

SCHEME FOR FINANCING SEED PRODUCERS/PROCESSORS

- **OBJECTIVE:** To facilitate financing to seed producers/ processors.
- **ELIGIBLE ENTITIES:** Individuals, Private Companies, Corporates, Self Help Groups (SHGs)/ Joint Liability Groups (JLGs) and other legal entities.
- **NATURE OF LOAN:**
 1. **Term loan** - The same may be provided for setting up of processing unit which will include packers, cleaners, graders, separator, godown etc.
 2. **Working Capital** for seed processing
 3. **Working Capital Demand Loan** for credit extended to outsourced farmers for seed multiplication.
- **QUANTUM OF LOAN:** Need Based as per the total financial outlay of the project.
- **MARGIN:**
 - Term Loan** - (i) Purchase of Land- Minimum 25%
 - (ii) Others- Minimum 15%
 - Working Capital** - Minimum 25%
 - Working Capital Demand Loan**- Minimum 25%
- **REPAYMENT:**
 1. **Term Loan:** Repayment period will depend upon the cash flow and will be up to 7 years including a grace period of maximum upto one year.
The instalment will be on half-yearly interval after an initial moratorium of 6 to 12 months depending upon the case.
However, extension in repayment period beyond 7 years may be allowed by next higher sanctioning authority on the merit of the proposal.
 2. **Working Capital for seed processing:** The tenure of CC would be one year. CC limit would be renewed every year.
 3. **Working Capital Demand Loan for extending credit to farmers:** The repayment of the advances under the scheme shall be maximum upto 12 months or commencement of cash generation whichever is earlier.