

Pledge Loan Scheme

Provide Financial Support to Rice Millers and Wholesale Buyers for Purchase and Storage of Paddy and Maize

To be in line with the Government's objective of ensuring the reasonable price for paddy and maize harvest of farmers during the harvesting period, this loan scheme has been introduced to finance working capital requirement of potential mill owners and direct buyers to purchase paddy and maize.

Competitive Advantage

- Competitive interest rates
- Convenient securities
- Less documentation

Eligibility criteria

- Business should be registered under relevant authorities.
- Applicants should have strong and adequate warehouse facilities which can be properly and securely padlocked for storing of paddy and maize.
- Pledge loan facilities obtained during previous cultivation seasons should be fully settled satisfactorily and currently with a high CRIB scoring.
- Borrowers should have maintained a satisfactory current account with us or any other Bank for over a period not less than 12 months.

Facility Amount

No maximum loan limit

- The loan limit will be determined based on the capacity of stores, grain yield of the area, prevailing market trends and financial feasibility of the borrower.

Applicable Interest Rate

Refer the website of Peoples Bank-www.peoplesbank.lk

Tenure

For Paddy - 180 Days

For Maize - 270 Days

Fees/charges, commission, interest, etc.

- Fixed interest rates
- Penal interest on overdue capital and interest
- Standard loan processing fee
- Valuation charges (if applicable)
- Legal charges (if applicable)
- Government stamp duty (if applicable)
- Insurance premium (if applicable)

Application criteria

- Call or visit the nearest Branch island wide.

Key Terms and conditions

- Subject to current business performance and financial evaluation.
- Applicants should invest 25% on the value of the stock to be purchased as their contribution prior to granting of the loan.
- Applicants should register their warehouse facilities with the Consumer Affairs Authority.
- Pledge of the paddy/maize stock and two personal guarantors should be submitted by the clients as collateral when requesting the facility.
- Internal obligations and CRIB/obligations will be checked irrespective of the amount of the facility.
- Product information and terms & conditions are subject to change from time to time. Therefore, it is advisable to contact the Branch nearest for the latest information and prevailing terms & conditions.
- Agreement should be signed between applicant (warehouse owner) and the Bank. In case of warehouse with leasehold rights, both the applicant and the property owner must jointly execute an agreement with the Bank.

Complain handling procedure

- Borrower can access us through info@peoplesbank.lk
- Make a written request to the relevant Branch, Regional Head Office or Head Office.
- Call/Visit the relevant Branch, Regional Head Office or Head Office.

Further information

- Visit www.peoplesbank.lk
- ☐ Call centre- 1961 ☐ Head Office 0112481 481