



# BRANCH OPENING GUIDELINES

STAR HFL

CORPORATE PLANNING & STRATEGY  
VERSION 1.0

## Branch Opening Process Note

<b>PREPARED BY:</b>
<b>APPROVED BY:</b>
<b>BOARD OF DIRECTORS</b>
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<b>Title</b>	Star Branch Opening Process
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The note would explain in detail the process for opening the branches. The document is divided in to four sections, first, opening a new branch/ service centre at a completely new location, second, Opening branch/ service centre at a location where we already have branches/service centres, third, Upgrading a camp to service centre or a service centre to branch, fourth, shifting of branch premises to a new premise due to various reasons.

## Branch Opening Process Note

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## Branch Opening Process Note

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### Introduction:

As part of our overall expansion plan, we have identified that the following 4 scenarios can occur:

1. Opening a new branch/ service centre at a completely new location ([Annexure A](#))
2. Opening branch/ service centre at a location where we already have branches/service centres ([Annexure B](#))
3. Upgrading a camp to service centre or a service centre to branch ([Annexure C](#))
4. Shifting of branch premises to a new premise due to various reasons. ([Annexure D](#))

In order to ensure a process- driven approach for the entire expansion plan, standardized templates have been created for each of the above categories. Each new request for a new center is expected to be filled in the appropriate template and sent to the Corporate Strategic Group (CSG) and National Sales Head (NSM) in appropriate timelines. Any extra information can always be filled in the “overall comments” section of the templates. It is provided at the end of every template.

Below is the process for all the scenarios. (All the scenarios below are for **branch and service centers both**).

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**Note:** All the scenarios assume that request is initiated by BM or ZM. If CSG or NSM initiates any of them, step 1 will be CSG requesting ZM to send necessary details in appropriate format.

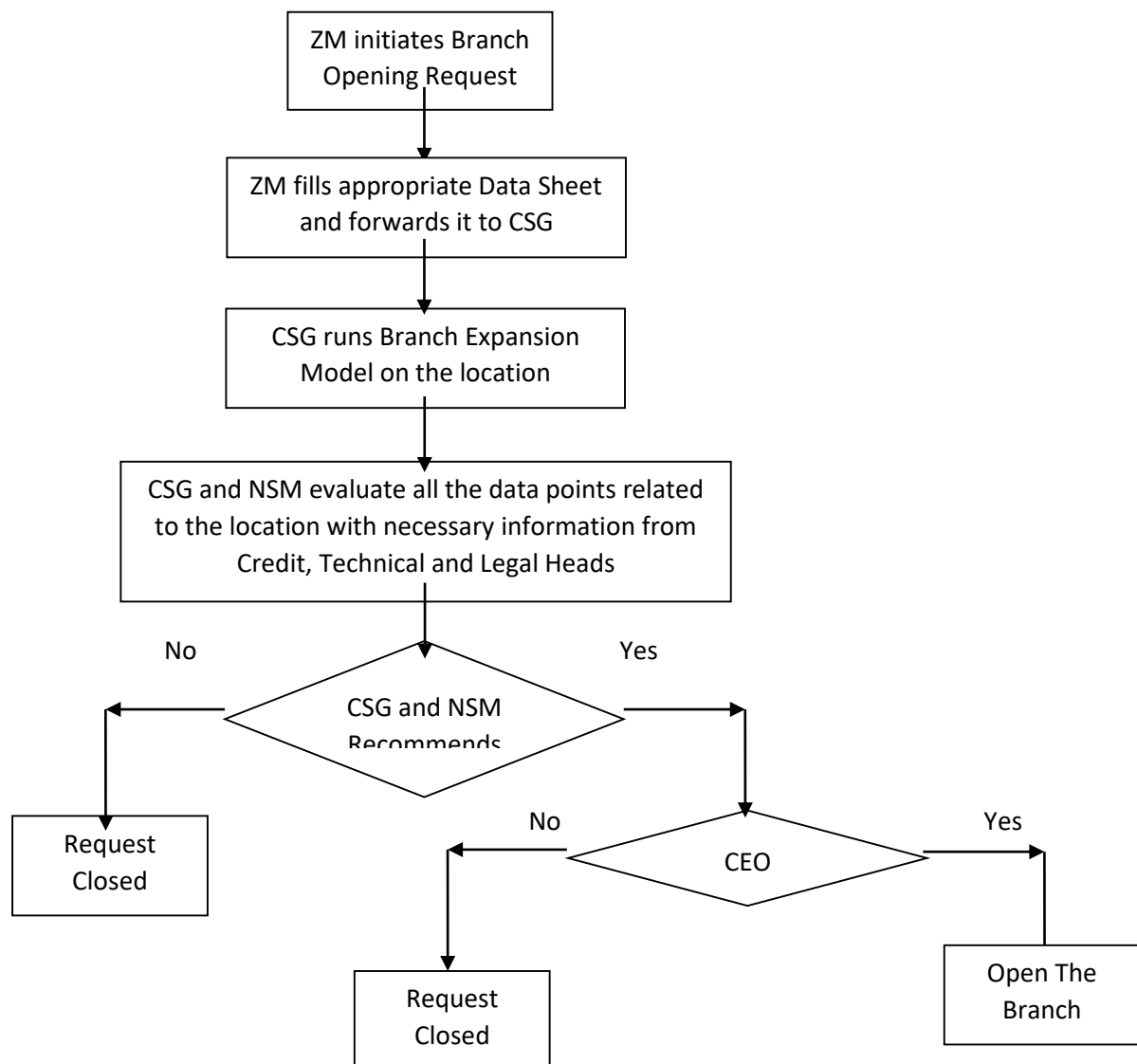
The premises identified for a new branch or service centre should be done keeping in mind the future expansion or future requirement.

