

COVID RELATED RESTRUCTURING 2.0

To Customers of Nivara Home Finance:

In line with RBI notification RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5th May 2021, the Board of Directors have approved a policy on restructuring of stressed accounts on account of Covid-19.

A brief summary of Covid related restructuring policy 2.0 is as below;

Eligible Accounts for Restructuring

1. The account should be Standard as on 31st March 2021
2. The account should be standard before implementation of the restructuring plan
3. Accounts where resolution plans had been implemented in terms of Resolution Framework 1.0.

Qualification Conditions & Resolution Plan

1. The borrower submits a written request to Nivara for restructuring
2. The request should be received on or before 30th September 2021
3. The restructuring plan can include, EMI holiday/ EMI moratorium, EMI reduction and or combination of all of above. However, the original loan tenor cannot be extended by greater than 2 years of the original sanction. The sanctioning authority can also approve additional loan depending on the borrower's situation.

However, for accounts where resolution plans had been implemented in terms of Resolution Framework 1.0, the overall caps on moratorium and/or extension of residual tenure granted under previous Resolution Framework and this resolution framework combined shall not exceed 2 years

4. The decision on the application shall be communicated in writing to the applicant within 30 days of receipt of such applications.

Due Diligence

1. The credit team will do a re-assessment of the borrower's income who has applied for restructuring. The credit team will quantify the amount of income affected compared to the original income assessed at the time of sanctioning of the loan. In case of income getting substantially affected the borrower will be eligible for restructuring.
2. The last date for invocation of resolution permitted under this window is 30th September 2021
3. The revised terms should be accepted by borrower in writing