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| Niro – Credit Line Programme Overview |
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| *This document covers the details around the proposed (credit line) lending program being offered by Niro.* |
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A. Product Brief

# Product Type

Unsecured Credit Line

# Customer Demographic

Salaried and Self-Employed: Thick, Thin and NTC

# Ticket Size

Credit Line: ₹ 10,000 to ₹ 4,00,000/-

Minimum Disbursal: ₹ 5,000

# Loan Tenure

3 months to 48 months for each transaction (Depending on the disbursal value)

Quarterly Evaluations for expiry of Open Credit Limits

# Target TAT

4 to 48 Hours from Application to Disbursement (average TAT of <24 Hours)

# Customer Age

Between 23 and 58 Years of Age (at the time of Loan Maturity)

# Indicative Pricing

13.99% - 24.99% (as per Lender/COF Commercials)

# Processing Fees

2.00% to 5.00% per disbursal (Min INR 500)

# Prepayment

No foreclosure fees on full repayment

# Late Payment Fees

Flat 499/- on Bounce

Additional 999/- on Non-payment within 15 days of Bounce

B. Target Segments

Key Factors/Criteria defining the Population Segments is defined below:

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| **Product** | **Unsecured Credit Line** | | | |
| **Segment Criteria#** | **Prime** | **Near Prime** | **Sub Prime** | **Thin/NTC** |
| ***Bureau Score***  ***CRIF/Equifax v3*** | >=710 | Not Prime  AND  Not Sub Prime AND  Not Thin/NTC | <640 | 1 to 5, 0, -1 |
| ***Time on Bureau*** | **AND** >=36 Months | **OR** <12 Months | NA |
| ***Highest DPD in 18Mth*** | **AND** < 30 | **OR** >=45 | NA |
| ***Highest DPD in 2Mth*** | **AND** = 0 | **OR** >=15 | NA |
| ***Trades*** | **AND** (One Active CC>50K Limit **OR** Mortgage>7.5L **OR** Auto Loan > 2.5L) | **OR** (No Loan>20K sanctioned ever) | NA |
| ***Imputed Income*** | >30000 | <20000 | NA |

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| **Product** | **Unsecured Credit Line** | | | |
| **Segment Criteria#** | **Prime** | **Near Prime** | **Sub Prime** | **Thin/NTC** |
| ***Max Disbursal Amount*** | 4,00,000 | 2,00,000 | NA | 75,000 |
| ***Max Disbursal Tenor*** | 48 | 36 | NA | 18 |
| ***Interest Rate*** | 18.99% | 23.99% | NA | 28.99% |
| ***Avg Proc Fee*** | 2.5% | 3.5% | NA | 4.5% |

Sourcing Locations: Agra, Ahmed Nagar, Ahmedabad, Ajmer, Akola, Aligarh, Allahabad, Alwar, Ambala, Ambarnath, Amritsar, Anand, Aurangabad, Bagpat, Balegaon, Bangalore, Bangalore Rural, Barabanki, Bareilly, Belgaum, Betul, Bharatpur, Bharuch, Bhilwara, Bhiwandi, Bhiwani, Bhopal, Bhubaneswar, Budaun, Bulandshahr, Bundi, Chandigarh, Chennai, Chhindwara, Chikkaballapur, Chittorgarh, Coimbatore, Cuddalore, Cuttack, Davangere, Dehradun, Delhi, Dhamtari, Dhar, Dharmapuri, Dharwad, Durg, East Singhbhum, Ernakulam, Erode, Faridabad, Fatehpur, Gandhi Nagar, Gariaband, Gautam Buddha Nagar, Ghaziabad, Gorakhpur, Guntur, Gurdaspur, Gurgaon, Gwalior, Haridwar, Hisar, Hyderabad, Idukki, Indore, Jabalpur, Jaipur, Jalandhar, Jalgaon, Jamnagar, Jhajjar, Jodhpur, K.V.Rangareddy, Kaithal, Kanchipuram, Kanyakumari, Karim Nagar, Karnal, Kaushambi, Kheda, Kolar, Kolhapur, Kolkata, Korba, Kota, Kottayam, Kozhikode, Krishna, Krishnagiri, Kurukshetra, Kushinagar, Lucknow, Ludhiana, Madurai, Mahasamund, Mahendragarh, Mahesana, Mandya, Mangalore, Mathura, Medak, Meerut, Mohali, Mumbai, Murbad, Muzaffarnagar, Mysore, Nagpur, Namakkal, Nashik, Navsari, Nellore, Palakkad, Palwal, Panchkula, Panipat, Patan, Patiala, Pondicherry, Pudukkottai, Pune, Raipur, Rajkot, Ramanagar, Ramgarh, Ranchi, Rewari, Rohtak, Sabarkantha, Saharanpur, Salem, Sangli, Satara, Seraikela-kharsawan, Shahapur, Shimoga, Sivaganga, Solapur, Sonipat, Surat, Tehri Garhwal, Thane, Thanjavur, Thiruvananthapuram, Thrissur, Tiruchirappalli, Tiruvallur, Tiruvannamalai, Tumkur, Udaipur, Udupi, Ulhasnagar, Vadodara, Valsad, Varanasi, Vellore, Vijayawada, Villupuram, Virudhunagar, Visakhapatnam, Vizianagaram, Wada, Warangal, Wardha, West Singhbhum, Yamuna Nagar, Yavatmal

