

# **Valar Aditi Social Finance Private Limited**

## **Policy on Resolution Framework 2.0.**

The following are the policy guidelines adopted by Valar Aditi Social Finance Private Limited with regard to implementation of the Resolution Framework 2.0 as per the Board approved policy of the Company. (Housing Loans and Small Business Loans).

RBI vide notification DOR.STR.REC.11/21.04.048/2021-22 dated 05.05.2021 issued guidelines on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses.

Resolution Framework 2.0: Resolution of COVID-19 stress for Individuals or JLGs.

### **Eligible Borrowers:**

The credit facility / investment exposure to the borrower shall be standard as at 31.03.2021.

The following borrowers (standard as on 31.03.2021) shall be eligible for resolution plan under the Framework 2.0

**JLG borrowers whose accounts are standard as on 31.03.2021.**

### **Identification of Stress**

Identification of stress shall be based on the loss of earnings due to Covid pandemic through a self-declaration (submitted by the borrower).

## **Features of Resolution Plan 2.0**

The resolution plans consist of the following:

- Rescheduling payments of EMIs of loans. Conversion of any interest accrued, or to be accrued, or, granting of moratorium, based on an assessment of income streams of the borrower, subject to a maximum of six months from the date of implementation of resolution plan.
- The moratorium period, if granted, shall come into force immediately upon implementation of the resolution plan.
- The extension of the residual tenor of the loan facilities may also be granted with/without moratorium. In such cases, the overall cap on extension of residual tenor inclusive of moratorium period shall be maximum of Six months.

### **Rate of Interest:**

Existing ROI will continue

**No Other Charges will be levied on the borrowers who are covered under the resolution framework 2.0.**

### **Security:**

Unsecured

### **Invocation of Resolution Plan:**

Resolution under this framework shall be provided only to the borrowers having stress on account of Covid-19.

Resolution under the Framework shall be invoked not later than 30.09.2021 and resolution Plan shall be finalized and implemented within 90 days from the date of invocation of the resolution process.

The resolution process under this window shall be treated as invoked when the company and the borrower agree to proceed with the efforts towards finalizing a resolution plan to be implemented.

In respect of applications received from the borrowers for invoking resolution process under this window, the assessment of eligibility for resolution as per the guidelines of the Frame work shall be completed, and the decision on the application shall be communicated in writing to the applicant by the Company within 30 days.

The date of such communication by the company to the borrower agreeing to the Resolution Plan shall be treated as the date of invocation.

**Grievance Redressal:**

In case of any customer grievance arising due to Resolution Plain 2.0, Customer would have the option to register the grievance with the Company Branch near to the Borrowers.

**Contact:**

**For Grievance: 7598839050.**