

## **Rural Banking Products**

### **Rural Finance (RF):**

Rural Finance (RF) RF is a range of financial services such as savings, credit, payments and insurance to rural individuals, households, and enterprises, both farm and non-farm, on a sustainable basis. It includes financing for agriculture & agro processing/ agribusiness.

### **Agriculture Finance:**

Agriculture finance is defined as a subset of rural finance dedicated to financing for agricultural related activities viz. input supply, production, processing, and marketing.


### **HBL Rural Banking Products**

HBL Rural Banking is providing 5 types of loans.

1. Running Finance Farm Production
2. Tractor Financing
3. Dairy & Livestock Financing
4. Poultry Financing
5. Fisheries Financing

#### **1) Running Finance Farm Production:**

**Farm Production:** To purchase: Inputs for all crops like seed, fertilizer, pesticides, herbicides etc., Labor charges. Water charges, hiring power charges, Transportation of farm produce from farm to market. Any other charges to meet the crop production demands from sowing to harvesting and marketing of produce.

- a. RF facility available on revolving terms for 3 Years
- b. 1-time documentation
- c. Chequeing account with availability of funds as per borrower requirements
- d. Minimum Limit Amount PKR 150,000
- e. Mark up charged on only utilized amount
- f. Availability of funds 24/7 through Debit Cards
- g. Mark up Payments on Half Yearly basis with 18 Months for Sugarcane
- h. Annual Clean up facility for Principal Repayments
- i.  Crop Loan Insurance Facility for Calamity Risk Coverage

#### **2) Tractor Financing:**

- a. ~~For Can~~ Purchase ~~of~~ Tractor ~~only~~.
- b. DF facility payable in 3-5 years
- c. Repayments in Monthly/ Quarterly/ Half Yearly/ Annually equal installments
- d. Minimum Land holding / cultivation 12.5 Acres
- e. For Integrated Farms (Dairy, Livestock, Farms) 5 Acres
- f. Minimum Financing PKR 500, 000

- g. Debt: Equity 90: 10
- h. Maximum Finance 4 Tractors or PKR 10 Million whichever is lower.

### **3) Dairy & Livestock Financing:**

- a. Livestock Financing (RF)
- b. To meet working capital requirements of Dairy and Livestock Farmers, Feed, Medicine, Overhead expenses
- c. RF facility
- d. -Mark up Repayments Quarterly
- e. ~~+~~ Minimum Financing PKR 90,000.
- f. ~~+~~ Clean up On Biannual basis for Principal payments

### **4) Poultry Financing:**

- a. To meet working capital requirements of Poultry Farms, DOC, Feed, Medicine, Overhead expenses.
- b. RF facility
- c. -Mark up Repayments Quarterly / Half Yearly
- d. Minimum Financing PKR 1 Million.
- e. -Clean up On Biannual basis for Principal payments

### **5) Fisheries Financing:**

#### **Working Capital (RF)**

- a. To meet working capital requirements of Fish Farmers, Fish Seed, Feed, Medicine, Overhead expenses

#### **Development Finance**

- b. Excavation of Fish Ponds
- c. Purchase and Installation of Tube wells
- d. Purchase of Boats, Nets etc.

#### **-RF & DF facility-**

- e. Maximum Tenure 1 Year (5 Years for DF)
- f. Debt: Equity 55:45
- g. Minimum Financing PKR 500,000
- h. Mark up Repayments Half Yearly
- i. Clean up On Biannual basis for Principal payments

### **Required Documents**

Pre & Post Sanction Documentation required to avail the loan.

#### **1) Pre-Approval**

- a. Valid CNIC

- b. Agri. Pass Book/ Security / Collateral Documents
- c. Proof of cultivation, Farming Experience.
- d. Two References
- e. eCIB Report (Clean 2 times 30+ & Never in 60+ & 90+)

**2) Post Approval:**

- a. Charge / Mutation in bank's favour
- b. Finance Agreement (IB-7)

**Parameters Applicable to all PPs:**

Parameter	RF Farm Production	Dairy & Livestock	Fishe ries	Poul try	Trac tor
Valid CINC	Yes	Yes	Yes	Yes	Yes
Agriculture Pass Book	Yes	Yes	Yes	Yes	Yes
Clean ECIB(2 times 30+ & Never 60 & 90)	Yes	Yes	Yes	Yes	Yes
Clean Collateral	Yes	Yes	Yes	Yes	Yes
Age Limit	18-75	18-75	18-75	21-75	18-65
Experience	Yes	5 Years	5 Years	5 Years	Yes
DBR	50%	50%	50%	50%	50%