



Aptus Value Housing Finance India Limited (“Aptus”)

Policy on Resolution framework for Covid – 19 related stress

Aptus Value Housing Finance India Limited (hereinafter referred to as “the Company” or “Aptus” or “Lender”) is a Public Limited Company incorporated under the provisions of the Companies Act, 1956 and registered as a non-deposit accepting Housing Finance Company (“HFC”) registered with the National Housing Bank (“NHB”).

The RBI vide its circular no. DOR. No. BP. BC./3/21.04.048/2020-21 dated August 6, 2020, has provided a Framework for implementation of resolution plans for addressing the economic fallout due to the COVID-19 pandemic which has led to significant financial stress for borrower(s).

This resolution framework permits the lending institutions to re-assess the repayment capabilities of their borrowers, and provide rescheduled terms to such existing loans which fall within the eligibility criteria of the Circular and approved lender policies.

A. Objectives of the policy

The objective of this policy is to offer resolution framework for customers who have been adversely affected by the COVID – 19 pandemic.

B. Definitions

(a) **Eligible borrowers:** For the purpose of resolution plan under this Policy, eligible borrower shall mean:

- (i) the borrowers whose loan accounts were not in default for more than 30 (thirty) days with the Company as on March 01, 2020 and were classified as standard and continues to be classified as standard till the date of invocation; and
- (ii) the borrowers having stress on account of COVID-19 and in respect of whom the Company is willing to consider the resolution under this Policy.

(b) **Date of invocation:** The date of invocation means the date on which both the borrower and lender have agreed to proceed with a resolution plan for the Eligible Borrower in terms of this Policy. However, in no case the date of invocation shall be later than December 31, 2020.

C. Timelines for resolution

The resolution plan for the Eligible Borrower account under this Policy shall be invoked latest by December 31, 2020 and will be implemented within 90 (Ninety) days from the Date of Invocation.

D. Implementation of resolution (“Date of implementation”)

A restructuring of loan would be treated as implemented upon fulfilment of all of the following conditions:

- (a) All related additional documentation, including execution of necessary agreement(s), if any, between Lender and Eligible Borrower are completed;
- (b) The new loan amount and/ changes in the terms and conditions of the existing loan account get duly reflected in the books of accounts of the Lender;

E. Procedure for applying for restructuring

The borrowers who wish to avail the loan restructuring facility can visit our nearest branch and submit an application in the prescribed format along with the copy of the documents mentioned therein. The borrowers can also submit the applications along with the prescribed documents to customercare@aptusindia.com. [Please refer Annexure II for loan restructuring application].

F. Due Diligence Process

The Company on receipt of a written request application/email from the Eligible Borrower, shall evaluate the proposal for restructuring of the loan account including evaluation of necessary documents.

On due evaluation of the request submitted by the Eligible Borrower, the concerned team of the Lender shall execute with the Eligible Borrower necessary amendment agreement or other necessary documents in order to record the revised terms and implement viable resolution plan.

G. Prudential Norms

Disclosure in the financial statements: The Company shall make appropriate disclosures about the restructured accounts in terms of this Policy in its annual financial statements under the “Notes to Accounts”.

Credit Reporting by the Company: The restructuring of loan granted to the Eligible Borrowers under this Policy will be treated as new restructured loan account and the credit history of the Eligible Borrowers shall consequently be governed by the respective policies of the credit information companies as applicable to accounts that are restructured.

H. Miscellaneous:

- (i) **Display on website:** The Board approved policy on restructuring of stressed assets will be hosted on the Company’s website for our customers information and benefit.
- (ii) **Effective Date:** This Policy shall be effective from the date of approval of this Policy by the Board.
- (iii) **Review of policy:** The Policy shall be reviewed as and when required by the applicable rules and regulations.
- (iv) While Policy outlines the broad internal guidance that the Company will follow to take decisions regarding this restructuring of stressed assets/loan, the Company retains the discretion to take decisions regarding this Policy depending on case specific issues or nuances. The Company reserves the right to amend the Policy within the framework of RBI guidelines.

In consonance with the regulatory framework and guidelines as provided by the RBI under the Circular and to facilitate our customers through this journey, we provide below certain Frequently Asked Questions (FAQs) to further answer any queries that our customers may have towards this purpose.

Frequently asked Questions (FAQs)**1. What is the restructuring scheme announced by RBI?**

RBI has announced the restructuring scheme as per its Circular dated August 6, 2020 to address the financial stress arisen out COVID -19 pandemic. Restructuring scheme can be offered to customers whose repayment is impacted due to COVID-19 crisis based on assessment of stress by Aptus and the viability of resolution plan.