## Branch Opening Process Note

### Branch Opening Initiation and Approval

#### Section One: New Branch in new location

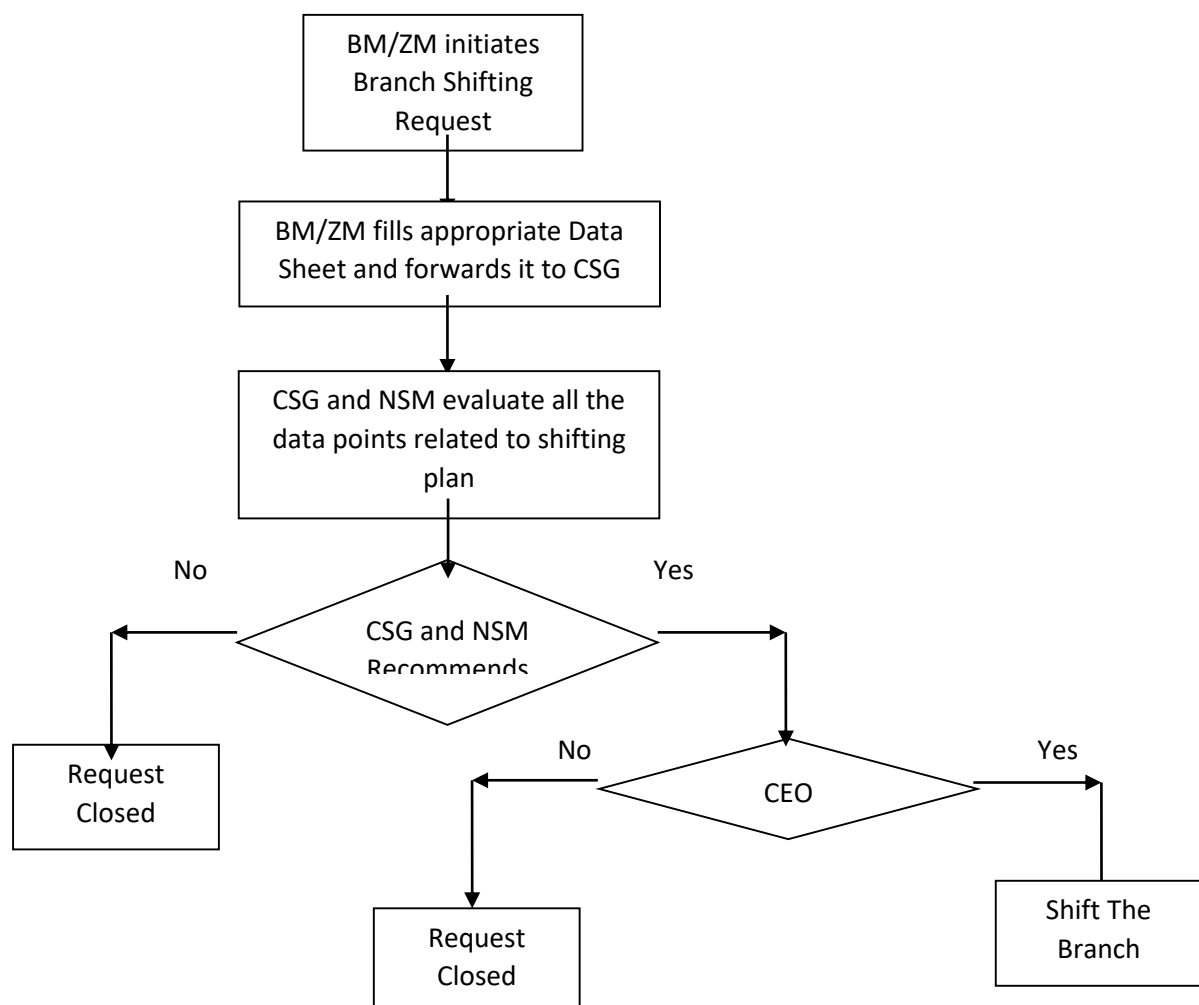
1. ZM sends new branch request to NSM and CSG with a filled data sheet ([Annexure A](#))
2. CSG evaluates the data points along with NSM
3. If NSM and CSG recommend
  - 3.1. If CEO approves
    - 3.1.1. Open the Branch/SC ( The process and timelines for this is already discussed )



