

# **POLICY FOR AGRICULTURE LOAN POLICY**

## **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 Agriculture Loan for an eligible amount at prescribed interest rate and repayable in EMI over a fixed tenure. The loans are to be provided against the Security of Agriculture land 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., Agriculture agencies houses / agril shops etc.																
2	Eligible Borrower Segments	A person or Agriculturist having agriculture land in his own name or in the name of the Co-borrower.																
3	Purpose of the Loan	Required loan for the purpose of agriculture activities or allied agriculture activities. (for Lawful activity only and activity should not be 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	<table border="1"> <tr> <td>Gross Monthly Income (1/12 of gross income as per last filed Income tax return (if return filed) And / or Income as per P&amp;L Account (if prepared) / Income declared and or as per yearly income duly attested by the Local Sarpanch/ Patwari/ Gram Sewak /Panchayat Secretary (and ensuring the genuineness to the possible extent by the declared income by sales person and branch manager) in case of Agriculturist)</td> <td></td> </tr> <tr> <td>Less: Existing EMI if any/Existing deductions if any/</td> <td></td> </tr> <tr> <td>Net monthly Income</td> <td></td> </tr> <tr> <td>Less: 40% of gross monthly income or Rs.3000 per member (for dependent family member ) per month(whichever is higher) for family maintenance.</td> <td></td> </tr> <tr> <td>Monthly amount left for servicing of the EMI of proposed Loan. (A)</td> <td></td> </tr> <tr> <td>Loan amount on the basis of available EMI= A/Emi of Rs. 1 Lac loan for given months at applicable ROI. X 100000. (B)</td> <td></td> </tr> <tr> <td>30% or 40% of the distress / realizable value of the assets (C)</td> <td></td> </tr> <tr> <td>Loan Eligibility = B or C whichever is lower.</td> <td></td> </tr> </table>	Gross Monthly Income (1/12 of gross income as per last filed Income tax return (if return filed) And / or Income as per P&L Account (if prepared) / Income declared and or as per yearly income duly attested by the Local Sarpanch/ Patwari/ Gram Sewak /Panchayat Secretary (and ensuring the genuineness to the possible extent by the declared income by sales person and branch manager) in case of Agriculturist)		Less: Existing EMI if any/Existing deductions if any/		Net monthly Income		Less: 40% of gross monthly income or Rs.3000 per member (for dependent family member ) 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)		30% or 40% of the distress / realizable value of the assets (C)		Loan Eligibility = B or C whichever is lower.	
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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	Lien (Rahan nama) marked on agriculture land records with the Tehsil office and also marking of the lien on the record with the Patwari with a certificate/ notation on the lien applied form (Annexure VI) by the Patwari mentioning the date and page etc. where the Lien has been created/ marked under the seal and signature of the Tehsildar and Patwari as well. In case of gift deed the same is also to be kept for the purpose of Equitable mortgage (EM) in the																

		records of the Company. But still the lien on agriculture land is must. No rental/ disputed properties should be accepted for mortgage and there should be Legal opinion and search report (search with Tehsil Revenue record and with the patwari records) 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 or for loans 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 to get the record of Rehannama (certificate ) from the Tehasil Office and from the Patwari and to be kept in record/ loan file. Thereafter execution of all loan documents for hypothecation of crop, agri. Equipments, live stock and execution of all other Prescribed documents .
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 each approved locations and Up to 30 Kms. of City/ branch Distance .
23	Main Applicant	The land owner should be first applicant and his spouse is to be taken as co-borrower. In case the Land owner is of old age his son/ s may be taken as co-borrower / guarantors.
24	ECS/ACH Presentation Date	5 <sup>th</sup> , 10 <sup>th</sup> of each month According to Disbursement Date.
25	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.
26	Approved Locations	All offices / branches of Best Capital Services Ltd.
27	Bureau / Cibil	Cibil checking is mandatory for all applicant/Co-applicant/Guarantor
28	Insurance	The borrower or the loan or his property 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 crops, agri. Equipment's, Live stocks etc. preferably with our channel partners.
29	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.
30	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 Agriculturists of 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.

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

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.