

**FINO FINANCE PRIVATE LIMITED****(Formerly Intrepid Finance and Leasing Private Limited)**

**Registered Office** : Mindspace Juinagar, 9th Floor, Plot No. Gen 2/1/F, Tower  
1, TTC Industrial Area, MIDC Shirwane, Juinagar Navi  
Mumbai Thane 400706

**Corporate Identity Number** : U65921MH1994PTC216496

**Name of the policy** : Restructuring Policy

**Version** : 1.0

**Effective date of the policy** : 01<sup>st</sup> June, 2021

**Release Date/Review Date** : 29<sup>th</sup> May, 2021

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**RESTRUCTURING POLICY**

The resurgence of Covid-19 pandemic in India in the recent weeks and the consequent containment measures to check the spread of the pandemic may impact the recovery process and create new uncertainties. With the objective of alleviating the potential stress to individual borrowers and small businesses, RBI has issued a circular providing the banks and lending institutions a framework under which loans given to individuals and entities can be restructured.

**A. Eligibility for restructuring**

Customers meeting below mentioned criteria will be eligible for restructuring as per RBI circular under Resolution Framework 2.0

**Individuals and Small Businesses -**

1. Individuals who have availed loan for personal purpose.
2. Individuals who have availed of loans and advances for business purposes and to whom the lending institutions have aggregate exposure of not more than INR 25 Crores as on March 31, 2021.
3. Small businesses, including those engaged in retail and wholesale trade, other than those classified as micro, small and medium enterprises as on March 31, 2021, and to whom the lending institutions have aggregate exposure of not more than INR 25 Crores as on March 31, 2021.
4. Credit facilities / investment exposure to the borrower was classified as Standard by the lending institution as on March 31, 2021.

5. Loans which were availed on or before March 31, 2021 and affected by pandemic will be eligible for restructuring.

This will be applicable only for individuals and entities that have been impacted due to the COVID-19 pandemic.

**B. JLG loans eligibility for resolution plan under the Resolution Framework**

1. JLG Loan for Agri Allied activities like dairy, fishery, animal husbandry, poultry, bee-keeping and sericulture, then it will be allowed to be restructured under the resolution framework.
2. JLG Loans for Farm Credit like KCC, Pre and Post Harvest activities, Loan against Hypothecation of Crop Produce: Not eligible.
3. JLG Loans for other than Point 1&2 above: Will be allowed to be restructured under the resolution framework depending on the end use of the loan.

**C. Loans qualify under the definition of “Personal purpose”**

In terms of RBI circular DBR.No.BP.BC.99/08.13.100/2017-18 dated January 4, 2018

Personal loans refer to loans given to individuals and consist of (a) consumer credit, (b) education loan, (c) loans given for creation/ enhancement of immovable assets (e.g., housing, etc.), and (d) loans given for investment in financial assets (shares, debentures, etc.).

Consumer Credit as defined above refers to the loans given to individuals, which consists of (a) loans for consumer durables, (b) credit card receivables, (c) auto loans (other than loans for commercial use), (d) personal loans secured by gold, gold jewellery, immovable property, fixed deposits (including FCNR(B)), shares and bonds, etc., (other than for business / commercial purposes), (e) personal loans to professionals (excluding loans for business purposes), and (f) loans given for other consumptions purposes (e.g., social ceremonies, etc.). However, it excludes (a) education loans, (b) loans given for creation/ enhancement of immovable assets (e.g., housing, etc.), (c) loans given for investment in financial assets (shares, debentures, etc.), and (d) consumption loans given to farmers under KCC.

**D. Eligibility for restructuring if borrower has taken personal loan restructuring under resolution framework 1.0**

Borrower is eligible if he/she has availed restructuring 1.0 under personal loan restructuring. The tenor extension under restructuring 1.0 should be less than 24 months. Cumulative tenor extension under restructuring 1.0 and 2.0 should not exceed 24 months.