## Branch Opening Process Note

### Section Two: Branch shifting:

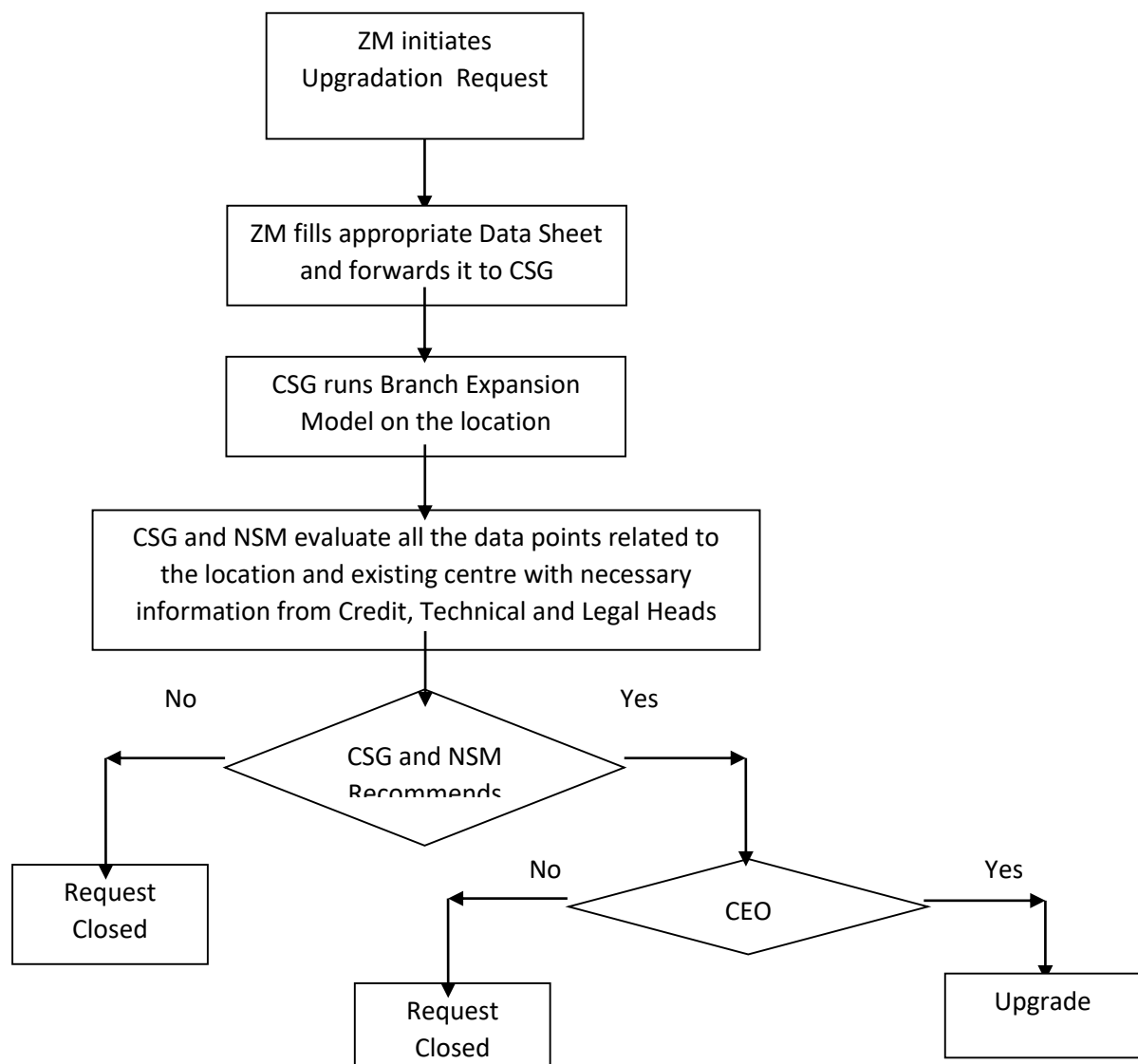
1. BM sends Branch Shifting request to ZM
2. ZM forwards the request to NSM and CSG with a filled data sheet ([Annexure D](#))
3. NSM evaluates the data points along with CSG
4. If NSM and CSG recommend
  - 4.1. If CEO approves
    - 4.1.1. Approval forwarded to Admin to carry out the shifting process



