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# Credit Assessment Policy

## Sayyam Investments Private Limited



## “CREDIT ASSESSMENT POLICY”

### 1. OBJECTIVE AND SCOPE OF THE POLICY:

- i. Sayyam Investments Private Limited (“Company”) is registered with Reserve Bank of India (RBI) as a non-deposit accepting NBFC. Being an NBFC, it has to comply with Guidelines / Directions issued by RBI from time to time. The Company’s Credit Assessment Policy is the framework, which defines the principles for credit assessment for its lending business. The Company shall duly implement and keep the Credit Assessment Policy including the revisions thereto up to date, in accordance with any regulatory, corporate or other legal requirements.
- ii. The objectives of this Policy are as below:
  - a. To create a set of standardized policies and procedures for the lending activities of Sayyam Investments Private Limited.
  - b. To institute due diligence for mitigating level of credit risks and improve credit quality.
  - c. To establish underwriting framework.
  - d. To ensure thorough Credit review.
  - e. To establish credit concentration norms.
- iii. In pursuing its business, Sayyam Investments Private Limited will operate according to the highest ethical and compliance standards and constantly seek to follow best practices in the industry. This Policy shall not result in denial of banking/financial facility to members of the general public, especially those, who are financially or socially disadvantaged. Under no circumstances will contravention of laws and relevant regulations would be tolerated.

### 2. BUSINESS SEGMENTS AND AUTHORITY:

#### i. Business Segment

- Lending: The Company through its Credit and Operations Department aims to extend credit in the form of personal loans and medical loans to the public, in accordance with the process laid down in this Policy.



ii. Authority

- Board of Directors (herein after referred to as ‘Authority’ or ‘the Board’) shall be the approving and reviewing authority for this Policy.

**3. Loan Products and Criterion:**

Sr. No.	Criteria	For Personal Loans	For Medi Loans
A.	Age	20 – 60 years	20 – 65 years
B.	Geography	PAN India	Karnataka, Andhra Pradesh, Gujarat, Tamil Nadu, Madhya Pradesh, Maharashtra, Rajasthan, Telangana, Uttar Pradesh, Delhi and Goa
C.	Minimum Loan Tenure	28/60 days	90 days
D.	Minimum Loan Amount	Rs. 1000	Rs. 20000

Further, the Company shall ensure that:

- No account is opened in anonymous or fictitious/benami name.
- No account-based relationship is undertaken without appropriate Customer Due Diligence (CDD) procedure.
- Mandatory information to be sought for KYC purpose is specified.
- Company shall apply the CDD procedure at the UCIC level. Thus, if an existing KYC compliant customer of Company desires to open another account or avail any other product or service, there shall be no need for a fresh CDD exercise as far as identification of the customer is concerned.

**4. CREDIT UNDERWRITING:**

i. Credit Approval process:-

The process will start from the receipt of customers request and the processing of same, including approval of the credit facility. The process ends with the communication of an approval of facility to the customer through a term sheet/sanction letter and execution of the Loan agreement.



### Loan Process Journey

Sr. No.	Steps	For Personal Loan	For Medi Loan
A.	Mobile Verification	OTP-based authentication via verified providers.	OTP-based authentication via verified providers.
B.	Email & Mobile Footprint Analysis	Checks for historical presence and consistency in usage of the e-mail id and phone number provided.	Checks for historical presence and consistency in usage of the e-mail id provided.
C.	KYC Verification	Basic information such as name, age, marital status, monthly income, address, and gender is provided by the customer. PAN and Aadhaar verification to be done as per the relevant guidelines through DIGI Locker and/or CKYC.	Basic information such as name, age, marital status, monthly income, address, and gender is provided by the customer. PAN and Aadhaar verification through mandatory VKYC and CKYC
D.	Masked Aadhaar OCR Capture	Extracting address and name for authentication.	Extracting address and name for authentication.
E.	Bank Account Validation	Penny Drop verification to ensure account authenticity.	Penny Drop verification to ensure account authenticity.
F.	Income Verification via SMS Analysis	Assessing transaction patterns to estimate income stability.	NA
G.	Liveliness & Facial Recognition Checks	Ensuring real-time identity validation.	Ensuring real-time identity validation.
H.	Emergency Contact Input	Gathering two reference numbers.	NA
I.	Credit score pull	Credit score and delinquency check.	Credit score and delinquency check.
J.	Credit Appraisal	Decision to provide the Credit or not, depending on the documents and information submitted by the customer. System analysis of the customer to decide credit appraisal and details for credit to be provided.	Decision regarding the amount of credit to be provided or not, depends upon the insured amount as per the insurance policy of the borrower.
K.	KFS Documentation & Sanction Letter for	Displayed on the digital lending platform for customer review and	KFS documentation and



