



LENDING POLICY : QGO FINANCE LTD

INTRODUCTION

1. COMPANY PROFILE:

Qgo Finance Limited ('Qgo' or 'the Company') is a Non- Banking Financial Company having valid Certificate of Registration issued by the Reserve Bank of India ('RBI') vide Registration No. B-13.02220 dated 08.02.2019 a Non Systemically Important Non Deposit Accepting Non-Banking Financial Institution wherein the Company is permitted to carry on the Business of Non-Banking Financial Institution without accepting deposits from general public having its registered office at 3rd Floor, A-514, TTC Industrial Area, MIDC, Mahape, Navi Mumbai Thane 400701

2. OBJECTIVE:

1. With the Housing for all by 2022 mission, there has been an increased traction in development of Affordable Homes throughout the country. However, the growth of affordable housing projects is still lagging to achieve the mission's objective of plugging the enormous housing shortage in India.
2. Smaller, local developers are facing challenges in procuring financing and Qgo Finance Ltd intends to address this gap.
3. With the implementation of RERA, the real estate sector is more regulated today than it was ever before. Developers are now relying on availing debt or equity financing to raise initial capital for their projects and cash flows generated from the project are used subsequently to repay the loans.
4. The regulation of the real estate industry has curtailed the risk in lending to developers to a great extent. That, coupled with the Government's focus on providing Affordable Housing makes Real Estate finance a viable and exciting opportunity for Qgo Finance Ltd.

CIN: L65910MH1993PLC302405
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5. In SME Lending one of the key challenges faced by the entrepreneurs is the tedious documentation and long timelines involved in availing a loan. Qgo Finance Ltd intends to plug this gap by providing affordable loans which are disbursed efficiently with the implementation of cutting-edge technology.

3. SCOPE OF THIS POLICY:

This policy majorly focuses on the following:

- a. The nature of lending and its parameters.
- b. Procedural aspects with respect to lending.

4. ADHERENCE TO THE DIRECTIVES AND GUIDELINES ISSUED BY THE RESERVE BANK OF INDIA ('RBI')

Qgo is compliant with Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

The policy will also take into account any change in RBI policy directives. The Company will adopt any change in the policy, within a reasonable time period through a meeting of the Board of Directors or circular resolution.

5. AREAS OF LENDING

The Areas of Lending of Qgo comprise of the following:

- a. Personal loan against collateral
- b. Business loan
- c. Project Finance Loan for Real Estate Project
- d. Small Personal Loan upto INR 50,000/- without collateral,subject to terms and conditions defined by the Administrative Committee.



PROCEDURE

6. **KNOW YOUR CUSTOMER GUIDELINES:**

KYC Guidelines as prescribed by the Reserve Bank of India shall be followed during the disbursements of the Loans and Advances. All documents like identity proof, address proof, etc are to be collected from borrowers and guarantors of loans and advances in accordance with the KYC Guidelines.

7. **INTEREST AND OTHER CHARGES**

The Company believes in fair practice in granting loan. The Board has following directives for granting loan:

- a. Interest Charges: Qgo will not charges excessively. It will restrict maximum interest charge to 22% per annum. The maximum interest will be reviewed every year by the Board of Directors and the policy shall be updated accordingly..
- b. All other charges including processing, documentation and legal charges will not exceed 5% of the sanctioned amount.
- c. Penal Interest charge will not exceed 2% per month.
- d. The Annualized rate of Interest shall be intimated to the customer. The interest rates may be offered on fixed, floating, variable basis.
- e. Interest rates shall be intimated to the customers at the time of Sanction/availing of the loan and the equated installment apportionment towards interest and principal dues shall be made available to the customers.
- f. Interest charges would be prospective in effect and intimation of change of interest, if any, or other charges would be communicated to customers
- g. While designing the Interest Rate Model, all the above factors shall be taken into consideration.
- h. Goods and Service Tax ('GST') or any other such tax shall be levied by the Company as per the applicable laws for the time being in force.

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8. VERNACULAR LANGUAGE ENABLEMENT

As a policy all documents of the Company are and will be in English Language. However, in case, the prospective Borrower is not able to understand the language, any of the officer/employee, if proficient in language, will assist prospective Borrower in presence of the CFO and explain the details. In case, prospective Borrower wishes to bring another person whom he/she trusts, same will be allowed. A certificate from the person will be obtained.

9. DUE DILIGENCE AND DOCUMENTATIONS

The due diligence process and documentation to be in accordance with approve policy for each type of loan.

10. BORROWER REDRESSAL MECHANISM

The Company has an email ID complaint@QGoFinance.com for registering all complaints by shareholders, Borrowers and stakeholders. Monthly report will be sent by CS to all the members of the Board about complaints received and resolution thereof.

a. Grievance Redressal Officer:

The Company Secretary of the Company will also carry out duties of Grievance Redressal Officer. The Grievance Redressal Officer shall be responsible for the following;

1. Accessing all emails received in complaint@qGoFinance.com and work with Managing Director to ensure that all valid complaints are redressed in 48 hours and response is sent to the complainant.
2. He/She will not respond to any anonymous complaints and same will be deleted without any further action. Habitual anonymous complainant shall be blocked. A record of anonymous complaints will be maintained.
3. He/She will submit the report of the month to the Board Members in detail about complaints received during the month and resolutions in the



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first week of the next month.

b. Website Enabled Grievance Registration:

The Company's website will have specific section for registration of complaints/grievances with a form that in case filled will send an email to complaint@QGOFinance.com .

c. Grievance Redressal Clause in Loan Application:

The Loan Application will have specific clause in this regard.

11. NODAL OFFICER

CFO will be Nodal Officer and will follow RBI Directive, Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, Annex VII.

12. MEMBERSHIP WITH CREDIT INFORMATION COMPANIES:

The Company has obtained membership with all the four Credit Information Companies namely CIBIL, Experian, Equifax and CRIF High Mark.

As required by these agencies the Company shall submit information to them at regular intervals. This would help the management of the Company to obtain financial details of the irregular customers with other financial institutions who are also member of these four Credit Information Companies.

13. FAIR PRACTICE CODE:

The Company has adopted the Fair Practice Code in accordance with the Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India.

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14. POWERS OF THE BOARD OF DIRECTORS:

QGO has been operating in very close vigilance and supervision of its higher management consisting of its Board of Directors. Thus, Directors are given overriding powers to approve or disapprove, add or modify any of the provisions of this policy to the best interest of the Company.

15. POLICY REVIEW:

The Loan Policy shall be reviewed by the Board once every year and make amendments if considered necessary.

16. DOCUMENT CONTROL :

The policy was approved by the Board of QGO Finance Limited in the Board Meeting held on dated 17th January 2020.

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