## Branch Opening Process Note

### Section Three: Upgradation:

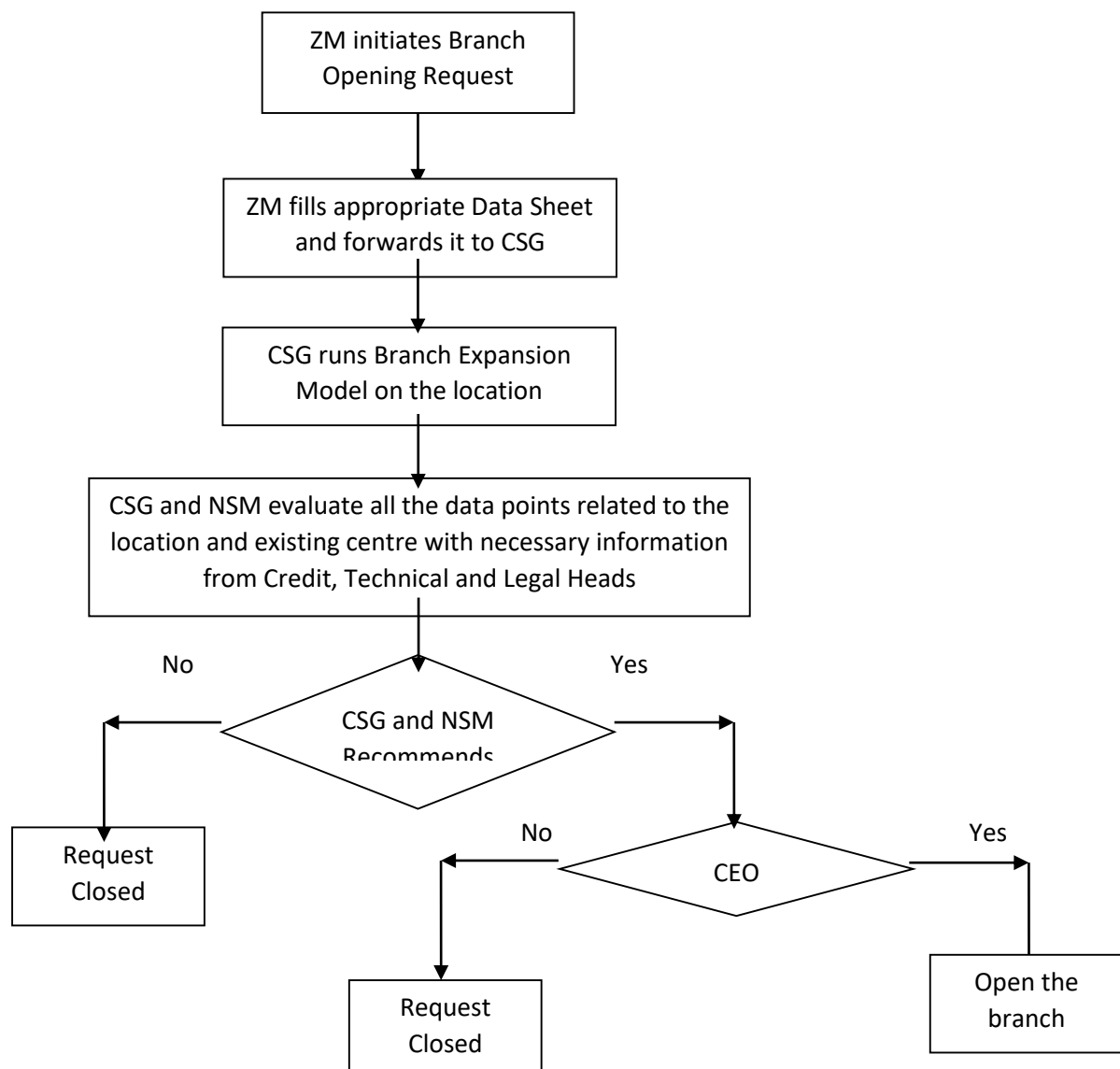
1. ZM send upgradation request to NSM and CSG with a filled data sheet (*Annexure C*)
2. CSG evaluates the data points along with NSM
3. If NSM and CSG recommend
  - 3.1. If CEO approves
    - 3.1.1. Open the Branch ( The process and timelines for this is already discussed )
    - 3.1.2. Close the Service Centre



