

BUSINESS PROCESS FLOW POLICY

BEST CAPITAL SERVICES LIMITED

Registered Office:

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CIN NO: U67120RJ1995PLC009942.

This Policy on Business Process Flow reviewed and approved in the Board meeting held on 01.04.2025.

1. **Sourcing of Loan files:** Sales person do this work through their channels, financial service providers, Credit Arrangers, Professionals, Banking personals (for non-bankable proposals), Tele callers, used car dealers, new car showrooms, references, web leads and DSAs etc.
2. **Processing of Loan files:**
 - A. After getting a lead sales executive contact and dialogue the person & collect basic personal, business ownership and professional details and evidences/ documents along with copy business licenses / service evidences, income evidences, Salary Slips, copy of income tax returns , vehicle ownership documents/Property papers / quotations (in new vehicle cases) and also collects basic KYC documents of him to verify the KYC genuineness through CKYC portal and to run CIBIL to generate the reports. He also collects the same thing of co-applicant ((if any) & guarantor for the same purposes.
 - B. Thereafter the FI is conducted for verification of business place and residence and inquiries from the surroundings to verify the claims / information on applicant, co-applicant and guarantor and after having satisfactory FI (field investigations and verifications) of the case, verifying his income source and evidences & satisfactory CIBIL report, sales person initiates a vehicle/Property valuation (only applicable in used vehicle loan cases) from the authorized valuer/ surveyor.
 - C. After getting the vehicle/Property survey and valuation he reports and formally puts case for further approval from credit department with vehicle/Property papers, rate quotation, customer papers, CIBIL reports, income proof & vehicle /Property valuation etc.
 - D. Now if the case fulfills all the parameters and guidelines credit department approves the case if found it doable as per customer profile, his vehicle/Property valuation, market survey, securities and on financial condition. They can also seek the due approvals of deviations if any from the higher authorities.
 - E. After getting approval from credit, sales person completes the formalities of agreements, execution of necessary loan documents , registering with the SERSAI if applicable , creation of equitable mortgage of the property and fulfills all the pre-disbursement conditions from the applicant and guarantors & collect PDC's etc. with the applicant, co-applicant (if any) & guarantor and he also confirm the loan amount, interest rate, installment amount and all other major terms and conditions from the customer. All documents are collected by him after verifying the same with the originals.

- F. If the case belongs to other location from H.O. They also have to take approval over the mail and have to send the file to H.O. for the disbursement.

3. Disbursement of funds on loan files:

- A. After completing the execution of loan documents, creation of SERSAI and EMTD, the sales person submit the file to operation department for further process where operation department check the file for any deviations and deficiency. They also do a formal TVR (Tele verification) with the applicant, co-applicant & guarantor. At this time, they communicate about loan, installments, term & other basic t & c to applicants / co-applicants and guarantors to avoid any miscommunication or false commitments.
- B. After a successful TVR report files have been passed to accounts department for the disbursement of loan to supplier / dealer / borrower as the case may be.
- C. Now the payment is made to customer or dealer and vehicle's original papers has also been collected for hypothecation and RTO formalities.

4. PDD completion:

- A. After collecting original vehicle papers the same have to be submitted to concerned RT offices for transfer of vehicle in favor of customer & also getting proper HP entry recorded in the RC and also with the RTO.
- B. After receiving papers from RT offices, transfer of insurance has to be done & HP entry also got registered on the insurance policy in favour of the company.

5. Collection / Recovery:

- A. **Monitoring:** Process of continuous monitoring of the loans and advances portfolio in the books of the company is of vital importance to ensure safeguard of loans and the regular recovery of loans. As timely recovery maintains the profitability of the company and protects the organization against all possible losses due to default, bad debts, provisioning and write offs.
- B. **Ascertaining and sorting of Default Cases:** Irregular repayment cases are sorted by the recovery department after monitoring and scrutinizing on case to case basis. Continuous Follow up is started and on the basis of response and behavior of the clients the same is categorized in soft cases and hard cases.

- C. **Efforts for soft recovery:** For soft cases continuous telephonic follow up and personal visits conducted by the recovery team executives on the due dates of the loan repayments.

- D. **Sale of property / vehicle for recovery:** The cases where default occurred even after the continuous follow up and visits and recovery is not forthcoming the hypothecated/ mortgaged properties are taken in possession after fulfilling all the due legal requirements (on case to case basis) such as notices etc. In that case the legal department of the company is to look after and ensure that the all the required legal formalities fulfilled. After sale of the property the sales proceeds are first used for recovery of expenses incurred so far on recovery, than used towards interest charges on the loan and finally for principal loan amount outstanding. For remaining dues if any further legal course of action is initiated for recovery of the residual balance outstanding of loan account.