

Fashaa Madhadhu Leasing - Frequently Asked Questions

1. Who is this product targeted towards?

- Fashaa Madhadhu leasing is targeted towards **women entrepreneurs actively engaging in the Maldivian economy** to ease accessibility of finance for existing businesses and self-employed/freelance and home-based workers.
- The scheme has limited funding of MVR 10 million, and applications will be accepted within the allocated funding.

2. Does this product cater exclusively to women entrepreneurs?

- This product is designed exclusively for women-led businesses, with her involvement in the operations, either as a formally registered or informal business.

3. Do I need to have additional income to apply for this product?

- This product is designed for self-employed or freelance individuals who have been operating their business for at least 6 months. Therefore, we will consider the income generated from business activities.
- In cases where the income earned through freelancing or self-employment is verified via submitted bank accounts, no additional income is required.
- However, if the business is at a loss at the time of application, additional personal income earned by the borrower will be required to proceed.
- The purpose of additional income is to ensure the borrower has enough net income to cover monthly loan repayments in cases where the business is not generating sufficient profit. If the borrower cannot provide verifiable additional income, the application will be canceled.

4. If the business owner's income is not verifiable, can we proceed by adding a co-borrower?

- No, the eligible facility amount for this product is determined based on the business income routed through the owner's bank account, so adding a co-borrower will not change the eligible facility amount.

5. I have been running a business that meets the product criteria for a year, but the business income is not routed via bank accounts. What are my options?

- Applications can be submitted once business revenue has been routed through the business owner's bank account for the next 06 consecutive months, provided it is verifiable.
- Before preparing for submission after routing the business income for 6 months, please visit our website to confirm if the product is accepting applications.

6. Do I have to register my business before I apply for this product?

- A registered business is not required for the submission. However, the operational activity must be operated by a woman as verifiable from documents.
- The business registration process must be completed to proceed with disbursement to the vendor.
- Regardless of business registration, your business must have been operational for the past 6 months, with the revenues routed through bank accounts to apply.

7. Are there any restrictions on business activities for this product?

- Any business activities that have been in operation for at least 6 months can be financed through this product via an SDFC-approved (empaneled) vendor.

8. Is it possible for a daughter to apply for this product if a business is registered under her father's name but she operates it?

- No, an application cannot be submitted for a business owned and operated by another individual, regardless of the involvement of a woman.

9. Can I apply for this product if I have not started to operate my business yet?

- Applications are only accepted for operational businesses that have been in operation for the past 6 months.
- Further, the business revenues from the past 6 months must be verifiable through bank accounts.

10. Which documents can I provide to verify that my business has been operational for the past 6 months?

- The business owner's bank statement is used to verify business income and expenses.
- Document verifying the market presence, such as a verification letter from the council.

11. How do I submit the application?

- Application must be submitted online via our customer portal <https://portal.sdfc.mv/login>
- Applications **can only be submitted through the eFaas accounts of female individuals**, including those representing companies and partnerships.
- The product has a funding limit of MVR 10 million; applications will only be accepted within this allocated fund.

12. Is it possible to submit multiple applications for this product?

- Each individual can avail max. 01 facility under this product (either as a primary applicant or a co-borrower)
- An individual cannot act as both a borrower and a co-borrower simultaneously.
- However, if an existing facility is closed after repaying it in full, the individual can avail of another facility.

13. What can I use this facility for? Can I use the facility limit to meet working capital requirements, i.e., stock purchases or operational expenses?

- This product can only be used towards the purchase of fixed assets from SDFC-approved vendors
- Approved funds from this facility will be disbursed directly to the SDFC-approved vendor
- The facility limit allocated from this product cannot be used to meet working capital requirements such as stock purchase and operational expenses, e.g., Rent, utilities, salaries, etc.

14. Is any equity investment required for this product?

- No, however, any additional expenses that may not be covered by the facility amount must be borne by the borrower.

15. Can I purchase fixed assets from any local or foreign supplier under this product?

- This product can only be utilized towards the purchase of fixed assets locally from SDFC-approved vendors.

16. When will I be able to find out the facility limit that I am eligible for?

- The eligible limit will be determined during the credit evaluation stage based on verified business income routed through the bank of the applicant during the past 6 months.

17. How long is the process expected to take?

- The expected duration for the process is 18 days from the acceptance of the application.
 - *The time taken for document completion, from submission to acceptance date, is excluded from the 18-day processing timeline.*
- If the application is submitted with incomplete, incorrect, or insufficient documents, the process may take longer than expected.

18. Can I change the vendor after the facility has been approved?

- Yes, the vendor can be changed to a different vendor from the 'approved vendor list' for the same products and within the same approved facility limit.

19. Can I bring any other changes besides changing the vendor after the facility has been approved?

- If any other changes are required, a new application must be submitted, and the existing one will be canceled.

20. Once the facility limit is approved, is there a specific timeframe within which I need to use the limit for financing assets?

- Yes, the approved facility limit must be used within 6 months from the sanction date, and you can submit a maximum of 4 purchase requests to utilize the approved facility amount.

21 Are there any processing fees that need to be paid?

- A processing fee of MVR500 will be charged on all approved applications, and this processing fee must be settled before submitting a purchase request to utilize the approved facility amount.

22 Can I request to increase the facility limit after the approval?

- Facility limit cannot be changed once approved.

23 Are there any formalities that need to be completed prior to the disbursement of funds?

- Submission of initial quotations from an empaneled vendor for purchases to be made from the facility.

The initial quotation must be submitted within 15 days of sanction signing

- Settlement of the processing fee.
- Submission of SME Registration certificate.
- Completion of an online basic financial literacy program through the SDFC customer portal.
- Completion of the direct debit process.
- Completion of conditions prior to disbursement (CP)

24 Do you disburse the funds directly to the borrower?

- Disbursements will be made directly to the empaneled vendors by SDFC.

25 Do I have to make payments during the grace period?

- Yes, you will be required to make interest payments during the grace period.

26 How do we make monthly repayments?

- The repayment amount will be deducted from your bank account through a direct debit process via the primary bank account details provided on the application form.
- A direct debit form will be obtained once the facility has been approved.

27 Can I apply for this product if I have taken loans from other banks?

- Yes, however, your application can proceed only if you have serviced your monthly payments on time for the past 12 months at the time of application. (Including Credit Cards)
- Applicable for co-borrowers as well.
- If your credit history is unsatisfactory, the application will be cancelled.

28 When is a co-borrower required?

A co-borrower is required:

- If the primary borrower is or will be 65 years old during the facility tenure.

29 Is it necessary for the co-borrower to have an income?

- The co-borrower must have a verifiable income routed through a bank account for the past six months.

30 If I have applied for Fashaa Madhadhu Loan, am I eligible for Fashaa Madadhu Leasing?

- Each borrower or co-borrower can submit only one application for either of the two products.