

# **POLICY FOR SMALL LOANS**

## **BEST CAPITAL SERVICES LIMITED**

### **Registered Office:**

**701, 7<sup>TH</sup> Floor, Luhadia Tower, Ashok  
Marg,**

**C-Scheme, Jaipur 302001.INDIA**

**CIN NO: U67120RJ1995PLC009942.**

We offer Small Loan policy for an eligible amount at prescribed interest rate and repayable in EMI over a fixed tenure. The loans are to be provided against the Property of clear title and of sufficient value to an Indian resident. Policy is effective from 15-07-2023.

S. No.	Basic Criteria	Small Loan	
1	Sourcing Channels	Walk in customers, SSPL Branches, Property Agents, Sales Executives and other DSAs.	
2	Eligible Borrower Segments	Salaried, Professionals, Self-employed individuals, Business man, Sole Proprietorship firm, Partnership Firms, LLP & Private Limited Companies	
3	Purpose of the Loan	Business, Profession, Service Sector and any other activity, education, (for any Lawful activity only and activity not against law of land) .	
4	FI Reports	As per standard FI policy.	
5	KYC verification & Pulling of CIBIL/ CRIF report.	After collecting of the KYC documents and PAN of the applicant, co-applicant and guarantors the genuineness of the same are to be checked and verified from the portal of CKYC and Income Tax Deptt. Respectively. Thereafter the CIBIL / CRIF reports are to be pulled from the respective portals and the same are scrutinized and kept on file.	
6	Minimum Loan Amount	Rs. 1,00,000/-	
7	Maximum Loan Amount	Rs. 5,00,000/- ( for higher than this limit deviation to be obtained from the competent authority i.e. Managing Director.)	
8	Minimum Tenure	12 Months	
9	Maximum Tenure	48 Months	
10	Flat Rate of Interest	Minimum: 15% With monthly rest. Maximum: 22% With monthly rest. And foreclosure charges 8% of outstanding balance .	
11	Processing Fees & Other Charges	Processing Charges is 1% of loan amount and other charges i.e. Cersai Charges, documentation charges, CIBIL / CRIF report pulling charges actual to be recovered.	
12	Repayment Mode	EMI's (Equated Monthly Installments) in the form of NACH and/or Cash In all cases . The instalment should start from the very next month from the date of disbursement of loan amount. Every month minimum credit should be more than interest debited to the account.	
13	Quantum of loan calculation	Gross Monthly Income (As per salary slip for salaried class or 1/12 of gross income as per last filed Income tax return (if return filed) And / or Income as per P&L Account/ Income declared (and ensuring the genuineness by the declared income by sales person and branch manager) in case of business/ professional)	
		Less: Existing EMI if any/Existing deductions if any/	
		Net monthly Income	
		Less: 40% of gross monthly income or Rs.3000 per member (of dependent family per month(whichever is higher) for family maintenance.	

		Monthly amount left for servicing of the EMI of proposed Loan. (A)	
		Loan amount on the basis of available EMI= A/Emi of Rs. 1 Lac loan for given months at applicable ROI. X 100000. (B)	
		40%/50% of the distress / realizable value of the assets (C)	
		Loan Eligibility = B or C whichever is lower.	
14	Pre-sanction verification of property	Pre-sanction/ Pre-disbursement inspections of the immovable property offered as security is to be conducted by the Sales team / FI team to ensure that in case of need the same is enforceable and readily saleable and the property approach/path / reach is not blocked in any way.	
15	Security / Collateral	Equitable mortgage (EM)/ Registered mortgage of unencumbered residential house/ flat/ apartment/ commercial property (age of the property should not be more than 50 years) situated in metro/urban/ semi-urban /rural centers in i.e. in command area (30 kms, from branch / office) and in the name of the prospective borrower/s / co-borrowers/ . Vacate plot of land is to be accepted with the prior permission of competent authority. Security to be got registered on the CERSAI portal before disbursement. In states where equitable mortgage attracts registration/ stamp duty the same should be complied by the respective branches/ offices. Where loan given to the firms and companies the partners/ directors should be taken as guarantors. No rental/ disputed properties should be accepted for EMTD and there should be Legal opinion and search report (search with CERSAI and search with relevant Revenue department by approved advocate/ in house advocate) and Valuation of the property from the empanelled valuer or from the branch manager ( valuation up to Rs. 5 Lacs may be done by branch manager after having local enquiries). The realizable value of property is considered to calculate the loan quantum eligibility.	
16	Documentation and EMTD	After sanction but before disbursement Mandatory registration with CERSAI, execution of all loan documents and execution of other Prescribed documents i.e. letter of intention (i.e. Annexure I) is to be obtained from the borrower (property owner) together with the property papers from the borrower and after two days letter of confirmation (annexure VI) is to be taken for having deposited the title deeds for EMTD purpose to secure the loan. The recital (Annexure III) is to be affixed in EMTD Register under the signature of designated officers and custodian (officer) of the title deeds.	
17	Loan to Value (LTV)	Upto 40%/50 % of realizable value of the property.	
18	Credit Process	Check the Cibil Score and Repayment status/ past track , Verification of genuineness of original KYC and Filed Investigation will be done by credit team to Prepare Case For Sanction of Loan .	
19	System	Centralized approvals, Disbursals at Head office level and all loans booked in Jaguar program	
20	SPDC (Cheques)	Minimum 6 cheques of Applicant/Co Applicant/Guarantor	

