



Fasttrack Housing Finance Limited
(Formerly known as Fasttrack Housing Finance Private Limited)
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FASTTRACK HOUSING FINANCE LIMITED (“Company”)

Policy Framework for Resolution of Covid-19 Related Stress 2.0

1. Introduction

The Company has framed Policy Framework for Resolution of Covid-19 Related Stress 2.0 (“Policy”) in compliance with the Reserve Bank of India’s circular no. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses (“Resolution Framework 2.0”). The Company philosophy is derived from the Resolution Framework 2.0 which enables the Company to consider the implementation of certain resolution plans that may help to address the financial stress caused to borrowers during the Covid-19 pandemic. Resolution Framework 2.0 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 as specified in Resolution Framework 2.0.

2. Objective

Company shall endeavour to provide support to our borrowers, who have been financially impacted by the pandemic, in these unprecedented times. With the objective of alleviating the potential stress to individual borrowers and small businesses, Company shall lay down mechanism for the eligible borrowers, who are facing financial stress on account of the Covid-19. These include parameters for re-assessment, documentation to implement the resolution, a process to transition our eligible borrowers from their existing terms of repayment to a rescheduled one and system for redressing the grievance of borrowers who request for resolution under this framework and / or are undergoing resolution under this window.

3. Effectiveness

This policy shall come into effect from the date of approval by the Board of Directors of the Company or any committee of the Board to which power has been delegated.

4. Eligibility of Borrowers and due diligence considerations

- Borrowers that are classified as Standard as on March 31, 2021 by the Company.
- Borrower accounts should not have availed of any resolution in terms of the Reserve Bank of India vide its circular DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 on “Resolution Framework for COVID-19-related Stress” (“Resolution Framework – 1.0”) subject to the special exemption mentioned at Clause 22 of the Resolution Framework 2.0 where resolution plans had been implemented in terms of Resolution Framework – 1.0, and where the resolution plans had permitted no moratoria or moratoria of less than two years and / or extension of residual tenor by a period of less than two years, such plan can be modified only to the extent of increasing the period of moratorium / extension of residual tenor subject to the overall cap of two years, granted under Resolution Framework 1.0 and Resolution Framework 2.0 combined.



- The borrower has to be impacted financially by the Covid-19 pandemic in the form of reduction/loss of income or cash flows or having stress on account of Covid-19.
- The reduction of income and its financial impact on the borrower will be reviewed by Company basis the information provided by the borrower during visits or telephonic interaction with the borrowers or communication through letter or email. Apart from the above, the repayment track record of the borrower will also be factored in the decision.

5. Methodology

- Resolution can be carried out by one of following methods (or any other method which the Credit Committee of the Company may deem fit)
 - [a] Payment of only Interest on un matured POS for initial period of 6 months and then EMI payment from 7th month from implementation of resolution. OR
 - [b] Moratorium for 6 months from the date of resolution i.e. EMI payment will start from 7th month from implementation of resolution. OR
 - [c] Graded/structured EMI with EMI for first 6 months being 50% of the full EMI and EMI from 7th to 12th month being 75% of the full EMI, with full EMI from the 13th month.
- Overall moratorium can be given upto 24 months and the balance tenure of the loan can be extended by a period of a maximum of upto 24 months as per the Resolution Framework 2.0.
- Company may convert any interest accrued, or to be accrued, into another credit facility on case to case basis with approval of Credit Committee.
- In respect of borrowers where the resolution process has been invoked, additional finance may be sanctioned even before implementation of the plan in order to meet the interim liquidity requirements of the borrower.
- Company may increase or decrease the Rate of Interest and may charge Processing Fee on case to case basis on recommendation of Credit Committee.

6. Documents verification

- Application kit along with relevant documentation signed by all the borrower and co borrowers. (As per annexure – I)
- Signed Addendum Agreement duly franked with Rs. 100/- (Stamp Duty as applicable in respective state) and notarized, by all the parties. (As per annexure – II)
- Record of the Credit Committee approval (For internal use only).

7. Grievance Redressal Mechanism

- In case of any queries/complaint/grievance regarding the Resolution framework, the customer may refer to the Grievance Redressal Mechanism uploaded on the website of the Company on the following link:

<http://www.fasttrackhfc.com/Uploads/Policies/FHFL-GrievanceRedressalPolicy.pdf>

8. Amendment

The Board of Directors shall review/amend this policy if there are any amendments in Regulatory Guidelines.