C. Hard Reject Rules

Niro will reject all applications with any of the following rules hit:

* Sub-Prime Segment
* Ever Derogatory status of loans in last 48 months (Thick File) (any trade with status as Willful Default/Suit Filed/ Settled/ NPA Status/ Written- off)
* Any 60+ in last 3 years
* Any 30+ in last 1 year
* No of Inquiries in last 2 month >= 8
* Niro Imputed Income < 20,000
* Debt to Income > 70%
* Fraud Rules (proprietary)
* Niro Score <640 (proprietary)

D. DTI/NDI Calculations

If Verified Income is available with the partner, then it is used. Else lower of Declared and Imputed income is used for final loan amount calculation.

Imputed EMI is used for DTI Calculations. Imputed EMI is calculated as follows:

1. 2.0% of Sanctioned Amount for Personal Loans, Education Loans and Auto Loans
2. 3.5% of Sanctioned Amount for Two-Wheeler Loans
3. 10% of Sanctioned Amount for Consumer Loans
4. 0.8% of Sanctioned Amount for Housing/Property Loans
5. 4% of Sanctioned Amount for Gold Loans
6. 5% of Sanctioned Amount for all Other Loans

Debt to Income DTI = Imputed EMI/Income Used

E. Loan Programme

We propose to run two programmes:

a. Bureau Surrogate Programme: Income Proof is not mandatory. Imputed income is used for calculating the offer.

Qualification Criteria: Salaried Prime or Salaried Near Prime

b. Verified Income Program: Bank Statement for last 3 months with salary credits OR Bank Statement showing business credits in last 3 months is mandatory OR EPF deposit in last 3 months

Qualification Criteria: Salaried/Self-Employed Prime/Near Prime and Salaried Thin/NTC

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| **Program** | **Bureau Surrogate** | **Verified Income** |
| **Niro Score** | >=680 | 640+ or NTC |
| **Imputed Income** | >=30,000 | >=20,000 or NTC |
| **Income Proof** | Not Mandatory | Bank Statement 4Mth or ITR |
| **Bank statement Check** | NA | 3 Month Salary Must be visible or Non-Loan Credits > INR 2,50,000 |
| **Bounce** | NA | Insufficient Fund Bounces = 0 |
| **Age** | 23<=Age<=58(End of tenor) | 23<=Age<=58/30(NTC)(End of Tenor) |
| **Bureau Declines** | As per Reject Rules | As per Reject Rules |
| **Residence Verification** | As per Verification Norms | |
| **Min Allowed NDI** | INR 3500 | INR 3000 |
| **Max Allowed DTI** | 70% | 60% |
| **Max Allowed Disbursal Amount** | INR 4,00,000 | INR 1,50,000 (SE) / 75,000 (Thin/NTC) |
| **Max Tenor** | 48 | 36/18(Thin/NTC) |
| **FLDG** | As per commercials | As per commercials |

Verification Guidelines will be detailed as per the Operations Policy SOP.

E. Portfolio Mix

a. NTC Loans should not exceed 15% by disbursal volume in a month

b. Self-Employed should not exceed 25% by disbursal volume in a month