2. What are the eligibility criteria for a borrower to avail loan restructuring?

The following are the eligibility criterion for considering an account for restructuring:

- (i) Borrowers whose accounts are classified as “Standard”, and not in default for more than 30 days with Aptus as on March 1, 2020 and continue to remain standard across all its loans till the date of invocation of the resolution plan i.e., the date on which both the borrower and Aptus have agreed in writing to proceed with a terms of the resolution plan. Until such time the restructured terms are implemented by Aptus, the borrower shall be required to continue to honour his/her obligations towards payment of PEMI/EMI/Instalments as per the terms and conditions of the main Loan Agreement.
- (ii) Borrowers who fall in the above category and are facing loss of jobs/reduction in income from their businesses due to COVID 19 pandemic, as per the assessment of Aptus, may be considered eligible for further reassessment under the resolution framework.

3. Do I need to submit any documents to avail of the restructuring benefit?

Borrowers shall be required to submit their request for resolution plan for restructuring with Aptus along with relevant documents (as may be required by Aptus) in support of their request for restructuring, for Aptus to assess the impact of COVID-19 on income/cash flows of the borrowers and decide on the viability of the restructured terms of the loan.

Implementation of the resolution plan for restructuring in respect of the loan account shall be at the sole discretion of Aptus and subject to the terms and conditions of the Board Approved Policy.

4. How can I request Aptus to restructure my loan?

For inquires related to restructuring, please visit our nearest branch or write to us at customercare@aptusindia.com. Kindly mention your loan account no. in the subject line of the mail.

5. Are there any additional costs or charges if I restructure my loan?

Aptus may levy a processing fee and charge a higher rate of interest as may be applicable should the borrower choose to restructure his/her loan.

6. Will opting for the restructuring package have an impact on my credit bureau report?

As per the RBI Circular, the borrower’s loan will be reported to the credit bureau as “Restructured” and the credit history of the borrowers shall consequently be governed by the



respective policies of the credit information companies as applicable to accounts that are restructured.

7. I hold multiple loan accounts with Aptus. Do I have to apply separately for each of these loans?

Yes, the borrowers shall have the option to apply for a resolution plan for restructuring all the loans with Aptus. Aptus shall assess the application of the resolution plan for restructuring of all the loans in respect of each of the loan accounts and the implementation of the resolution plan shall be at the sole discretion of Aptus, subject to the terms and conditions of the said RBI Circular and the Board Approved Policy.

8. Can I apply for restructuring now as I was not able to apply for moratorium before?

The scheme for restructuring is open to all borrowers/customers of Aptus irrespective of the moratorium applied status subject to the borrower meeting the regulatory guidelines on restructuring under the Circular and the terms and conditions of eligibility under the Board Approved Policy.

9. My loan was taken along with a co-borrower/s. Will all the co-borrowers of the original Loan Agreement be required to sign the revised restructuring agreement?

As per regulatory and legal requirements, all borrowers/co-borrowers of the main loan need to agree and sign on any changes in the loan structure including the restructuring agreement along with such other documents as may be required by Aptus for implementing the resolution plan.

10. What are the restructuring options that are available to me?

The residual tenor of the loan may be extended with or without payment moratorium, by a period not more than two years from the original term of the Loan.

APPLICATION FOR LOAN RESTRUCTURING**1. Name of Applicant(s):**

2. PAN of Applicant(s): _____**3. Loan Account Number for Restructuring:** _____**4. Registered Mobile Number:** _____**5. Registered Email ID:** _____**6. Reason for Income Disruption:**

7. Plan for Repayment of Loan:

Declaration: I/We hereby certify that all information furnished by me/us is true, correct and complete to the best of my/our knowledge and belief. I/We shall furnish all other information that may be required by Company in connection with my/our application. The information may also be exchanged by you with any agency you may deem fit. You, your representatives or any other agency as authorised by you, may at any time, inspect/ verify my/our assets, books of accounts etc. in my/our factory/business premises. You may take appropriate safeguards/action for recovery of Aptus Value Housing Finance India Limited's dues.

Signature

Name:

Place:

Date:



You are required to submit the application form along with below documents giving details about the current status of your employment or business along with self-attested photocopy of your KYC document (PAN, Aadhaar, Ration card etc) with the form.

Salaried	Self Employed
<ul style="list-style-type: none">• Up-to-date salary slips from March 2020• Up-to-date bank account statement from March 2020 for the account in which salary is credited• Proof of income disruption	<ul style="list-style-type: none">• Bank account statement for previous 12 months• ITR/Balance Sheet and P&L Account, if available• Any other Income documents• Proof of income disruption

Acknowledgement

Please Note that:

1. This is only an acknowledgement for having received the application and this should not be construed as an indication of our acceptance of the proposal, a decision on which will be taken only after due consideration of the proposal on its merit and / or on fulfilment of conditions if any, that may be stipulated by the Company.
2. The application will be taken up for consideration only after all the particulars / data / documents as may be required are received by the Company.
3. The application will be disposed of within 15 days from the date of receipt of all the details /papers/documents /clarifications sought by the Company.
4. In case the proposal is rejected/not considered the reasons for the same will be intimated to the applicant.

Loan Number: _____

Application Received

Signature & Stamp

Aptus Value Housing Finance India Limited