Product Features

A Term Finance Facility to meet the working capital requirement of selective SME sectors.

Product Type

Term loan facility

Target Market

Agribusinesses, SMEs and commercial enterprises

Eligibility Criteria

* Financing will be initially available to meet the working capital requirements of below mentioned SME sectors:

|  |  |  |  |
| --- | --- | --- | --- |
| **Information Technology (IT)** | **Furniture** | **Surgical Goods** | **Data Processing** |
| Gems & Jewelry | Leather Industry | Fruits, vegetables and food processing   & packaging | Printing & Packaging |

* All small enterprises (SEs) as defined in SBP’s Prudential Regulations (PRs) will be eligible under the scheme.
* Medium Enterprises (MEs) with annual sales of up to Rs. 300 million will be eligible under the scheme.

Documentation Required

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| --- |
| **Individuals** |
| Attested copy of the CNIC(s) |
| One recent passport size photograph of the sponsors |
| Copy of any latest paid utility bill received at the residential address |
| Copy of Rent deed/lease deed, where property is rented |
| Undertaking that the customer is not :   * ­ the director, major shareholder holding 5% or more of the share capital of   the Bank, * ­ its Chief Executive or * ­ an employee or * ­ any family member of above interested persons. |
| Copy of net worth statement (if available) |
| **Additional Documents for   Proprietorship / Partnership / Company (Public / Private)** |
| Copy of any latest paid utility bill received at business address |
| Copy of Rent deed/lease deed, where property is rented |
| Company Profile (History / Future Plan) |
| Project Information / Product List |
| Financial statements of last year at least and preferably for the last three years |
| Online Tax Verisys |
| Partnership deed, Copy of Certificate of registration of partnership (only required for partnership   concerns) |
| Memorandum and Articles of Association & Certificate of Incorporation (only required for limited   companies) |
| Latest form 29 certified by SECP (only required for limited companies) |
| Latest form A ( (only required for limited companiesm if applicable) |
| Board resolution   authorizing borrowing (only required for limited companies) |
| ISO Certification/(s) |
| **Documents Required for Approval (part of e-CLP)** |
| Loan Application Form |
| e-CIB Report (individuals,proprietors, partners, directors) / CIB Report (company) |
| Visit report |
| Business & Financial Appraisal report by approved company |
| Age of business not less   than 3 years (NTN confirming) |
| Overall debt-burden not   exceeding 50% of the projected cash flows for the first year |
| Income Estimation / Salary   Slip (for individuals) |
| Audited Financial Statements (last 3 years) (for businesses) |
| If unaudited, then financial statements of last year at least and preferably for the last three   years (for businesses) |
| Projected accounts for the next years for the financing tenor (for businesses) |
| Other bank's statements of the business account(s), if available *(not applicable for existing   customers)* |
| Latest facility letters and loan utilization figure from all banks *(not applicable for existing   customers)* |
| Age of sponsor (individual/sole proprietor) not beyond 65 years at the maturity of loan |
| Business not in negative   list |
| **Post Approval Documents** |
| Finance Agreement |
| Letter of Authority to recover installments |
| Personal Guarantee(s) of borrower(s)/sponsors/directors |
| Initial Offer Letter |
| Repayment schedule duly accepted by the borrower |
| Post-dated cheques for the period of repayment |
| Insurance policies & original premium paid receipts |
| Letter of Hypothecation |
| EPA Approval & NEQ   Compliance (to be arranged from ESMS desk) |
| Demand Promissory Note WCF-4   (on stamp paper)\* |
| Undertaking WCF-5(stating that the funds shall be used for said purpose and any failure to   make payments would result in automatic debit of mentioned account)\* |
| **Collateral Related   Documents: (if applicable)** |
| Copy of title documents of   property / Passbook |
| Latest PT-I of the property   to be mortgaged |
| For constructed property,   NEC / NOC / permission to mortgage |
| Pre-mortgage legal opinion   from the bank's approved lawyer |
| Evaluation of property by   PBA approved evaluator |
| Agreement to Create   Mortgage |
| An undertaking from the   customer that completion certificate from concerned authority would be   submitted by the borrower within 6 months from the disbursement of last   tranche |
| Completion Certificate,   where applicable (however, upfront confirmation required from branch   regarding availability) |
| Original Title   Deeds/Original Letter of Allotment/Transfer/Conveyance deed |
| Approved site plan, if   available |
| Approved building plan, if   available (however, upfront confirmation required from branch regarding   availability) |
| Letters from mortgagor   addressed to the Land/Revenue Department regarding the noting of mortgage |
| Non-encumbrance certificate   / Search Certificates / Permission to mortgage (whichever is applicable) |
| Evidence of marking of lien   with the concerned authority/society/land office |
| Charge registration form 10   (charge with SECP shall be registered within stipulated timeframe) |
| Mortgage deed (in case of   registered mortgage) |
| Post-mortgage legal opinion |
| \* these forms are required   to claim refinance from SBP |

Registration Process

Customer may visit his nearest Bank Alfalah branch on contact on helpline number 111-225-111

FAQs

**Is there a maximum financing amount under this scheme?**

* Maximum financing limit for SEs is the same as defined in SBP’s PRs for SME financing.
* Maximum financing limit for MEs is Rs. 50 million.

Bank Alfalah shall establish the borrowing limits of eligible borrowers keeping in view credit requirements, cash flows, repayment capacity and risk profile of the borrower.

**What are the mark-up rates?**The loan shall be offered on commercial rate and after approval of refinance from State Bank of Pakistan subsidized mark-up rate of 6% shall be applicable.

**What is the loan tenure?**Maximum loan tenor will be one year.