	Channel Finance Program	Treasury
-----------------------------------------------------------------------------------	--------------------------------	-----------------

Program – Objective & Benefits

Collaboration with Fin Tech company (Loan Frame) and NBFC (Hero Fin Corp) for Retail Channel Financing program in Schneider Electric India Private Limited.

Benefits:

- Fully digitalized solution to cover larger population of retails
- Central repository of dealer documentation
- Efficient Way of Working Capital Management
- Digitized & Disciplined Solution
- Online Dashboard & Reports
- No Financial or Legal recourse on Schneider
- Easy to access / Mobile & e-mail alerts

Pricing

Program Limit	20 crores
Program Validity	12 months
Tenor of the Facility	Upto 90 days
One Time Processing Fee Loan Frame Hero	@ 1.15% pa @ 0.50% pa
ROI Loan Frame Hero	17.40% pa 11.52% & 15% pa (> or < 15% dependence)

Dealer Onboarding (Post submission of documents, it will take 2 weeks to onboard the Partner)

Step 1: Schneider-Electric shares the list of dealers for Channel Finance program.

Step 2: Loan Frame to coordinate with dealers along with SE Business team, explains about the program in detail.

In case of non-serviceable locations, Schneider will support to collate the documents from dealers (TAT: 3-6 days)

Step 3: Dealer arranges the necessary documents and completes the other formalities (Tat:7-10 Days and Depends On Dealer Documents Availability)

Step 4: Dealer submit all the required documents.*

List of Documents to be collected from the dealer: refer Annexure 1

Step 5: Credit assessment & necessary due diligence is completed and the case is recommended for personal discussion with credit manager. (Less than 15 lacs Limit TAT:3 Days; More than 15 lacs TAT: 7 Days)

Step 6: Loan Frame sales team executes the master loan agreement with the customers based on their availability. Loan kit is forwarded for lender's approval (TAT: 3 Days)

Step 7: Post lender approval credit line is activated for the dealer and login details are provided. (TAT:3 Days)

*List of Documents may vary from Lender to Lender and Customer to Customer = case to case basis.

Process Flow

Step 1: MIS retrieval from LF online portal which will contain all information related to financed invoices, total/utilized/unutilized limits, tranches with due dates. SE customer code will also be available in this report for ease of reconciliation. [reports \(4\).xlsx](#)

The screenshot shows the LF online portal interface. On the left, there is a 'Filter options' panel with the following fields:

- Status: [Dropdown]
- Issue Date: From [06/01/2018] To [07/09/2018]
- Financed Date: From [06/01/2018] To [07/09/2018]
- Loan Due Date: From [mm/dd/yyyy] To [mm/dd/yyyy]
- Buttons: RESET, SEARCH

On the right, there is a table of financed invoices with the following columns: Issue Date, Borrower Name, Branch Name, Lender Name, Invoice #, Invoice Amount (Rs), Approved Date, Financed Date, Loan Due Date. The table contains four rows of data, all with a checked checkbox in the first column.

Step 2: Basis the available limits, Schneider will run the open invoicing report and upload the details in the attached template [standard template.xlsx](#)

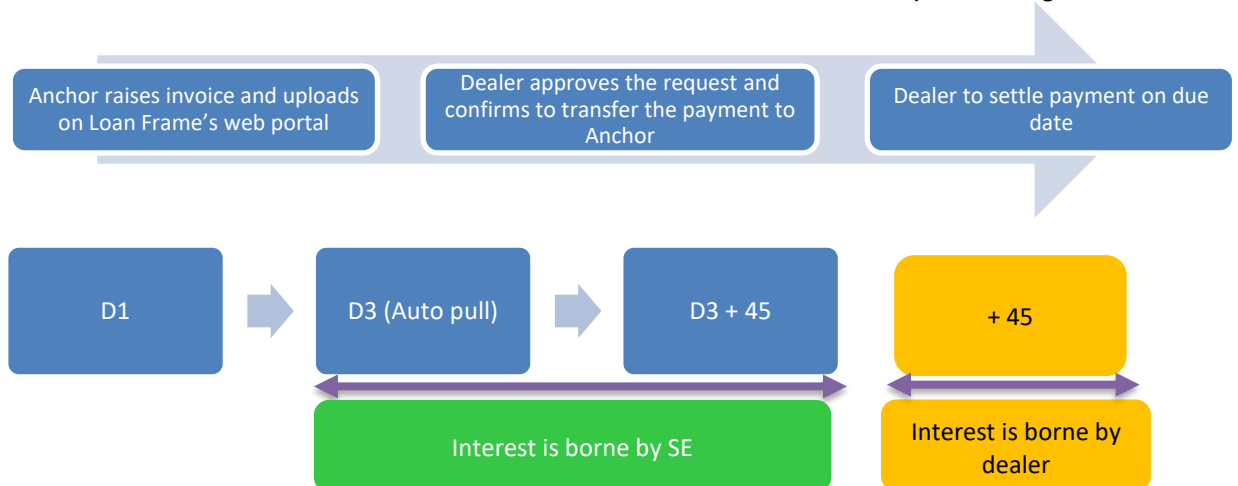
Step 3: Dealer approves the bill discounting request by the anchor and gives the confirmation to transfer the payment

Step 4: If the transaction is not approved within 3 days, then on D3, funds are auto-pulled into SE account

Step 5: Invoice amount is transferred to Schneider-Electric on the same /next day of approval

Points to remember,

- *Minimum transaction that can be uploaded every time is Rs. 25,000/-*
- *The first transaction that is processed for each Partner, amount that will be credited to SE account will be net of interest and one-time processing fee.*



Annexure 1

Proprietorship Firm	Partnership Firm	Pvt Ltd Firm
1.KYC of proprietor(pancard and aadhar card)	1.KYC of all partners(pancard and aadhar card)	1.KYC of all Directors(pancard and aadhar card)
2.KYC of wife(pancard and aadhar card)	2.Partnership Agreement	2.MOA of Company
3.Office address proof(landline bill/post-paid mobile bill)	3.Pancard of Partnership	3.Pancard of company
4.GST Registration Certificate	3.Office address proof(landline bill/post-paid mobile bill)	4.List of Shareholdings & directors
5.Electricity bill of home(latest)	4.GST registration certificate	5.Office address proof(landline bill/post-paid mobile bill)
6.Complete financials of last two year(itr,computation,audit report,3cb,3cd,balance sheet, profit and loss a/c and all annexures)(16-17 & 17-18)	5.Electricity bill of home(latest) any partner	6.GST registration certificate
7.Banking of last six months of all running loans	6.Complete financials of last two year(itr,computation,audit report,3cb,3cd,balance sheet, profit and loss a/c and all annexures)(16-17 & 17-18)	7.Electricity bill of home(latest) any director
8.Loan schedules of all running loans	7.Banking of last six months of all running loans(Sep'17-Feb'17)	8.Complete financials of last two year(itr,computation,audit report,3cb,3cd,balance sheet, profit and loss a/c and all annexures)(16-17 & 17-18)
9. GST Returns (last eight months)	8.Loan schedules of all running loans	9.Banking of last six months of all running loans
	9. GST Returns (last eight months)	10.Loan schedules of all running loans
		11. GST Returns (last eight months)