

PROPERTY LOAN POLICY

Property Loan Policy (LAP) approved by the Board on 07/06/2021

1	Title	Dhanalakshmi Hire Purchase Loan Against Property (Dhanalakshmi Lap) SECURED															
2	Purpose	<p>“Dhanalakshmi LAP – Loan against property” from Dhanalakshmi Hire Purchase & Leasing Ltd is designed to provide Loans to customer, to meet their personal needs, short, medium- and Long-term fiscal requirements (Two year to ten Years).</p> <p>Any personal purpose such as meeting expenditure on education, marriage, business development, buying automobiles, house extension work, healthcare, etc. other than speculative purpose. An undertaking to this effect will be obtained from the customer in the application itself</p> <p>As LAP are granted for financial needs of personal in nature and the company will be granting advance on self-declaration basis only.</p> <p>The main objective of our company is to support this sector for their financial needs for 24 months to 120 months tenure wherein repayment can be by EMI</p> <p>General criteria applied for eligibility is age, occupation, income, capacity to repay the loan and place of permanent residence.</p>															
3	Category	Secured loan.															
4	Targeted Segment	“Property Loan” from Dhanalakshmi Hire Purchase & Leasing Ltd are granted to provide Loans to New & existing customers, to meet their personal needs based on their relationship value with the company and credit ratings															
5	Loan Amount & Tenure	<p>Minimum Loan amount Rs.2.00 Lakhs Maximum Loan Limit Rs. 10.00 Lakhs. Special approval needed From BOD For above 10Lakh</p> <p>24 Months – 120 months</p>															
6	Interest Rate	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #92d050;"> <th style="text-align: center;">Scheme</th> <th style="text-align: center;">Amount</th> <th style="text-align: center;">Tenure</th> <th style="text-align: center;">Rate of Interest (IRR)</th> </tr> </thead> <tbody> <tr style="background-color: #d3d3d3;"> <td style="text-align: center;">Scheme-1</td> <td style="text-align: center;">(2lakhs) to 5 Lakhs</td> <td style="text-align: center;">24 – 60 Months</td> <td style="text-align: center;">24%</td> </tr> <tr style="background-color: #d3d3d3;"> <td style="text-align: center;">Scheme-2</td> <td style="text-align: center;">Above 5 Lakhs to 10 Lakhs</td> <td style="text-align: center;">60 – 120 Months</td> <td style="text-align: center;">22%</td> </tr> </tbody> </table>				Scheme	Amount	Tenure	Rate of Interest (IRR)	Scheme-1	(2lakhs) to 5 Lakhs	24 – 60 Months	24%	Scheme-2	Above 5 Lakhs to 10 Lakhs	60 – 120 Months	22%
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7	Age & Proof	<p>The applicant shall be aged minimum 25 and maximum 65 years at loan maturity, Co-Applicant Age minimum 20 and maximum 70 at loan Maturity</p> <p>*Age relaxation can be given with the approval of Credit Head/Operation Head</p>															
7	Geographical Concentration	Maximum															
8	Eligibility	<p>i.) CIBIL Score minimum 650 and above, (Deviation can be taken by the approval of HOD)</p> <p>ii) The applicant should be, also be 1. Salaried person 2. Employees 3. Business men 4. Professionals & self-employed Individuals who are IT payers and Non-Resident Indians (NRIs) owned residential property in his/her own name or in the name of spouse/children/parents/siblings.</p>															

		<p>iii) The applicant shall have Income from salary, Pension or Income from business or profession, Income from agriculture sufficient to meet repayment obligation and the amount required for his subsistence at any point of time.</p> <p>The customer shall be Indian resident, having permanent residence within state territory of branch / HO sanctioning and approving the loan.</p> <p>iv) Minimum Net Monthly Income of Rs. 17,500/ (or Rs. 2.1 lacs per annum).(for 2Lakh)</p> <p>(a) Regular income from all sources may be considered for arriving at loan eligibility provided the Sanctioning Authority is satisfied with the proof of income</p> <p>(b) In addition to the applicant's income, income of spouse/children/ parents/siblings may also be considered for arriving at maximum loan amount provided they are joining the loan as co-borrower/guarantor.</p> <p>(c) If the property is held jointly with the spouse/children/parents/siblings then all the joint holders of the property should join as co-borrower, but in cases where the property is held in single name of the borrower the spouse/children/parents/ siblings may join as co-borrower or as guarantors</p> <p>(d) One borrower can avail only one loan at a time under this scheme. No multiple loans will be granted. If the Co borrower of any loan can avail the property loan if she /he is having separate land and income</p>				
9	Stamp charges	On actuals				
10	Processing Fee, Documentation charges	Processing charges 2%+gst of Loan amount (at discretion of management) Documentation charges: (at discretion of management) (7000+gst per file , split = Legal 2000 Site Valuation 2000, 3000 documentation & paper works)				
11	Personal Guarantee	Personal guarantee of co-applicant/guarantor worth for the loan amount.				
12	Overdue Charges	2%+ GST Overdue charge on defaulted EMI for the defaulted days. Minimum of default charge is Rs.5+ GST per day				
	EMI DATE	Emi starts from the forthcoming month after disbursement and if the disbursement is done on or after 25 th of current month, the emi starts from the 2 nd month after disbursement				
13	Pre closure	Pre closure charges will be 4 % + gst on the balance outstanding. Pre closure allowed after completion of six month. Broken charge on principle outstanding applicable for No. of days if closure made after due date				
14	Margin & LTV Ratio	Margin; Minimum 20% Maximum LTV Ratio based on loan limit will be as under: <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Loan Limit</td> <td style="width: 50%;">LTV Ratio</td> </tr> <tr> <td>Up to Rs. 10 lakh</td> <td>50%</td> </tr> </table> LTV Ratio will be calculated based on Valuation Report not more than 3 months old from Chartered engineer registered Valuer.	Loan Limit	LTV Ratio	Up to Rs. 10 lakh	50%
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15	KYC	Approved ID Proof and Address Proof of applicant and co applicant (if available) are mandatory. PAN & Aadhaar to be made Compulsory Passport, Driving licence and Voter id acceptable on a deviation basis				
16	Documents and process for approval loans	<p>a. Application form in prescribed format duly filled & signed by applicant and Co-applicant</p> <p>b. Residence ownership proof Property Tax Receipt, Electricity Bill, Telephone Bill, Gas bill (Either in the name of applicant or co applicant) (Land Tax receipt)</p> <p>c. Age proof: Driving License, Aadhaar card, Voter id with DOB, Pan card, Passport, Birth Certificate issued by local body, SSLC book /Certificate, Notarized DOB affidavit</p> <p>d. Signature Proof: Passport, PAN card, Driving License, Signature verification attested by borrower's/co-borrower's bank, Signature proof on Notarized stamp paper</p> <p>e. 3 Months latest Bank statement of the applicant and co borrowers if any. 6 month and above in case of loan amount 6 lakhs and above</p> <p>f. Income Proof: Self Employed Last 6-month bank statement, ITR for last 2 years, GST. Salaried: Last 3 month pay slips and 6-month bank statement in which salary is getting credited.</p> <p>g. Business Proof (Either in the name of applicant or co applicant) as per profile of the borrowers. Permission for construction, Allotment Letter/Stamped Agreement for Sale,</p>				