	borrower's preview	confirmation.	Sanction Letter are shared via e-mail to the borrower
L.	E-Signing of Loan Agreement	Digital consent for legal validation.	Digital consent for legal validation, via email and SMS.
M.	Executed KFS, Sanction Letter and Loan Agreement	Sent to customer's registered email for record-keeping.	Sent to customer's registered email for record-keeping.
N.	Final Disbursement	Secure transfer to verified bank accounts post-validation.	Secured transfer made to the bank account of the respective hospital

ii. Final decision on Sanction: -

The final decision to provide the Credit or not will remain solely with Sayyam Investments Private Limited.

**5. ELIGIBILITY CRITERION:**

Sr. no.	Eligibility Criteria	For Personal Loans	For MediLoans
A.	Age	20 years to 60 years	20 years to 65 years
B.	Employment	Salaried Individual, Self-employed individual, Pensioner	Salaried Individual, Self-employed individual, Pensioner
C.	Credit Score	More than 600 or NTC (New to Credit)	More than 600
D.	KYC	CKYC or OKYC *For loans exceeding Rs. 100000, mandatory VKYC	VKYC
E.	Overdue	Maximum two delinquencies at the time of applying for the credit	Maximum two delinquencies at the time of applying for the credit
F.	Household Income	Minimum household income to be more than Rs. 300000	Minimum household income to be more than Rs. 300000
G.	PEPs	Should not be a PEP	Should not be a PEP



## 6. RISK CATEGORIZATION

The Parameters for Risk Categorisation of the Borrowers of Personal Loans and Mediloans are mentioned below:

Parameters	High	Medium	Low
<b>Geography</b>	North-east, J&K, Ladakh, Punjab	Bihar, Chhattisgarh, Jharkhand, West Bengal	other states left
<b>Credit Score</b>	less than 620	620-750	more than 750
<b>Delinquencies</b>	2 Delinquencies	1 delinquency	0
<b>KYC</b>	CKYC/OKYC/ Digilocker	NA	VKYC
<b>Profession</b>	PEPs, daily wage, contract labour, unemployed	self-employed,	Salaried employees, pensioners,
<b>Age</b>	<=25 and >=58	45-57	26-44
<b>Purpose</b>	Personal Expenses, Others, Financial/Emergency/Cash	Repayment /Credit /EMI, Business, Marriage function, Travel /Vehicle	Medical /Health /Education, Home/ repair

## 7. PRE-APPROVED CUSTOMERS:

In this case, previous customers may be eligible for credit based on determined credit worthiness from alternative sources of data obtained via application permissions and repayment history of past loans.

## 8. GENERAL INFORMATION:

- i. All customers shall be informed in detail regarding the features, terms and conditions including all charges of the credit.
- ii. No discrimination for the sanctioning of credits based on gender, caste or religion. However, Company may choose to develop lending schemes for specific categories.
- iii. After the sanction of the Credit, the Credit terms and conditions, sanctioning letter, repayment schedule and all other such relevant documents shall be sent to the Customer.

## 9. CREDIT/INVESTMENT CONCENTRATION NORMS

Company shall not have exposure exceeding:

- (i) 25% of Tier I Capital to a single party



- (ii) 40% of Tier Capital to single group of parties

Company may exceed the exposure norm mentioned with board approval for the extended limits.

### **Exemptions from credit/investment concentration norms**

Apart from the exposures already exempted from credit/investment concentration norms, the following exposures shall also be exempt from credit/investment concentration norms:

- i) Exposure norms shall not apply to (i) investments of Company in shares of (a) its subsidiaries; (b) companies in the same group, to the extent they have been reduced from Owned Funds for the calculation of NOF and (ii) the book value of debentures, bonds, outstanding loans and advances (including hirepurchase and lease finance) made to, and deposits with - (a) subsidiaries of the NBFC; and (b) companies in the same group, to the extent they have been reduced from Owned Funds for the calculation of NOF.
- ii) Exposure to the Government of India and State Governments that qualify for zero percent risk weight as per the capital regulations applicable to NBFC.
- iii) Exposure where the principal and interest are entirely guaranteed by the Government of India.

### **10. REPORTING TO CICS:**

Sayyam Investments Private Limited shall ensure submission and updation of credit information for its customers regularly to all the Credit Information Companies (CICs).

### **11. REVIEW:**

This Policy shall be reviewed annually or as and when required necessary by the Board of Directors of the Company.

