

HOME  
LOAN



PERSONAL  
LOAN



BUSINESS  
LOAN



BALANCE  
TRANSFER



CREDIT  
CARDS



EDUCATION  
LOAN



CAR  
LOAN



WORKING  
CAPITAL



CHILD  
PLANS



HOME  
INSURANCE



ENDOWMENT  
PLAN



VEHICLE  
INSURANCE



TERM  
INSURANCE



FIRE  
INSURANCE



PERSONAL  
ACCIDENT



TRAVEL  
INSURANCE



HEALTH  
INSURANCE



PENSION  
PLANS

# Product Handbook

TRAINING HANDBOOK  
PERSONAL LOAN

## Table of Contents:

---

### Contents

✚ What is a Personal Loan?.....	3
Uses.....	3
Advantages .....	3
✚ Process.....	4
✚ Documentation .....	5
Salaried .....	5
Customer KYC .....	5
Proof of income .....	5
Other documents.....	5
✚ Repayment of loan.....	5
✚ Conditions Apply.....	5
✚ Tenure & Rate of Interest .....	6
✚ Eligibility calculating methods .....	6
Salaried .....	6
✚ Banks/NBFC partners.....	7
✚ Glossary .....	7

---

### What is a Personal Loan?

A **personal loan** is a short to medium term unsecured loan (no collateral) that you can use to meet current financial needs. It is an unsecured loan which means a loan offered without keeping any assets (e.g., house or car) as collateral. Unsecured personal loans are offered based on the applicant's credit history. If you have not defaulted on payments of an earlier loan and have paid all your credit card bills on time, you will be viewed as a low-risk borrower.

Interest rates for personal loan is allocated according to the customer's salary, the amount being borrowed, loan tenure and Category list that differ from one lender to another.

A personal loan requires minimum paper work and is often approved within 48 hours of submitting an application; provided eligibility criteria is met.

Personal loans act as the best-fitted medium to smoothen up cash flow at times of stringency. The key reason for some to prefer a personal loan is because of minimal documentation.

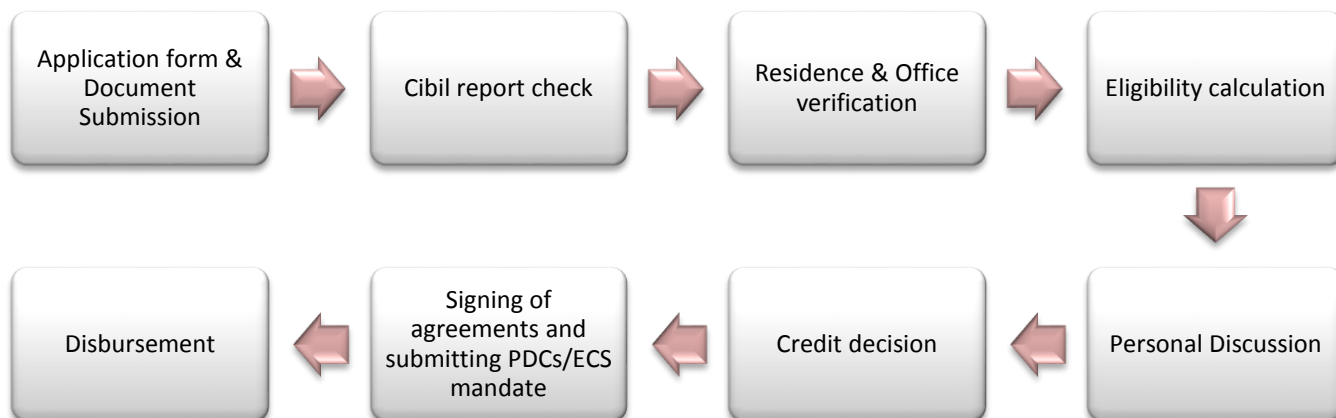
### Uses

- ❖ Wedding expenses
- ❖ Renovations
- ❖ Buy a new home appliances, small office equipment, mobiles and other gadgets
- ❖ Vacations
- ❖ Pay off credit card bills or other debts

### Advantages

- ✓ Low interest rates and competitive offers
- ✓ Rates offered are often better than credit cards
- ✓ Ability to finance a variety of needs and expenses
- ✓ Easy and simple online application processes
- ✓ Loans are unsecured and not tied to an asset
- ✓ Consumers get their funds fast - usually in 1 to 5 business days

## Process



## Customer segment

**Salaried**

Private Limited

Limited

Government companies

Other companies

\*Some of the Banks provide Personal loans to self-employed customers too

## Documentation

### Salaried

<b>Customer KYC</b>	Valid Passport
	Voter ID Card
	Aadhaar Card
	Valid Driving Licence
<b>Proof of income</b>	Last 3 months' Salary Slips
	Last 6 months' Bank Statements, showing salary credits
	Last 2 financial years Form-16 and IT returns
<b>Other documents</b>	Employment Contract / Appointment Letter in case current employment is less than 1 year old
	Last 6 months' Bank Statements showing repayment of any ongoing loans
	Passport size photograph of all the applicants / co-applicants to be affixed on the Application Form and signed across
	Cheque for processing fee

### Repayment of loan

- Equated Monthly Instalments (EMI's)
- Post-dated cheques favoring Banks
- Mandate bank to directly debit the same or by ECS (Electronic Clearing Services)

## Conditions Apply

1. Age – minimum 21 years; Tenure – 1 year to 5 years.
2. Credit reference: The applicant should have a sound credit history & good banking without too many cheque bounces, clear credit card payments, no previous EMIs default
3. Salary should be credited in salary account with any bank.
4. Salary in cash is not acceptable.
5. NBFCs like Fullerton and Capital First accept salary in cheque.
6. Minimum Salary requirement Rs.20,000/- per month (differs bank to bank); details in Comparison grid.
7. Pre-defined category list of each Bank/NBFC with pricing grid.
8. No other loan EMI bounces/cheques inwards in recent times.

9. In case of married women (surname change) – relationship proof eg. Marriage certificate.
10. Application form should be duly filled with relevant details or else there is a delay in login of the case.
11. Generally lock-in period of 6 months for prepayment of loan
12. IDFC allows part pre-payment with high interest rates

## Tenure & Rate of Interest

### Exposure

50 thousand to 20 Lacs

### Collateral

No Collateral

### Tenure

1 year to 5 years

### Rate of Interest

11.49% to 24%\*

### Processing Fees

1% - 2%

## Eligibility calculating methods

Financials based calculation

### Salaried

NET salary per month\*FOIR %

(-)Monthly obligation (other EMIs)

= EMI serving capacity

Divided by per lac EMI

= Eligible loan amount

\*FOIR and eligibility calculation varies in different Banks and NBFCs

Salaried-Require  
Salary slip, Bank  
statement & Form  
16

## Banks/NBFC partners

Bank	NBFC
<b>AXIS BANK</b>	<b>ADITYA BIRLA FINANCE LIMITED</b>
DCB BANK	CAPITAL FIRST LIMITED
<b>HDFC BANK LTD</b>	<b>BAJAJ FINANCE LIMITED</b>
ICICI BANK	FULLERTON INDIA
<b>IDFC BANK</b>	<b>TATA CAPITAL</b>
KOTAK MAHINDRA BANK	
<b>STANDARD CHARTERED BANK</b>	
YES BANK	

## Glossary

SEP – Self Employed Professional (Doctors, CAs and Architects; Corporate Lawyers in few cases)

SENP – Self Employed Non Professional

FI – Financial Institution (Bank and NBFCs)

FOIR – Fixed Obligation to Income Ratio