## Branch Opening Process Note

### Section Four: Another Branch in same city

1. ZM Sends new branch request to NSM and CSG with a filled data sheet (**Annexure B**)
2. CSG evaluates the data points along with NSM
3. If NSM and CSG recommend
  - 3.1. If CEO approves
    - 3.1.1. Open the Branch/SC ( The process and timelines for this is already discussed )





## Branch Opening Process Note

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### Branch Opening Process

After the branch opening has been approved by the CEO, the opening process needs to be carried out in appropriate timelines with various entities involved. Following are the entities involved in the process along with roles:

1. **Admin:** Premise finalization, buying of necessary supplies including air conditioner, chairs, stationery, etc.
2. **Technical:** Carry out the interior of the premise
3. **HR :** Staff Recruitment
4. **IT :** Deployment of network and IT related infrastructure
5. **Marketing:** Appropriate marketing activities in the location and branch premises
6. **Legal :** Take care of all legal issues, if any, with respect to the premise. This has to complete in time allotted for premise finalization (discussed below).
7. **Accounts:** Make appropriate Payments for leasing/renting via appropriate mechanisms. This has to complete in time allotted for premise finalization (discussed below).
8. **Sales:** To be the owner of the process right from premise finalization to branch being operational. To set targets for branches and monitor performance continuously.

### Turn Around Time (TAT)

#### TAT for Branch Initiation and Approval:

1. Zonal Head to send the filled details in appropriate template to CSG and NSM within **10 days** of request initiation.
2. CSG and NSM evaluation and decision making to take **7 days** from the date of receipt of the filled details from Zonal Head.
3. 2 days for CEO's approval.

## Branch Opening Process Note

TAT for Branch Opening Process:

Activity	Week								
	1	2	3	4	5	6	7	8	9
Premise finalization									
Technical interior									
HR Recruitment									
IT supplies and deployment									
Admin supplies (stationery)									
Advertising/Marketing									
Inauguration/operational									

TAT for Service Center Opening Process:

Activity	Week						
	1	2	3	4	5	6	7
Premise finalization							
Technical interior							
HR Recruitment							
IT supplies and deployment							
Admin supplies (stationery)							
Advertising/Marketing							
Inauguration/operational							

*Note: All legal issues, initial payments for premise leasing have to be taken care of in the 2 week period allotted for premise finalization. Also RPU/Zonal office opening will follow similar time frame as that of branch opening.*

## Branch Opening Process Note

### Annexure A: New Branch Opening At New Location

#### Directions on how to fill the questionnaire:

- Wherever a text box is present, fill in the appropriate values
- Wherever a rating scale is provided, rate the parameter on a scale of 1 to 10
- These values will be very important from point of view of evaluating opening of branch and branch performance thereafter if opened.
- More concrete the data, faster will be the decision making process

Please fill the questionnaire below:

#### BRANCH DETAILS

District

Area/Location

Please fill in the details below with respect to branch opening at the location mentioned above. For places like Mumbai and Delhi, please give details specific to the area and not the entire district.

