



Commercial HP Loan - PP

उद्देश्यनिर्देश

31/3/21





NCC Bank

नेपाल क्रेडिट एण्ड कर्मास बैंक लि.
Nepal Credit & Commerce Bank Ltd.

Product Paper (PP)- Commercial HP Loan

- Copy of "Blue Book" of the vehicle financed duly attested by Branch Manager or Credit Officer.
- Tax invoice of the vehicle being financed.
- Comprehensive vehicle insurance policy with third party risk covered. The insurance should be in the favor of the Bank.
- Personal Guarantee of a reputed person, if any.
- The above are prerequisites; however, the branch should try to obtain additional security in the form of mortgage over land and building.

Basic Documentation

- Completed Know Your Customer (KYC) form
- Completed application form
- A recent photograph of applicant/guarantor.
- Map of the applicants and the guarantors' residence
- Pro-forma Invoice from the dealer of the vehicle addressed to the applicant showing details of the vehicle (model, options etc.) and final price.
- Pro-forma Invoice from the body builders addressed to the applicant showing details of accessories, if any
- Copy of Citizenship Certificate/Passport of the applicant and guarantor
- Certificate of incorporation of the Firm/Company, if any
- Income Tax Registration Certificate of the applicant (In case of firm / company)
- Financial Statement in case of firm / company.
- Driving License (in case the applicant himself drives the vehicle)
- Copy of letter of intent from the Transportation SAMITI that the vehicle will be allowed to operate in its prescribed route (if applicable).
- Estimation of the approximate income that the vehicle can generate by operating in the prescribed route
- Proof/copy of blue book confirming the possession of other vehicles in the past as applicable.

Security Documentation

- Accepted copy of our offer letter
- Comprehensive insurance Policy with NCC's interest noted with third party risk covered.
- Insurance premium paid receipt
- Letter of guarantee/comfort from the dealer / Association (if financed at the request of dealer/ Association)
- Personal guarantee (if any)
- Loan Deed and Promissory Note
- Hire Purchase Loan Agreement

Service Procedure

- KYC form to be filled up.

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- Submission of duly filled application along with the required supporting documents
- Personal interview by Bank's official
- Inspection of residence/collateral of the borrower
- Approval for the loan to be obtained by the Branch vide Credit Memorandum-CHP Loan (format attached)
- Issuance of an offer letter
- Collection of fee/charges
- Obtaining insurance policy
- The disbursement will be made after ownership of the vehicle has been transferred in the name of the Bank and securing borrower's margin.

Credit Approval Discretion (CAD)

- The CAD is rest with Chief Executive Officer until further notice from the Corporate Office.

Service Standard

- Maximum 5 working days from the date of submission of all documents.

Inspection

- The vehicle financed under this PP shall be inspected from time to time not less than 2 times in a year and the gap between such inspection not to exceed 6 month period
- The residence/collateral to be inspected by at least two credit officials before approval of loan.

Recovery Process

- In case of default of any loan for more than 1 month, a follow up letter would be sent to the borrower.
- If the default is not rectified within 2 months from the date of the follow up loan call back allowing maximum time of 35 days would be sent in similar manner.
- If the default is not rectified upon initiation of above processes, legal action to be initiated against the Borrower/ Guarantors.

Reporting to Corporate Office

- Monthly Status of HP Loan
- Monthly Irregular Statement of HP loan

Credit Waiver

- The waiver in terms and conditions of the proposal should specifically approved by Chief Executive Officer.

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