

### Scheme for Financing against Warehouse Receipts to farmers

<b>Type of Facility</b>	Short Term Loan (STL)
<b>Purpose</b>	Loan against receipts of warehouse/cold storage is available to provide liquidity to the farmers & prevent them from resorting to distress sale of their produce at the time of harvest.
<b>Valuation</b>	Market Price or Value shown in warehouse receipt whichever is lower
<b>Margin</b>	25% of the valuation
<b>Rate of Interest</b>	<ul style="list-style-type: none"><li>Loans upto Rs 3.00 lakh to Small &amp; Marginal farmers who has availed MKCC limit: @7% p.a. upto six months</li><li>For all others: At Base rate +2%</li></ul>
<b>Security</b>	<ul style="list-style-type: none"><li>Loan upto Rs 25.00 lakh:<ol style="list-style-type: none"><li>Charge on Warehouse Receipts being endorsed in favour of bank</li><li>Lien should be noted with concern warehouse</li></ol></li><li>Loans above Rs 25.00 lakh:<ol style="list-style-type: none"><li>Charge on Warehouse Receipts being endorsed in favour of bank</li><li>Lien should be noted with concern warehouse</li><li>Mortgage of land</li><li>Third party guarantee having sufficient net worth</li></ol></li></ul>
<b>Repayment</b>	The loan should be liquidated as & when the produce is sold during the interim period not exceeding 12 months
<b>Other Terms &amp; Conditions</b>	Warehouse receipt should be duly endorsed in favour of bank