

Personal Loans - All You Wanted to Know

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The main features are:

It is an unsecured loan suitable for any purpose like:

- Education
- Marriage
- Medical purpose
- Purchase of Property or Assets
- Repay old loans
- Investments
- Holidays
- Gifts...etc.

It is hassle free. No guarantors or security /collateral required.

Loan to salaried & self-employed. Special offers for Professionals like Doctors, Chartered accountants, Engineers, Architects, Company secretaries, MBA's etc. Loans are available from Rs. 50, 000/- to Rs. 20 lakh. Repayment options from 12 to 60 months in easy EMI's. Loans available against surrogate income of any auto, personal or home loan.

Minimum documentation & fast approval. What are the various types of personal loans available? Personal loans can be broadly divided into income based and non-income based. Income based loans are given on the basis of income per month/per year for salaried and self-employed respectively. Non income based loans also known as surrogate loans are given based on repayment track records of existing personal loans, car loans, home loans and Credit cards from approved banks. Minimum installments paid/months on books required are 9-12 months.

WHAT ARE THE ELIGIBILITY CRITERIAS?

The eligibility criteria for salaried and self-employed are:

SALARIED:

Applicant should be Indian citizens working and residing in Mumbai.

Minimum age required is 21 years and Maximum 58/60 years.

Minimum Work Experience-1 month in current company and 3 years overall.

Minimum Net Take Home - Rs. 20, 000/- per month.

Residence-either Owned, rented or company provided.

Telephone/mobile mandatory at residence.

Currently most of the banks are providing unsecured personal loans only to employees of Private Ltd, Limited and multinational companies.

SELF EMPLOYED:

Applicant should be Indian Citizens Working and residing in Mumbai.

Minimum age required is 23/25 years and Maximum 65 years.

Minimum 3 year experience in same business.

Minimum income Rs. 2. 50 lakh P.A.

Residence/Office -either Owned, rented or company provided. Either residence or office should be self-

owned.

Telephone/mobile mandatory at residence and office.

Partnership firms, Private Ltd. companies and deemed Limited companies are eligible.

HOW IS ELIGIBILITY CALCULATED?

Different banks have different ways of calculating the eligibility. In the case of Salaried generally most of the banks would calculate eligibility to be 1/1.5 time of annual income. Factors such as existing loan liabilities, average bank balance, track record on existing loans, company profile & loan tenure also plays a part in deciding eligibility.

In the case of Self-Employed the eligibility would depend on the turnover, existing track record, net profit, cash credit /overdraft limit enjoyed line of business, cash flow, bank statement, existing loan liability amongst other things. Generally the loan amount is limited at 1.25 to 4 times of cash profit generated less existing liabilities or a certain percentage of turn over less existing liabilities.

WHAT IS THE LOAN TENURE?

Loan tenure is the period within which the applicant wants to repay the loan. Loans can be repaid from 1 year to 5 years. The rule of the thumb being longer the tenure higher would be the loan eligibility and vice versa. The age of the applicant along with period of service left also influences the loan tenure.

WHAT ARE SERVICE CHARGES?

Service charges, loan processing charges, bank charges are various ways of describing the fees which the bank charges for processing and disbursing loans. It is deducted directly from the loan amount and is generally restricted to 2% to 3 % of the loan amount. It is a onetime fee.

WHAT ARE THE DOCUMENTS REQUIRED?

SALARIED:

- Photograph.
- Pan card copy.
- Current residence proof.
- Salary slips for 3 months.
- Bank statement for 6 months.
- Appointment letter and proof of work experience.
- Sanction letters of existing/closed loans.

SELF EMPLOYED:

- Photograph.
- Pan card copy.
- Residence and office address proof (Either residence or Office should be self-owned).
- IT Returns - CA certified copies for 2 years complete set.
- Business continuity/existence proof 3 years old.
- Business banking 6 months.
- All existing loan sanction letters.
- Qualification proof for professionals.

WHAT IS THE LOAN PROCESS?

One can apply for a personal loan any time in anticipation of a quick, hassle free and unsecured finance for any purpose. The verification process at residence and office is physically done within 2/3 days on submission of all documents required. There is a simultaneous credit check done to find out the credit history of the applicant in the bank applied as also other banks. If all the checks are positive the credit officer normally has either a telephonic or physical discussion with the applicant at his office/place of work.

Subject to the discussion being positive the applicant has to sign an agreement and also hand over PDC's (Post Dated Checks) or authorization for ECS (Electronic Clearing System). The applicant generally gets either a direct credit in his/her account or receives a Draft within 2/3 working days after executing the agreement. The entire Process may take 5/7 working days.

WHO CAN APPLY?

Salaried individuals and Self-employed individuals, Partnership firms, Pvt. Ltd. and Deemed Ltd. companies can apply.

What are the Income Criteria for Salaried?

A Salaried Individual needs to have Minimum NTH (Net Take Home Salary) Of Rs. 20000/- pm.

What are the income criteria for self-employed?

Minimum Income of Rs. 2.5 to Rs. 3 lakh per annum is the accepted norm.

What is the minimum and maximum loan amount?

The minimum loan amount for salaried is Rs. 50,000/- and maximum Rs. 15 lakhs. For Self-employed the minimum loan is Rs. 1 lakh and maximum 20 lakh.

WHAT ARE THE AGE CRITERIAS?

For salaried the minimum age is 21 years and maximum 60 years.

For Self-employed the Minimum age required is 25 years and maximum 65 years.

Is a no income Proof loan available?

Yes, salaried individuals and self-employed can apply on the basis of existing personal loan, auto loan & home loan tracks on which minimum 9/12 EMI's have been paid.

WHAT IS THE LOAN TENURE?

The minimum loan tenure is 1 year and maximum 5 years.

Are securities or guarantors required for a personal loan?

No security, hypothecation, guarantors or mortgages is required in a personal Loan.

Can a person staying on rent apply?

Yes, applicants staying in owned rented or company provided accommodation can apply. Permanent residence address proof may be required in case of rented/leased, company provided accommodation.

WHAT ARE THE INTEREST CHARGES?

Interest charges depend on various factors like the Loan Amount, Company profile, qualification & Income etc. It could vary from 16 % to 26% on a monthly reducing basis.

CAN THE LOAN BE PREPAID?

Yes, the loan can be prepaid after paying 6 installments.

ARE THERE PREPAYMENT CHARGES?

Generally all banks charge 4% to 5% of the principle outstanding as prepayment charges.

Apex Finance & Marketing was founded in April 2006 by Subhrajeet Talukdar and is the promoter of <http://www.eazeeloans.com> a premier Loan Advisory Portal for Personal Loan, Home loan, Business loan, Loan against Property, secured loan, Unsecured loan, Salaried loans, Loans to Self-employed, Professional Loans in Mumbai.

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