. Example	Scenario - 1	Scenario – 2	Scenario – 3
Restructured under Resolution Framework 1.0	Yes	Yes	Yes
Balance Tenor prior to restructuring 2.0 (A)	30 months	28 months	200 months
Additional Tenor provided during restructuring 1.0 included in (A): (B)	12 months	18 months	24 months
Additional Tenor Allowed under restructuring 2.0 (24 months less (B)): (C)	24 less 12 i.e. 12 months	24 less 18 i.e. 6 months	24 less 24 i.e. No Tenor Extension Allowed
Total Tenor Post restructuring 2.0 (A) + (C)	30 + 12 i.e. 42 months	28 + 6 i.e. 34 months	200 + 0 i.e. 200 months

#### E. Process

1. Customers are requested to reach out to their respective CRO/SO/Branch Managers for submitting the request for restructuring.
2. The company may require borrower to submit the following documents pertaining to your employment and business to determine the financial stress.
  - a. Self-employed Customers –KYC, Bank statement.
3. The customer who wish to apply for restructuring must have been impacted financially by the lockdowns due to COVID-19 pandemic in the form of reduction / loss of income which can be substantiated through:-
  - a. Reduction / suspension in salary
  - b. Job loss.
  - c. Closure of Business /Reduced business volumes
4. The application for restructuring will be reviewed by the Company based on documents/ information provided at the time of restructuring, detailed due diligence on viability of customer cash flows, responses provided by customer and repayment behavior of the customer in recent past.
5. Restructuring options will be available on login portal/Branch visit. Exact tenor and EMI will be decided based on assessment by the Company.

6. Tenure and EMI will be recalculated and advised to borrower during the restructuring process. It may include below process:-
  - a. Rescheduling of payments, conversion of any interest accrued or to be accrued into another credit facility, granting of moratorium etc. based on an assessment of income streams of the borrower
  - b. The moratorium period, if granted, may be for a maximum of two years, and 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 to borrowers, with or without payment moratorium. The overall cap on extension of residual tenor, inclusive of moratorium period if any permitted, shall be two years.
7. There will be no processing fees for restructuring.
8. Rate of interest will be as agreed in original agreement.
9. There will be impact on borrower's credit standing. As per the regulatory guidelines advised by RBI, loan/credit facility will be reported to the credit bureau as restructured due to Covid-19.
10. The last date to apply for relief under the framework is September 20, 2021.
11. All borrowers/co-borrowers of the original loan need to agree and sign on any changes in the loan structure including the restructuring agreement.
12. Additional loans are not allowed under this framework.
13. Only standard accounts as of March 31, 2021 are allowed for restructuring irrespective of subsequent status.
14. NPA accounts as of March 31, 2021 are not allowed for restructuring irrespective of subsequent status.

**F. Type of borrower(s) / credit facility (ies) are not eligible for restructuring (Personal & small businesses Category)**

The following type of borrower(s) / credit facility(ies) are **not eligible** for restructuring under RBI's Resolution Framework:

1. Farm credit as listed in Paragraph 6.1 of Master Direction FIDD.CO.Plan.1/04.09.01/2016-17 dated July 7, 2016 (as updated) or other relevant instructions as applicable to specific category of lending institutions.
2. Loans to Primary Agricultural Credit Societies (PACS), Farmers' Service Societies (FSS) and Large sized Adivasi Multi-Purpose Societies (LAMPS) for on-lending to agriculture.

3. Exposures of lending institutions to financial service providers. Financial service providers shall have the same meaning as in sub-section (17) of Section 3 of the Insolvency and Bankruptcy Act, 2016.
4. Exposures of lending institutions to Central and State Governments; Local Government bodies (e.g. Municipal Corporations); and, body Corporate established by an Act of Parliament or State Legislature.
5. MSME borrowers whose aggregate exposure to lending institutions collectively, is INR 25 Crores or more as on March 31, 2021.
6. Credit facilities provided by lending institutions to their own personnel/staff

This policy shall be hosted on the Company's website at [www.finofinance.in](http://www.finofinance.in)

This Policy for moratorium to the borrowers of retail products is approved by the Board of Directors of Fino Finance Private Limited by Circular Resolution no: 1/2021-22 dated May 29, 2021.

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