

QGO Finance Limited

Loan policy



Version Control:

Sl. No.	Name of Policy	Version	Board approval date	Remarks
1.	Loan policy	V1.0	January 17, 2020	Policy document approved.
2.	Loan policy	V2.0	February 10, 2025	Policy document revised.

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LOAN POLICY: OGO FINANCE LIMITED

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 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. Further, as per the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 dated October 19, 2023, as amended, the Company is classified as a Base Layer NBFC.

2. OBJECTIVE:

- a. The Pradhan Mantri Awas Yojana (Urban) (PMAY-U) mission has driven significant progress in the development of affordable homes across the country. However, despite its efforts to provide affordable housing for the urban poor, including slum dwellers and those in the Economically Weaker Sections (EWS), Low Income Group (LIG), and Middle Income Group (MIG), the growth of affordable housing projects still falls short of addressing India's massive housing shortage. With the launch of PMAY-U 2.0 on September 1, 2024, for the next five years, the mission aims to further support individuals in constructing, purchasing, or renting homes.
- b. Smaller, local developers are facing challenges in procuring financing and Qgo Finance Ltd intends to address this gap.
- c. 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.
- d. 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.
- e. 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 - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 .The policy will also consider 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. Business loan
- b. Project Finance Loan for Real Estate Projects
- c. Project Finance Loan for co-operative housing societies;

6. KNOW YOUR CUSTOMER GUIDELINES:

Qgo has formulated its KYC and AML policy and is following the same during the disbursements of the loans. All KYC documents like identity proof, address proof etc. which needs to be collected from borrowers, co borrowers and guarantors of loans and advances are prescribed in the said policy and obtained accordingly.

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.

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 the prospective Borrower in presence of the CFO/COO and explain the details. In case, prospective Borrower

wishes to bring another person whom he/she trusts, same will be allowed. An authority letter from the person shall be obtained. Further, a declaration from the borrower is also taken that he understands the terms and language stated in the loan agreement.

9. DUE DILIGENCE AND DOCUMENTATIONS:

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

10. GRIEVANCE REDRESSAL MECHANISM:

Company secretary of the Company is the Grievance Redressal Officer to redress the grievances of the borrowers, in connection with any matter pertaining to business practices, lending decisions, credit management and recovery. Further, the Redressal Officer shall also redress the grievance of the outsourced agencies/service provider.

The details of the Grievance Redressal Officer are given as follows:

Name of the Grievance Redressal Officer	: Ms. Urmi Joiser
Address	: 3rd Floor, A-514, TTC Industrial Area, MIDC, Mahape, Navi Mumbai - 400701
Tel	: (+91) 8657400776
Email ID	: QGOCS@ggofinance.com

The Company has provided for following Grievance Redressal Mechanism to resolve anyof its customers query / grievance:

- The Grievance Redressal Officer shall take all necessary steps to redress and resolve the grievance and ensure that the final decision is communicated to the complainant as soon as possible and in any case not later than 30 days from the date of receipt of the complaint.

If the complaint was rejected wholly or partly or the complainant is not satisfied with the reply or the complainant had not received any reply within 30 days of the receipt of the complaint by the Company:

- The complainant can make the complaint in physical form, including postal and hand-delivered complaints to be addressed and sent to:

Reserve Bank of India
Department of Non-Banking Supervision
Central Office
World Trade Centre, Centre 1, 2nd Floor
Cuffe Parade, Colaba
Mumbai- 400005

- Statement of client complaints shall be placed before the Board of Directors for their review on a quarterly basis.

Nodal Officer/Principal Nodal Officer:

When the Company falls under the ambit of the Ombudsman Scheme for NBFC's after crossing the asset size of Rs. 100 Crore, it shall appoint Nodal Officer/ Principal Nodal Officer in accordance with applicable directions from the RBI.

11. 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.

12. FAIR PRACTICE CODE:

The Company has adopted the Fair Practice Code in accordance with the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 issued by the Reserve Bank of India.

13. 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.

14. POLICY REVIEW:

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