		Occupancy Certificate, Registration Certificate, Rent agreement, Utility Bills, Udhog Aadhar
		h. Approved Plan copy & Registered Development Agreement of the builder, Conveyance Deed (For New Property), Original sale deed, Main deed, prior deeds Encumbrance Certificate (30 year), Possession letter/NOC from Society
		i. Personalized Un Dated cheque and a covering letter. (Bank account should be in the name of applicant and co applicant)
		j. DPN – DPN should be signed by both applicant and co applicant after affixing revenue stamp.
		k. Field verification of both residence and office by Property Loan Head/Collection officer/Credit Head as per the prescribed format, Land verification to be done by Technical officer/Director
		l. After repayment of loan, the cheque to be returned back to the customer with an acknowledgment as per the prescribed format.
17	Type of Loan	Term Loan will be sanctioned and No Over Draft will be sanctioned
18	Security	Equitable mortgage of non-encumbered, non-agricultural and SARFAESI complied residential house/flat in the name of borrowers/guarantors. However, loan under this scheme will be made available on mortgage of an open plot with or without building, Commercial/Industrial Property and under construction property. No second/ pari-passu charge will be extended to other lenders.
19	Inspections	Inspection of mortgaged properties shall be conducted on yearly basis. Latest/ up to date Tax receipts in respect of mortgaged properties to be obtained and held on record. Branch official shall personally visit the property and submit an inspection report and to keep it on record.
20	Take Over	Prior to take over, the account should have satisfactory conduct with the transferring bank for a minimum period of 1 year. The credit history of last one year should indicate satisfactory repayment of the loan promptly on due dates for a minimum period of 6 months. However, minimum margin, security coverage and LTV ratios as per extant guidelines of our Company are to be ensured in all cases without fail, as a pre-sanction exercise itself. In case of additional exposure, Company may insist for additional collateral security depending upon the merits of the case.
21	Process flow	<p>I. Obtain application in prescribed form, KYC & other required documents as per the guidelines.</p> <p>II. Field verification of both residence and business or office premises by branch property loan head or authorized official and submit inspection report as per the prescribed format.</p> <p>III. Obtain title deeds and back documents.</p> <p>IV. Obtain latest Land Tax Receipt, Possession certificate, Location Certificate, Non-LA & RR Certificate, Location sketch from concerned Village office, Encumbrance Certificate for past 30 Years.</p> <p>V. Family membership certificate or Legal heir ship certificate if applicable.</p> <p>VI. Legal scrutiny report</p> <p>VII. Valuation report from an approved valuer/Technical officer</p> <p>VIII. The loan amount will be credited to the applicant's bank account by electronic transfer or by Crossed Cheque.</p> <p>IX. Repayment will start as per terms of Loan granted.</p> <p>X. 2 latest photographs of borrower and guarantor.</p>
22	Waiver	All waivers on account of Interest, Processing charges, Documentation Charges to be approved by Director based on recommendations.
23	LAP - Loan Approval Matrix	

		Recommendation by	Approver	Final Approver	Amount of Loan
		Credit Head & HOD & Legal	AVP	COO/Chairman	Below or Equal to 10 lakhs
24	Insurance	Company takes insurance for borrower for the loan period. The premium amount shall payable by customer			
25	Above 10 Lakhs Loan Approval As per special case*	Recommendation by	Approver	Final Approver	Amount of Loan
		Credit Head & HOD & Legal	AVP	COO/Chairman	Above 10 Lakhs

*Special case means any recommendation by Shareholders, Directors