



# NABKISAN FINANCE LIMITED

*(a subsidiary of NABARD)*



# NABKISAN

Largest lender in the FPO sector

Provides loans on simple terms at competitive interest rates

Provides collateral free loans

Collaborates with various stakeholders for strengthening FPOs

Operates on pan –India basis

## Eligibility Criteria for direct financing of the POs

Incorporated at least six months prior to submission of application & at least have one balance sheet

Minimum Rs. 2 Lakh of Share capital with positive Net worth

No default to any organisation and applicable legal requirements (GST/TIN/Licenses etc.)

A regular CEO in place

Business plan at least for the next one year

Should fall under 'A' or 'B' Category of POs based on NABKISAN rating tool

Comply with KYC/AML norms and should not be barred from undertaking any business under any of act

# Quantum of Financial Assistance



Age up to 2 years from date of incorporation

## Start up POs

Up to 5 times of network

Age more than 2 years from date of incorporation & Turnover in excess of Rs.25 lakhs in the preceding year or average of preceding three years.

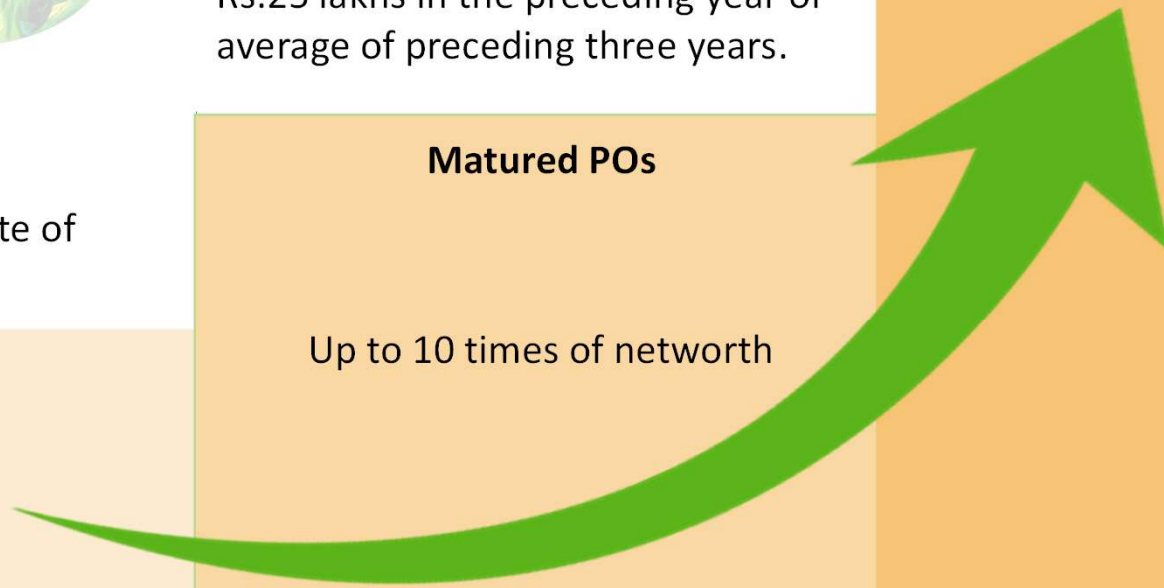
## Matured POs

Up to 10 times of network

Age more than 2 years from date of incorporation & Turnover in excess of Rs.100 lakhs in the preceding year or average of preceding three years.

## High Potential POs

Up to 20 times of network



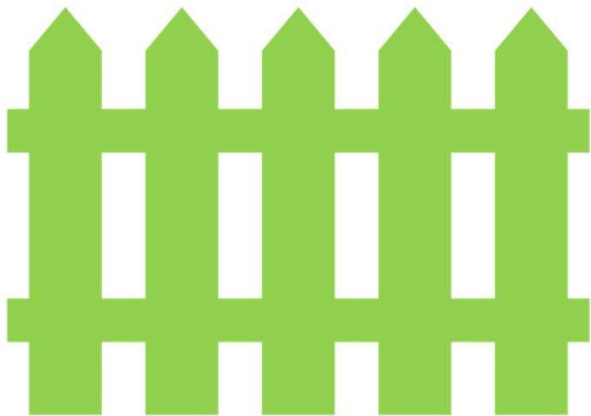
*The quantum of financial assistance will be 85% of the total project cost. Minimum margin of 15% for all categories of POs to be obtained.*

**Primary Security**  
*Hypothecation of assets*

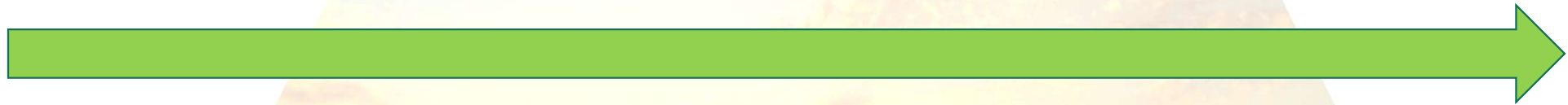
**Guarantee Coverage**  
*Nabard CG*  
*SFAC CG*  
*CG with state and central agencies*

**15% collateral & personal guarantees of BODs or third party guarantees**

*If not covered under any credit guarantee scheme*



# Processing Fee



First Time of Sanction

Second/Repeat Time of Sanction

Third time & Onwards/Repeat Time of Sanction

1 % of sanction amount plus applicable taxes

0.50 % of sanction amount plus applicable taxes

0.25 % of sanction amount plus applicable taxes

# Loan Process



## WORKING CAPITAL (WC) LOAN



Eligible Activities : Working capital for procurement activities

Competitive interest rates

Repayment Period : Maximum up to 18 months

Quantum of Loan: Upto 5-20 times of networth

Security : Primary Security (Hypothecation of assets), applicable CG, 15% Collateral (only if not covered under any guarantee) & Personal Guarantees of Directors

Processing fee : 1% of sanction amount + taxes for the 1st time. 0.50% and 0.25% for 2nd & 3rd time cases respectively



# PLEDGE LOAN



Eligible Activities : Pledge Loan against eNWR

Competitive interest rates

Repayment Period : Validity of facility as mentioned on eNWR

Quantum of Loan : Vary with commodity to commodity and Loan to Value (LTV)

Security : Pledged commodities

Processing fee : 1% of sanction amount + taxes for the first time. 0.50% for renewal cases

# WORKING CAPITAL+PLEDGE LOAN



Eligible Activities : WC for procurement and Pledge loan against eNWR

Competitive interest rates

Repayment Period : For WC maximum upto 18 months and for pledge loan validity of facility as mentioned on eNWR

Quantum of Loan : For WC, depending on the FPO's networth and for Pledge Loan it varies with commodity to commodity and LTV

Security : Guarantee for WC & Pledged Commodities

Processing fee : 1% of sanction amount + taxes for the 1st time. 0.50% and 0.25% for 2nd & 3rd time cases respectively



# Thank You

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