21	Collections	In house Tele collections for soft buckets and for hard buckets through field collections/ external agencies for chronic defaulters.
22	Area of operations	Within local city limits & local company clearing zones in each approved location Up to 30 Km. of City/ branch Distance .
23	Main Applicant	In case borrower is individual then such individual to be first borrower. In all other circumstances including proprietor/ partnership firm/ Pvt. Ltd. companies etc., such entities to be first applicant to loan .
24	Income Norms	In case of Salaried person, Latest 3 month salary slip and Form no. 16 and in case of business man / professional copy filled the ITRs latest for 2 years ITR to be required and assessed. Any other income proof acceptable to the management. Sufficient regular income should be there to ensure timely repayment of EMIs .
25	Banking	Updated latest 3 months bank statement required. (N-10) N denotes date of case log in. If any file is slipped over to the next month either for disbursal / Approval, then updated bank statement needs to be documented in the file. Internet bank statement is not allowed.
26	ECS/ACH Presentation Date	5 <sup>th</sup> , 10 <sup>th</sup> of each month According to Disbursement Date.
27	Sanction and Disbursement Authorization	All disbursement formalities to be checked by Disbursement Officer and Every file to be cross checked by Risk Team prior to Payment disbursement of loan.
28	Approved Locations	All offices / branches of Best Capital Services Ltd.
29	Bureau / Cibil	Cibil is mandatory for all applicant/Co-applicant/Guarantor
30	Insurance	The property (or the loan) will be insured against fire, riots and wherever required, against other probable hazards such as floods, lightning, cyclone etc. by the borrower with the usual 'required Clause' for the value of the property preferably with our channel partners.
31	Loan Sanction Powers	Loan is to be sanctioned within the delegated powers i.e. up to Rs. 5 Lacs by the Credit Manager and above to Rs. 5 Lacs by the Managing Director.
32	Deviations if any	Deviations if any from the policy guidelines will be considered and allowed / not allowed by the Managing director.

#### Age Norms Minimum/Maximum Age at Loan Start:-

Borrower	Whose Income to be considered
Main applicant / Co-borrower	For service class 18 Years To 60 Years (including the repayment period being allowed) on the date of finance. For business man and professionals 18 Years To 65 Years (including the repayment period being allowed) on the date of finance.
Guarantor	18 Years To 65 Years including repayment period.

#### Eligibility Criteria for customers:-

Customer Type	Residential	Employment
Salaried	Minimum stay in current residence – 1 year	Current Employment 1 Year

Professional	Minimum stay in current residence – 1 year	Post qualification 1 years of work experience
Businessmen	Minimum stay in current residence – 1 year	Minimum 1 year in the same business & same business premise. To be validated through personal visit
Partnership / LLP/ Private Limited	NA	Minimum 1 years seasoning from commencement of Business

**Allowing of Deviations powers are as under:**

Deviations on business/ Employment stability up to 6 months for salaried and self-employed can be signed off by the Branch Manager/ sanctioning authority.

Deviations on residence stability to be signed off at MD level.

Rental Profile deviation by the MD level.

**List of Documents (For Applicant/Co-applicant/Guarantors):-**

Documents	Requirement
Age Proof	Pan Card / Driving License / Passport / Aadhar Card / Educational Certificates
ID Proof	Any 2 ID Proofs out of the following are must: Aadhar Card / Voter ID / Driving License / Pan Card / Passport / Letter verified by the Sarpanch of the village with Passport size Currently Photograph / Govt. Employee Card
Address Proof	Any 2 address proofs out of the following are must : Voter ID / Driving License / Passport / Letter verified by the sarpanch of the village / UID / Govt. Employee Card Card/ Govt. allotment letter.

**Negative (Restricted) Profiles Not to be Funded under Small loan scheme.**

S. No.	Profiles Name	S. No.	Profile Name
1.	Amusement Parks.	2.	Liquor parlors and bars.
3.	Police department .	4.	DSA/ Collection agency (Agents for Banks/MFI).
5.	Prostitute.	6.	Production or trade in any product or activity deemed illegal or against the law of land..
7.	Gambling and gaming business.	8.	Politician.
9.	Media.	10.	Lawyers and law enforcement agencies.
11.	Production or trade in alcoholic beverage.	12.	Local Finance Company.