

"HARCOBANK Green-Ride"

Scheme for financing E-Rickshaw& E-Loader

1. Purpose

To assist transport operators/ individuals/ association/ sole proprietor/ partnership firms/ Private Ltd. companies/ Public Ltd. companies to avail E-Rickshaws/ Loaders (new entrants) and to create employment opportunities for the micro borrowers particularly.

2. Eligibility

An individual, transport operators, an association, sole proprietor, partnership firms, Private Ltd. Companies, Public Ltd. Companies desirous of owning transport vehicle(s) viz. E-Rickshaw/Loader, for carrying passengers or goods on hire, private usage, etc. are eligible for financing under the scheme.

2.1 The applicability of the scheme shall be confined only to Chandigarh & Dstt. Panchkula

2.2 The borrower(s) shall hold the necessary driving license or engage driver(s) possessing valid license to operate the type of vehicle for which credit is sought.

2.3 The borrower must have CIBIL of 650 or above at the time of issuance of loan.

2.4 The eligibility age, in case of individuals would be from 18 years to 62 years.

2.5 The vehicle to be financed must be allowed to ply commercially as per the laws of the State and vehicle must be indigenous.

2.6 The vehicle should be registered with State Appropriate Authority.

3. Rate of Interest

3.1 Rate of interest would be decided by the bank from time to time, henceforth is subject to change as per discretion of the bank.

3.2 The borrower(s) will be required to exercise fix rate of interest option at the time of submission of loan application.

4. Penal interest: 3% p.a. on default amount over and above the normal rate of interest.

5. Pre-payment charges :

Prepayment charges would be levied at the rate of 2% of the out-standing principle amount if loan is prepaid before elapse of 6 EMIs, else pre-payment charges would be "Nil".

6. Processing Fee :

Rs.1000/- per loan case plus applicable taxes.

CGTMSE Fee (as applicable) would also be charged in addition to processing fee.

(Processing fee & CGTMSE fee charges should be obtained before disbursement of loan)

7. Nature and Amount of Loan

- a. Term loan to the extent of maximum limit of 85% of invoice value/ proforma invoice / quotation.
- b. No ceiling is applicable.

8. Margin

Minimum 15% of the invoice cost/ proforma invoice / quotation of the vehicle.

9. CHEQUE /ECS Bounce Charges

Cheque/ECS bounce charges: Rs. 250/- (Plus taxes if any) per bounced cheque/ECS.

10. Repayment period

- 10.1 Maximum of 36 equated monthly installments (EMIs) comprising of principle and interest .
- 10.2 For Recovery/ Repayment of EMIs- Obtain PDCs equivalent to EMIs of loan. Further, Branch Managers are advised to take few additional cheques as security. However, such instruments are to be used only for purpose of taking legal action under Payment and Settlement Act.

11. Insurance

The vehicle will be comprehensively insured by the borrower in favour of the bank and will be renewed every. A copy of the Insurance Policy as well as every renewal will be supplied to the bank by the borrower.

The borrower will be personally responsible for any lapse in this respect. In case the insurance policy is not renewed in time, the entire outstanding loan will become immediately payable/ recoverable by/from the borrower.

Additionally, branch manager would ensure submission of insurance documents at stipulated time during the tenure of loan.

12. Security

Primary: Vehicle purchased with the amount of the loan will remain hypothecated to the bank as security of the advance. Name of the branch must be mentioned on the RC (Registration Certificate) and a BM verified copy of the same to be kept on record. Copy of RC should be submitted by the borrower within the period of one month, else penalty amounting to Rs.2500/- p.m.(plus GST, as applicable) will be charged

Collateral: 3rd party guarantee acceptable to the Bank and the guarantor will also provide at least one Post Dated cheque as security for entire loan amount sanctioned.

13. Primary documents required for E- vehicle loan :

A. Customer with own house

For Id proof :- Aadhaar Card/Voter Card/PAN Card / Any identity card issued by Govt. Deptt.

Income proof :- Bank pass book (atleast for last 6 months) ,
OR

Salary slips duly stamped and verified by the employer

OR

3 Income Tax Returns for preceding 3 years with copy of PAN Card

For residence proof :- Electricity Bill/ Copy of house ownership documents(any one of these)

Proof of Age :- Aadhaar Card / Voter Card/ PAN Card / Matriculation or Higher Secondary certificate(any one of these)

Other documents :- 4 Signed Cheques ; 3 Passport Size Photos

B. If the customer does not have own house

In addition to point (A) the following parameters are required to be ensured:-

- i. 1 Guarantor having own house in (with evidence of ownership of house)
- ii. Guarantor's KYC documents like Aadhaar Card, Pan Card, 2 Photos

14. Disbursement:

It should be personally ensured by the Incumbent that draft representing cost of the vehicle is delivered to authorized dealer/seller of the vehicle and receipt/bill in joint names is obtained. While making delivery of the proceeds of the vehicle, an undertaking from the Dealer/ Authorized agent be obtained and held on record that in case of cancellation of booking of vehicle for whatsoever reason, the proceeds shall be refunded directly to the Bank and in any case **should not be refunded/ handed over to the borrower.**

The intending borrower will be required to deposit the difference between the cost of the vehicle and amount of loan and **bank will pay the entire price of the vehicle to the seller directly** on behalf of the borrower.

Advance, if any, paid for booking of the vehicle shall be taken as a part of margin.

15. General

i. Driving license of the borrower may not be insisted upon. An undertaking that the vehicle would be driven by a valid driving license holder to be obtained.

- ii. a) The loan will be disbursed ASAP from the date of sanction;
- b) KYC norms of prospective borrower/s as well as guarantor(s) must be complied;

iii) a. The borrower should be resident of Chandigarh or district Panchkula. The age of the borrower should not be below 18 years.

Bank will obtain the permanent address proof of the borrower besides, obtaining the present address proof.

iv) Sanction of loan will be sole discretion of the bank.

The borrower is required to :-

- Compulsorily open a Saving/Current account with our bank.
- Must use bank's QR Code linked with the saving/current account with the bank.
- A recurring deposit account (RD) with a monthly deposit of Rs 500/- or more, would also be opened.
- Personal accident insurance would be provided by the bank at subsidized premium.

- With the consent of the borrower bank would provide subsidized loan insurance and vehicle insurance

v) The statement of account with any bank of the prospective borrower , minimum for the last 6 months to be obtained. This is to facilitate ascertaining the general conduct of the account including other borrowing.

vi) Immediate contact be made with the borrower on delay/default of any installment. And contact / liaison with the guarantor to put pressure on the borrower.

vii) Wherever possible action under Securitization Act and/or u/s 138 of the Negotiable Instrument Act/Payment and settlement act be taken after complying with the requirement of the law.

viii)The CIBIL score of borrower and guarantor should not be below 650. All guidelines circulated by the Bank from time to time in respect of Drawing of Credit Information Reports (CIRs) from 'Credit Information Bureau (India) Ltd. (CIBIL)/other Credit Rating Agencies also be followed.

ix)That a clause be put in sanction letters that any third party liability coming on the Bank due to wrong information/ declaration given by borrower, will be his/her responsibility.

x)The borrower and his guarantors shall be required to become associate members of the bank in the manner prescribed as per bye- laws of the Bank.

xi)The borrower and the guarantors will be jointly and severally liable to pay the loan amount.

xii)All disputes shall be disposed of as per the Haryana Cooperative Societies Act, 1984 and the rules framed there under and as amended from time to time and will be under the sole jurisdiction of courts at Chandigarh/Panchkula.

Any other information/document which may be necessary, as per the requirement in each case.