

TRANSPORT LOAN

1. **Purpose** Purchase of new vehicles (Buses, Trucks, Pickup Vans, Auto Rickshaw etc.) manufactured by reputed manufacturers and sold through their dealer network for commercial purposes or for captive use.
2. **Objective** To provide timely credit to small road and transport operators owning a fleet of vehicles or first time users with a viable scheme.
3. **Quantum of Loan** Bank will finance 80-90% conditions apply of the cost of the vehicle (Chassis, Initial Insurance, Registration and Body Building Charges).
4. **Security**
 - A. **Primary:** Hypothecation of vehicles purchased out of the proceeds of loan. Bank's name as hypothecate to be got noted in the books of the RTO and also the Registration certificate.
 - B. **Collateral Security:**
 1. Loans upto Rs.10.00 lacs no collateral security to be obtained. But the loan must be covered under Credit Guarantee Scheme of CGTMSE.
 2. Loan above Rs.10.00 lacs to Rs.1.00 crores collateral security to be taken as Bank's Policy. If no collateral is available the account must be covered under CGTMSE.
 3. Loan above Rs.1.00 crore: If should be adequately covered with collateral security.
5. **Insurance** Comprehensive Insurance Policy covering various risks including civil commotions and riots should be taken with Bank clause for the entire period of the loan.
6. **Rate of Interest** As applicable link to the Base Rate of the Bank.