Annexure – I

Application Request for Restructuring

From,

Mr. / Ms. / Mrs. _____

M. No:- _____.

Date:-

To,

The Branch Manager

Fasttrack Housing Finance Limited

_____.

Dear Sir / Madam,

Sub:- Restructuring of Loan having LAN:- _____

Your company has disbursed me a Housing Loan / Home Equity Loan of Rs. _____/- vide sanction letter dated _____. This letter is a formal request for restructuring of my running loan with Fasttrack Housing Finance Limited. Due to some unavoidable circumstances, which impacted our monthly family income hence I am unable to pay my EMI regularly. I sincerely want to keep my home by making regular payment but in the current situation it is not possible for me to do so and hence require some restructuring in terms of the loan.



I request that the monthly payment of EMI's to be reduced so that I can catch up and prevent delinquency in future.

I would appreciate it if we could work together to find a way to normalize my home loan / home equity loan payments.

I fully intend to pay my debt, but need some help until my income will be regular.

Thank You in anticipation.

Yours' sincerely,

(Name of Borrower)



Annexure - II

SUPPLEMENTARY FACILITY AGREEMENT

This Supplementary Facility Agreement (“**Supplementary Agreement**”) is executed at ____ day of, 20_.

BETWEEN

_____ R/o. _____
_____ (hereinafter called the “Borrower/s” which term so far as the context admits shall mean and include his/her heirs, executors, successors, administrators and legal representatives), of the First Part;

AND

FASTTRACK HOUSING FINANCE LIMITED, a company registered under the Companies Act, 1956 and having its registered office at Naman Midtown, A Wing, 21st Floor, Senapati Bapat Marg, Elphinston Road, Mumbai-400 013, (hereinafter called “FTHFC/Lender” which term so far as the context admits, shall mean and include their successors and assigns hereinafter referred to as "FTHFC" (which expression shall unless the context otherwise requires, include its successors and permitted assigns) of the Second Part.

The Borrower/s and FTHFC /Lender are referred to herein singly as a “**Party**” and together as the “**Parties**”

WHEREAS

- A. The Borrower/s and the FTHFC /Lender have entered into a Master Facility Agreement dated(hereinafter referred as the “ Master Facility Agreement”) pursuant to which the FTHFC /lender had advanced Housing Facility of Rs. _____ to the Borrower/s on the terms and conditions as stated in the Facility Agreement.
- B. The Borrower/s has requested the FTHFC /Lender to restructure the Loan Account Number _____ by restructuring the tenure, EMI and Rate of interest.
- C. The Parties hereto are now desirous of executing this Supplementary Agreement on the terms and conditions contained hereinbelow:

NOW THEREFORE THESE PRESENTS WITNESSETH THAT:

- 1. This Supplementary Agreement shall be supplemental to the Master Facility Agreement and shall form part and parcel of and is to be read with the Master Facility Agreement executed between the FTHFC/Lender and the Borrower/s.
- 2. The Capitalized terms used but not defined herein shall have the meanings assigned to them in the Master Facility Agreement.



3. SUPPLEMENTAL TERMS

(i) Upon the request of the Borrower/s, FTHFC had agreed to do the Structuring of the Loan Account number _____ whereby amending the tenure, EMI and Rate of Interest.

(ii) The Schedule II B of the Facility Agreement shall stand amended to the extent as under:

Clause B of Schedule II B of shall stand substituted with the following clause:

(B) DEFINITION:

- a) Adjustable Rate of Interest (AIR) : Reference Rate (+) / (-) _____ p .a [Reference Rate: _____ %]
- b) Pre-EMI Interest if Applicable (AIR) : Reference Rate (+) / (-) _____ p .a [Reference Rate: _____ %]
- c) Reference Rate shall mean Prime Lending Rate declared by FTHFC from time to time as per NHB guideline

(iii) **Clause D (b) of Schedule II B** of the Facility Agreement shall stand substituted with the following clause:

Clause (D) (b) Loan and AIR to be payable by customer as under:

EMI/Monthly Installment (MI) Amount	No. of EMI/MI	Period		Payable Monthly on or Before
		From	To	

4. Save and except the amendments contained herein, all other provisions of the Master Facility Agreement shall continue to be valid and subsisting and remain in full force and effect and shall apply mutatis mutandis to this Supplementary Agreement as if each of the said provisions were specifically set out in Supplementary Agreement.

IN WITNESS WHEREOF the Parties hereto have caused these presents to be executed on the day, month and year hereinabove written.



Signed and Delivered by

Borrowers:

1) _____

2) _____

3) _____

Signed and delivered by

For, FASTTRACK HOUSING FINANCE LIMITED

Authorized Signatory

by the hand of Mr./Ms. _____