

Scheme for Financing Farmers for Purchase of Land by Small & Marginal Farmers

Type of Facility	Term Loan (TL)
Purpose	Purchase of land for agricultural purposes
Eligibility	<ul style="list-style-type: none"> • Small & Marginal Farmers (Who owns maximum of 5 acre of non irrigated land or 2.5 acres of irrigated land including land to be purchased) • Share Croppers/tenant farmers cultivating up to 2.5 acres of irrigated land or 5 acres of unirrigated land • Entrepreneurs with agricultural background are also eligible (Provided state laws permits purchase of agri lands by non agriculturists)
Amount	<p>A. Lower of the 1, 2 & 3</p> <ul style="list-style-type: none"> i. Valuation as assessed by the branch ii. Circle rate fixed by the state iii. Registration Value plus <p>B. Stamp duty & registration charges for sale deed Maximum Rs 20.00 Lakh</p>
Margin	Margin shall be minimum of 20%.
Rate of Interest	ROI shall be as applicable to Agricultural advances
Security	<ul style="list-style-type: none"> • The land presently owned, if any & also the lands to be purchased out of the bank finance be mortgaged in favour of the bank. • Hypothecation of Crops grown from time to time on the land
Repayment	7 to 10 years half yearly / yearly installments including maximum moratorium of 24 months
Other Terms & Conditions	<ul style="list-style-type: none"> • Total land holding including proposed land should not exceed 5 acres for non irrigated land & 2.5 acres for irrigated land. • Applicant farmers may be encouraged to purchase the land at one place & not in fragmented holdings to step up productivity & save production expenses.
Documents / Papers to be submitted for loan proposal	<ul style="list-style-type: none"> • Copies of land records regarding land owned & to be purchased, certified by concerned revenue authorities • Documents of title, Copy of sale agreement, if entered
Paper requirement	<p>1. Loan application ie Form No -138, & Enclosure – B2</p> <ul style="list-style-type: none"> • All 7/12, 8 A, 6 D extracts, Chatu Sima of the applicant

- No dues certificates of the applicant from surrounding financial institutions including PACS
- Legal search from advocate on Bank's panel for loans above Rs.1.00 lakh where land is to be mortgaged

2. Guarantee form F-138

- All 7/12, 8 A & PACS dues certificate of the guarantors