

APPROACH FOR GRADATION OF RISK


All “Borrower/s” on the loan facility are hereby informed that the Company has the following approach and considers following factors for assessing gradation of risks for each borrower.


The Company evaluates multiple factors to determine the risk profile of each borrower:

- i. Borrower Demographic Profile:** Includes age and number of dependents, as well as residential stability and length of stay. These aspects help us assess long-term stability and repayment predictability.
- ii. Employment & Income Profile:** Covers type of employment and tenure of service for salaried customers, primary and secondary income sources, income range, vintage & growth in business for self-employed individuals. This ensures we understand income consistency and repayment capacity.
- iii. Credit Behaviour:** Considers credit score and repayment history, along with past association with our company (if any). A strong credit track record and prior relationship indicate lower risk.
- iv. Collateral & Property Attributes:** Includes nature and type of collateral security (such as approved layouts, Khata type, and legal/technical clearance) and marketability/realizable value of property. These factors influence the security value and liquidity.
- v. Loan Parameters:** Focuses on Loan-to-Value (LTV) ratio, tenure, Loan Amount and FOIR (fixed obligation to income ratio).
- vi. Regulatory & Other Considerations:** Covers regulatory stipulations, if applicable, and other relevant factors such as geography and documentation quality. These ensure compliance and mitigate location-specific risks.


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