#### EXPECTED BUSINESS

1. Expected number of files and disbursement amount in first 3 years of operation

	Year1	Year2	Year3
No. of files	<input type="text"/>	<input type="text"/>	<input type="text"/>
Amount	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr

2. Is DHFL doing disbursements in the location?

If yes, what is the amount of business per month  Crores approx per month

## Branch Opening Process Note

Business done in last 6 months in the location

	1	2	3	4	5	6
No. of files	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Amount	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr

### COMPETITORS INFORMATION

3. Number of Competitors  and branches

Name of major competitors present and number of branches

Rate the level of competition in the location in terms of number of competitors and branches: ( 1 being lowest and 10 being highest)

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

4. Competitors Business in the location  Crores per month

Rate the business of competitors in the location: ( 1 being lowest and 10 being highest)

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

5. Overall Market Size:  Crores per month

6. Number of branches of big banks like SBI, ICICI, HDFC

### BUILDER INFORMATION

7. Number of builders

## Branch Opening Process Note

	No. of Builders	No. of projects
a. LMI segment	<input type="text"/>	<input type="text"/>
b. Non LMI segment	<input type="text"/>	<input type="text"/>

### PAYBACK TENDENCY

8. Payback tendency of people ( 1 being worst and 10 being best)

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

### MISCELLANEOUS INFORMATION

9. Frequency and history of major violence ( 10 means highest frequency, 1 means lowest frequency)

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

Any specific mention

10. Average ticket size expected in the location:  lakhs

Expected Business Break Up: (ticket size wise)

Ticket Size	%age of disbursement
< 5 lakhs ( sub lower )	
5 lakhs – 7.5 lakhs (Lower middle)	
7.5 lakhs – 15 lakhs (Middle)	

## Branch Opening Process Note

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15 lakhs- 20 lakhs (Upper middle)

>20 lakhs (Upper)

11. What is the proportion of urban area in the location?  %

Is there an Urbanization trend? Any specific mention

12. Overall Comments

## Branch Opening Process Note

### ANNEXTURE B: NEW BRANCH OPENING IN SAME CITY

#### Directions on how to fill the questionnaire:

- Wherever a text box is present, fill in the appropriate values
- These values will be very important from point of view of evaluating opening of branch and branch performance thereafter, if opened.

Please fill the details below:

#### BRANCH/SERVICE CENTRE DETAILS

District

Area/Location

Branch or Service Centre

List of Existing Branches/SCs in the City:

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#### BUSINESS

1. Business done in last 6 months in branch/sc in the city

	1	2	3	4	5	6
No. of files	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Amount	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr

2. Expected business in new branch/sc in 1<sup>st</sup> 6 months of operation

	1	2	3	4	5	6
	<input type="text"/>		<input type="text"/>			

## Branch Opening Process Note

No. of files

Amount  Cr  Cr  Cr  Cr  Cr  Cr

### COMPETITORS INFORMATION

3. Number of Competitors  and branches  in the location:

Name of major competitors present and number of branches

4. Competitors Business in the location  Crores per month

5. Overall Market Size:  Crores per month

6. Number of branches of big banks like SBI, ICICI, HDFC

### PAYBACK TENDENCY

7. Credit behavior of people in the location where branches/sc already present

8. Payback tendency of people ( 1 being worst and 10 being best)

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----



## Branch Opening Process Note

### BUILDER INFORMATION

#### 9. Number of builders / Corporate Visibility

	No. of Builders	No. of projects
c. LMI segment	<input type="text"/>	<input type="text"/>
d. Non LMI segment	<input type="text"/>	<input type="text"/>
Or		
e. Number of corporate offices in the location	<input type="text"/>	
f. Number of competitors office in the region	<input type="text"/>	

### MISCELLANEOUS INFORMATION

10. Average ticket size expected in the location:  lakhs

Expected Business Break Up: (ticket size wise)

Ticket Size	%age of disbursement
< 5 lakhs ( sub lower )	
5 lakhs – 7.5 lakhs (Lower middle)	
7.5 lakhs – 15 lakhs (Middle)	
15 lakhs- 20 lakhs (Upper middle)	
>20 lakhs (Upper)	

### OVERALL RECOMMENDATION

## Branch Opening Process Note

### ANNEXTURE C: UPGRADATION

#### Directions on how to fill the questionnaire:

- Wherever a text box is present, fill in the appropriate values
- These values will be very important from point of view of evaluating upgrading and performance thereafter, if upgraded.

