severally liable for repayment of loans taken by all individuals in the group.
- There has to be mutual agreement and consensus among all members about the amount of individual debt liability that would be created.
- The groups shall be organised by the like-minded farmers and not imposed by the Bank or others.
- Groups shall comprise members of same economic status and preferably running similar farm related activities.
- The farmers joining the group should be cultivating lands in the same village or in a contiguous area and knows each other well and has interest and mutual trust to continue as group members.
- They should be engaged in agriculture and farm related activities for a period of not less than one year in the area of operation of the Branch.
- Only one member from a family having genuine interest in agriculture and farm related activities should be included in the group.
- Members may be encouraged to meet at a common place on a monthly basis to discuss about common problems, the improved package of practices and other matters related to farming & voluntarily contribute a small saving, which may be deposited in the group account to develop a corpus fund.

3. Financing Model:

- Group would be eligible for accessing individual loans from the bank.
- All members should jointly execute Joint Liability Agreement making each member jointly and severally liable for repayment of loans taken by the individuals.
- There has to be mutual agreement and consensus among all members about the amount of individual liability. For this purpose, group has to submit a resolution along with details of individual loans required by each member, as per Micro-Credit Plan (MCP) signed by all the members.
- Branch has to assess the credit requirement based on the extent of land cultivated, crops grown, scale of finance, and credit absorption capacity of the individuals in the group.

4. Purposes for which credit can be extended under the scheme:

- To meet the crop production requirements as per Micro-Credit Plan (MCP) of the group.
 - Other need based credit to meet the expenses, contingent to cultivation of crop.
 - **Maximum ceiling:** Rs. 2.50 lakh per group with a ceiling of Rs. 25000/- per member including a limit of Rs. 2500/- for meeting the expenses contingent to crop production.
- 5. Rate of interest:** As applicable for short term crop production loans. 7.0% per annum till the interest subvention scheme of GOI is in force and as per normal rate applicable to such type of advances afterwards.

6. Repayment period: Repayment shall be fixed based on the crops grown and possible time of harvest with some leverage for marketing and realization of proceeds.

7. Other Conditions:

- The farmers should not be indebted to any other financial institutions.
- Group members shall undergo one day orientation training in group dynamics by the branch in association with officials of SIRD / RUDSETI if operating in their area, with LDM, AGM/ DDM of NABARD and reputed NGOs in other areas.
- At least two members of the group should have permanent residence within the operational area of the branch and all remaining members are having permanent residence within the district.
- The eligible crops are to be covered under crop insurance scheme.
- The individual borrower shall be covered under Personal Accident Insurance Scheme.

B: Individual approach:

1. Objectives:

To extend collateral free loans to tenant farmers / oral lessees/ share croppers individually, under the following circumstances:

- i. Farmers cultivating lands under registered tenancy rights.
- ii. Farmers cultivating lands without registered tenancy rights, but their names appear as cultivators in the land records.
- iii. Farmers cultivating lands as oral lessees and land owner is ready to join the transaction as co-borrower.
- iv. Farmers cultivating lands as oral lessees, but land owner is not ready to join the transaction as co-borrower.

2. Financing Model:

- a) In respect of the first three categories, tenant farmers will be financed by obtaining **registered tenancy deeds**, or **records of rights** as a proof of cultivation, or joining of **land-owner to the transaction**, as the case may be.
- b) In the case of fourth category, where there is neither documentary proof of cultivation nor the land owner willing to join the loan transaction as co-borrower, branches shall adopt the following approach to extend need based credit.
 - i. A letter from Revenue Officials / Village Pradhan / Village Panchayat or any Govt. Officials, confirming cultivation of lands by the applicant as tenant farmer, shall be obtained and kept as record.
 - ii. In case the tenant farmer is not in a position to produce the letter as above, he explore the possibility giving a creditworthy third party guarantee, who is a land holder as guarantor.
 - iii. In case the tenant farmer is not in a position to comply with the above, the Branch Manager shall make local enquiries so as to establish that the applicant tenant farmer is a true cultivator of the land.

3. Purposes for which credit can be extended under the scheme:

- To meet the crop production requirements as per scale of finance.
- Other need based credit to meet the expenses, contingent to cultivation of crop.
- Towards any allied activity like dairy / sheep rearing etc. or a non-farm activity in which the applicant has the requisite skill. This shall be a separate loan in addition to the crop loan / SKCC to be extended to the tenant farmer, encouraging him to take up an alternate income generating activity.

4. Quantum of Loan:

- a) **Quantum of loan:** Quantum of loan shall be decided based on the crops to be cultivated and scale of finance for such crops and a small component for meeting the contingencies related to cultivation of crops. Some additional loan component towards alternate income generating activity, as per need.
- b) **Maximum ceiling:** Rs. 25000/- per member including a limit of Rs. 2500/- towards consumption expenses.

