

Checklist to Assess Regulatory Compliance of MFIs

		Status
	General Terms	Y/N
1.	At least 85% of MFI's total assets can fit in with "qualifying assets" definition	Y
2.	Declaration on outstanding debt and family income are taken from individual borrowers	Y
3.	Borrower's family income and loan outstanding details are captured in the MIS system	Y
4.	Loans are extended to borrowers with eligible family income category (Up to Rs 60,000 in rural and Rs 1,00,000 in Urban)	Y
5.	Ticket sizes of 1st and 2nd cycle loans are as per RBI regulations (Up to Rs 60,000 & 1,00,000 respectively)	Y
6.	Total indebtedness of the individual borrowers are within Rs 1,00,000 as per declaration	Y
7.	Not less than 24 months tenure is given for loan size exceeding Rs 15,000	Y
8.	Loan is given without collateral	Y
9.	At least 50% of the loans are given for income generation purposes	Y
10.	Frequency of Loan repayment is fixed basis the choice of the borrower	Y
11.	Prepayment is allowed without charges	Y
12.	SVCL's income from other services are in accordance with the regulation	Y
	Pricing of Services	
13.	Margin is less than or equal to 10% (excluding processing fee)	Y
14.	Effective rate at borrower level does not exceeds 24.70% w.e.f August 01, 2015 (reducing balance excluding process fee)	Y
15.	No other charges other than the interest, processing fee and insurance premium are charged	Y
16.	Processing fee is less than or equal to 1% of the total loan amount	Y
17.	No other charges are collected along with insurance premium as specified by the insurer	Y
18.	Insurance Premium is being received at actual and passed on to the Insurer as per IRDA	Y
19.	SVCL does not collect security/margin deposits	Y
20.	SVCL is using a standard loan agreement document across all products	Y
21.	Effective lending rate is displayed on its websites and other literatures issued	Y
22.	MFI is providing a loan card to its customers	Y
23.	Loan card is in local language	Y
24.	Effective lending rate is mentioned in the loan card and is correct	Y

25.	Terms and conditions attached to the loan is mentioned in the loan card	Y
26.	Name of the borrower, photo, group name and address are recorded in the loan card	Y
27.	Provision for acknowledging payment (by borrower) receipt is available in the loan card	Y
28.	Loan card is updated in all the respect	Y
	Multiple-lending, Over-borrowing and Ghost-borrowers	
29.	Prior to lending SVCL ensures that indebtedness is less than Rs. 1,00,000	Y
30.	Minimum repayment moratorium is given to clients	Y
31.	Disbursements are held at a central place under the supervision of more than one person	Y
	Coercive Methods of Recovery	
32.	SVCL has the process and is giving training to its newly recruited staff on acceptable staff behavior	Y
33.	A System is available for monitoring staff behavior at field level and talking disciplinary action	Y
34.	Loan recovery is done only during the group meeting conducted at a central place	Y
35.	SVCL has a grievance redressal cell and the contact details are given in the loan pass book	Y
36.	No penalty is being levied for late payment of loan installments	Y
	Corporate Governance	
37.	SVCL is complying with the rules specified by the regulator with regards to corporate governance	Y
	Provisioning	
38.	MFI maintains aggregate provision for loan losses as per regulation	Y
	Capital Adequacy	
39.	MFI maintains a capital adequacy of 15% calculated as per regulation	Y
40.	Disclosure on assignment/securitization deal in the financial statement is as per regulation	Y