Please fill the details below:

#### CENTRE DETAILS

District	<input type="text"/>
Area/Location	<input type="text"/>
Upgrade from	<input type="text"/>
Upgrade to	<input type="text"/>

#### BUSINESS

##### 1. Business done in last 6 months in the service centre/ camp

	1	2	3	4	5	6
No. of files	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Amount	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr

##### 2. Expected business in new branch/sc in 1<sup>st</sup> 6 months of operation

	1	2	3	4	5	6
No. of files	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Amount	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr

## Branch Opening Process Note

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### COMPETITORS INFORMATION

3. Number of Competitors  and branches  in the location:

Name of major competitors present and number of branches

4. Competitors Business in the location  Crores per month

5. Overall Market Size:  Crores per month

6. Number of branches of big banks like SBI, ICICI, HDFC

### PAYBACK TENDENCY

7. Credit behavior of people in the location

8. Payback tendency of people ( 1 being worst and 10 being best)

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

### BUILDER INFORMATION

9. Number of builders

No. of Builders

No. of projects

## Branch Opening Process Note

g. LMI segment	<input type="text"/>	<input type="text"/>
h. Non LMI segment	<input type="text"/>	<input type="text"/>

## MISCELLANEOUS INFORMATION

10. Average ticket size expected in the location after upgradation:  lakhs

Expected Business Break Up: (ticket size wise)

Ticket Size	%age of disbursement
< 5 lakhs ( sub lower )	
5 lakhs – 7.5 lakhs (Lower middle)	
7.5 lakhs – 15 lakhs (Middle)	
15 lakhs- 20 lakhs (Upper middle)	
>20 lakhs (Upper)	

## OVERALL RECOMMENDATION

## Branch Opening Process Note

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### ANNEXURE D: SHIFTING

#### Directions on how to fill the questionnaire:

- Wherever a text box is present, fill in the appropriate values
- These values will be very important from point of view of evaluating shifting of branch and branch performance thereafter, if shifted.

Please fill the details below:

#### BRANCH/SERVICE CENTRE DETAILS

District

Area/Location

Existing Premise

New Premise

#### REASON FOR SHIFTING

1. Need of a bigger premise
2. Not easily accessible to customers
3. Not much business potential in the area
4. No issues; just that newer premise at new identified location will bring in much more business
5. Other, please specify

## Branch Opening Process Note

### BUSINESS

1. Business done in last 6 months in existing premises ( 1 stands for last month)

	1	2	3	4	5	6
No. of files	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Amount	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr

2. Expected business in new premises in 1<sup>st</sup> 6 months of operation

	1	2	3	4	5	6
No. of files	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Amount	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr	<input type="text"/> Cr

### COST COVERAGE

3. Cost Coverage achieved in last 6 months in existing premises ( 1 stands for last month)

	1	2	3	4	5	6
Cost Coverage	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

4. Expected Cost Coverage in 1st 6 months of operations in new premises

	1	2	3	4	5	6
Cost Coverage	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

### RENT

5. Rent paid in existing premises

Expected rent in new premises

6. Since when branch/ SC is operational in the existing location

## Branch Opening Process Note

**Note:** Any planning done please make sure the branch/sc at the identified new location lasts for at least 3 years. Is it planned to shift again before 3 years

☐ Yes

☐ No

### MISCELLANEOUS INFORMATION

7. Average ticket size expected in the location after shifting:  lakhs

Expected Business Break Up: (ticket size wise)

Ticket Size	%age of disbursement
< 5 lakhs ( sub lower )	
5 lakhs – 7.5 lakhs (Lower middle)	
7.5 lakhs – 15 lakhs (Middle)	
15 lakhs- 20 lakhs (Upper middle)	
>20 lakhs (Upper)	

8. Overall Comments