5. Rate of interest:

- For short term crop production loans: @ 7.0% per annum till the interest subvention scheme of GOI is in force and as per normal rate applicable to such type of advances afterwards.
- For income generating activities under allied activities / non-farm sector: As per extant guidelines.

6. Other Conditions:

- The applicant should be a permanent resident of the operational area of the branch. Branches shall establish the identity and permanent address of the tenant farmer / oral lessee.
- The tenant farmer / oral lessee shall open SB A/c under SyndSamanya Scheme.
- The applicant is not indebted to any other financial institutions.
- Eligible crops are to be covered under crop insurance scheme.
- The borrower shall be covered under Personal Accident Insurance Scheme.
- In the case of subsidiary activity like dairy / sheep rearing etc. insurance of animals is compulsory.

Land Development Schemes

Land Development Schemes - For increasing productivity

- Levelling of Land.
- Contour Bunding and Terracing.
- Land reclamation and to treat Acid and Alkaline soils.
- Surface and Subsurface Drainage System.
- Application of Fresh Soils to the Garden.
- Fencing including Electrical Fencing.

Syndicate Kisan Credit Card (S.K.C.C)

Syndicate Bank, which has been the foremost bank in the country in providing financial assistance to farmers, is proud to introduce the Syndicate Kisan Credit Card Scheme. The objective of the new scheme is to meet the credit needs of the farmers for cultivation of crops and other requirements in a very convenient manner.

Farmers, belonging to villages served by Syndicate Bank, who are not defaulters in respect of earlier loans and who have crop loan requirement, are eligible to avail the facility.

This facility is provided to the farmers for meeting expenditure connected with cultivation of various crops, maintenance of small dairy / poultry units, non farm activity and consumption needs to some extent.

The farmers having this facility can deposit money in the account when they realise their income and withdraw it whenever needed.

Farmers have to pay money into the account after harvest season and have to operate the account regularly.

The facility is valid for 3 years. However, Bank will review the operation in the account annually and decide about continuation of the facility. Personal Accident Insurance Cover available upto Rs. 50,000 for farmers upto 70 years of age.

Minimum credit balance of Rs.500/- and above in the account between 10th and last date of the month will earn interest at Savings Bank rate.

Rate of interest on the facility will be as fixed by the Bank from time to time.

The facility is to be secured by hypothecation of crops / other assets and mortgage of land or charge on land wherever required.

Bank is implementing National Agriculture Insurance Scheme(NAIS) and Weather Based Crop Insurance Scheme (WBCIS) wherever notified by the concerned State Govt.making it applicable for notified crops, areas and seasons.

Kisan Credit Card Holder up to the age of 70 years is covered under Personal Accident Insurance Scheme(PAIS) with nominal amount of premium. Insurance cover is applicable only for death due to accident and Permanent Total Disability arising out of accidents.

Bank is implementing Interest Subvention Scheme of GOI in respect of Short Term crop production loans up to a limit of Rs.3 lakh.

A hassle free production credit scheme for farmers

- Entire range of crop & production credit requirements are met.

- Provision for meeting maintenance expenses of small nature for Dairy, Poultry and other Allied activities.
- Requirements of Non-farm activities and Small Consumption Expenses met upto Rs.5,000/-.
- Simplified documentation and card valid for 3 years.
- Absolute flexibility in operation of the limit.
- No restrictions on number of withdrawals and credits into the account.
- Minimum credit balance of over Rs.500/- between 10th and last day will earn Savings Bank interest.
- Withdraw when necessary and Repay when Farm income is generated.
- Personal Accident risk insurance cover available.

Scheme for water Harvesting

"During the 10th Five Year Plan ,GOI had launched a scheme for Water Harvesting For the benefit of SC/ST category borrowers with a component of subsidy.The scheme was closed by 31.03.2007. Our bank is continuing implementation of the scheme however without the component of subsidy and it is made applicable to all category of borrowers."

“SyndKisanSathi” –

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To meet the aspirations of farmers including small & marginal farmers, tenant farmers, share croppers, oral lessees and farm labourers who require credit to get freed from the clutches of money lenders, a new scheme exclusively for the purpose of Debt Swap is formulated under the name SyndKisan Sathi (SKS).

The salient features of “SyndKisanSathi”

- a) It is a debt swap product for farmers to redeem their high cost debt with money lenders with a condition that they do not create fresh debts with money lenders.
- b) For farmers the maximum loan amount shall be Rs. 50,000/- per borrower.
- c) For farm labourers the maximum loan amount is rs. 10,000/- per borrower.
- d) Rate of interest is PLR-2.50 % .
- e) A credit worthy person known to bank may be taken as guarantor.
- f) Repayment period: 5 to 7 years including moratorium period of 12 months.