Product Features

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| **Product Overview:**  Alfalah Islamic Milkiat Finance is envisaged as a medium to long term financing product for SMEs of all sectors. It is a facility repayable in monthly installments over agreed period and secured by equitable and/or registered mortgage over urban commercial/industrial property (ies) as well as residential properties which are primarily being used for commercial nature and shall be solely used by the party availing the finance. |
| **Underlying Islamic Mode:**  Diminishing Musharakah on the basis of "Shirkat ul Milk" |
| **Type Of Product:**  Advances (SME/Commercial) |
| **Target customers:**  The target market for AIMF is SMEs and their stakeholders which will include any commercially viable business, meeting the eligibility criteria of AIMF. These broadly include:   * SME Businessmen / Traders / Commercial Entities * Cottage/ SME Industries / manufacturers * SME service industry like Educational Institutions, Hospitals, Restaurants etc. * SME Professionals like Chartered Accountants, Doctors, IT professionals etc. |
| **Product Variants:**  AIMF 1:  Acquisition of rented commercial/industrial property  AIMF 2:  Construction on owned and possessed commercial/ industrial premises/ plot (s)  AIMF 3:  Purchase of a commercial/ industrial plot for construction purposes only and construction on that land/ plot.  AIMF 4:  Renovation of owned and possessed commercial/ industrial property (ies)  AIMF 5:  Swap Transactions/ Balance Transfer Facility (BTF)   * From Conventional Bank to Islamic (BAFL-IBG) * From Islamic Bank to Islamic (BAFL-IBG) |
| **Basis For Pricing/ Return:**  KIBOR + Spread |
| **Minimum and maximum financing limit:**  The minimum and maximum amount of finance under AIMF shall be Rs 0.50M and Rs 100M respectively, however, for the purpose to renovate the ceiling shall be Rs. 5 M. |
| **Tenors (minimum and maximum):**  The tenure of Alfalah Islamic Milikiat Financing facility will span from 2 to 15 years. |

Eligibility Criteria

Customer Type Sole proprietorships, partnerships and private limited companies can avail this facility.

**Age Limit**

Individuals should be between 23 to 65 years of age at the time of application. Sole proprietors should not exceed 65 years of age upon maturity of financing.

**Debt Burden Ratio**

A preferably low debt burden for customers is recommended.

**Membership**

Preferably a member of the relevant trade body or association

**Security**

Customer should provide an urban residential/commercial property as security

**Equity Ratio**

Minimum equity participation shall be 30% under AIMF 1 and AIMF 3. At least 1% equity participation will be required for AIMF 2, AIMF 4 and AIMF 5