



OVERVIEW OF CREDIT ASSESSMENT METHODOLOGY

Lendbox uses close to a 100 data points to assess a borrower's credit profile. Apart from financial capability it is important to assess the borrower's intention to repay.

The objective of the credit assessment process is to assess a borrower's repayment capacity on a wide range of parameters using our proprietary Lendbox credit algorithm to ensure the right Borrowers are verified and their loans are sanctioned.

Basic Qualifying Criteria

- Applicant should 21 years of age or above
- Should be an Indian National with valid address and ID proof
- Should have a steady Income (INR 25000 or more in case Salaried or an annual business income of at least 7 lakhs in case Self-Employed)

Step 1: KYC Validation

At this stage the following KYC documents are validated against the information provided:

- Proof of Identity
- Proof of Address
- Income Documents
- Bank Statements
- Repayment history of the borrower from a registered Credit Information Company
- Any additional documents provided by the borrower
- Professional and personal references

Step 2: Detailed Credit Decision Stage

This stage involves a detailed analysis on the below parameters

- Demographic Information
- Family information and dependents
- Income and Employment Details
- Savings and Investment Patterns
- Analysis of committed and Voluntary Expenses
- FOIR and Leverage Ratios
- Past repayment track record
- Analysis of utilisation of credit lines
- Social Media Activity
- Field verification and Database checks

On the basis of the above analysis, the final rating is populated by the Lendbox credit algorithm which decides the tenure and amount for the borrower



Step 3: Customer Communication and Sanction

Customers are alerted over email when their profile is activated and are called to explain the process of reaching out to investors through proposals.

Once the loan is funded Lendbox executed the e-agreements and the loan is disbursed through the platform's escrow accounts.

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