



## Dear Customers

We are pleased to inform you about the **launch of a product specifically dedicated to home businesses**. This product comes as a response to help home businesses recover from the impact of Covid-19, and it includes the following benefits:

- **Financing up to RO 3,000**
- **6 months period of moratorium**
- **Zero processing fees**
- **Low interest rate**
- **Quick processing**

### **Customer who fit the following criteria can apply:**

- The business must be officially registered as a home business as of 1 December 2019.
- The business should have an account in Bank Muscat (either commercial or personal)

### **The product is offered for limited period.**

To know more about how to apply please: Visit the nearest Najahi Center (Forms available in the Najahi centers)

Send an E-mail to [najahi@bankmuscat.com](mailto:najahi@bankmuscat.com)

Contact the Call Center **24790000**

**Committed to supporting you better every day**

# Najahi Home Business FAQs

## 1. What's the eligibility amount?

Min: RO 100 | Max: RO 3,000

## 2. What is the interest rate?

7% p.a

## 3. What is the term of loan repayment?

12 months

## 4. What are the required documents?

- Valid CR (check on Invest easy website for validity)
- Copy of National ID card
- Application form

The CR should reflect that the home business activity is registered. CR information can be obtained from Invest Easy Portal or Mobile App.

Link <https://business.gov.om/wps/portal>

## 5. What's the age criteria?

Min age: 21 years

Maximum age: 65 years

## 6. How is the credit limit calculated?

Credit limit shall be calculated as follow:

- Total turnover in the account from December 2019 to February 2020 shall be taken into account.
- From the above, total home business related credits shall be identified and calculated.
- Customer shall be eligible for a maximum credit limit of 75% of the total home business related sales recorded during the period (December 2019 to February 2020), subject to availability of average balance to service the EMI, detailed below.

Average balance maintained in the account for the period December 2019 to February 2020 should be at least 2 times the EMI obligation.

## Example:

- Total turnover observed in the account from Dec 2019 to Feb 2020 is RO 1200. All the transactions pertain to home business credits
- Customer be eligible for a maximum limit of RO 900 (i.e., 75% of RO 1200).
- The EMI for the a loan of RO 900 for a period of 12 months at an interest rate of 7% p.a. is approximately RO 78 per month.
- The average balance maintained in the account should be at-least 2 times the EMI obligation. i.e., for the above customer to be eligible for a loan of RO 900, the average balance maintained in the account should be more than RO 156.
- In the above example, if the customer maintained an average balance of only RO 100, then the maximum EMI obligation would be RO 50 per month. For this amount of EMI, the loan eligibility would stand reduced to approximately RO 575.

## 7. What is the policy on BCSB records?

Loan applicant must not have any overdue/past due liability from any bank or financial institution in Oman prior to February 2020

## 8. Is there any reference check required?

No.

However, customer mandatorily needs to provide his mobile number and the tele-verification has to be positive.

## 9. Is there any filed verification?

Not required

## 10. What is the process of loan disbursement?

The eligible loan amount will be disbursed in 3 equal monthly tranches. For eg., if the customer is eligible for a loan amount of RO 900, the loan will be disbursed in 3 equal monthly tranches of RO 300 each.

### 11. When will installment start?

After the third tranche of disbursement, customer will have a moratorium period of 3 months, after which the EMI will start.

#### Example

For a customer who is eligible for a loan of RO 900, the loan will be disbursed according to the following schedule:

- Aug 2020 – Disbursement of RO 300
- Sep 2020 – Disbursement of RO 300
- Oct 2020 – Disbursement of RO 300

**The repayment would start in Jan 2021 for a period of 12 months.**

### 12. When will interest on loan start?

From the disbursement of the first tranche

### 13. Is personal guarantee required?

PG of owner(s) to be mandatorily taken

### 14. What is the process flow?

Applicant would visit Najahi Center to apply for the credit facility by filling up an application form

### 15. Is there any approved list of activities that is eligible for financing?

Any customer who has registered his home business will be eligible for a loan. The current list of allowed activities from MOCI include:

- Making and preparing incense
- Tailoring and sewing
- Hair styling and cosmetics for women
- Rental of textiles, clothing and footwear
- Packaging and gift wrapping
- Drying and packing dates and other dry fruits
- Making bread and pastry
- Banquet preparation kitchens for parties
- Manufacture of perfumes and colognes
- Fast food sale
- Sale of cake, pies, biscuits, bread products
- Copying and printing services
- Event planning

- Sale of natural flowers and plants
- Craft products to produce frankincense water and oil
- Sale of textile and fabrics
- Photography
- Project management consulting
- Wholesale and retail of perfumes and cosmetics

### 16. Can the loan be offered to a customer who does not have a home business CR

No

### 17. The customer has a home business CR but does transaction in the personal account. Is that ok?

That is ok. We will ascertain the home business related transactions done through the personal account to arrive at eligibility.

### 18. Can we give customer the option to avail the entire loan amount in 1 disbursement?

No.

### 19. Can we give customer a moratorium period of more than 3 months?

No.

### 20. Who is the target client for this product?

The product is launched to provide financing facility for registered home business owners.