

SELF HELP- PROMOTION FOR HEALTH AND RURAL DEVELOPMENT(SHEPHERD):

The following are the policy guidelines adopted by SHEPHERD with regard to implementation of the Resolution Framework 2.0 as per the Board approved policy of SHEPHERD organization. (Individual (IGP) Loans/Housing micro 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 and Small Businesses.

Eligibility and Applicability	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 Individuals (IGP) Loans/ Housing micro loans, & Small Business Loans including COVID Relief Loans: The Resolution Framework 2.0 is applicable to Individuals who have availed micro credit loans, Housing micro Loans, & Small Business Loans including COVID Relief Loans from SHEPHERD organization.
Identification of Stress	1. Individual (IGP) loans/ Housing micro Loans, & Small Business Loans including COVID Relief Loans: Identification of stress shall be based on the loss of earnings due to Covid pandemic through a self-declaration (submitted by the borrower).

<p>Invocation of Resolution Plan</p>	<p>Resolution under this framework shall be provided only to the borrowers having stress on account of Covid-19.</p> <p>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.</p> <p>The resolution process under this window shall be treated as invoked when the organization and the borrower agree to proceed with the efforts towards finalizing a resolution plan to be implemented.</p> <p>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 of receipt of such applications.</p> <p>The date of such communication by the company to the borrower agreeing to the Resolution Plan shall be treated as the date of invocation.</p>
<p>Conditions of implementation of Resolution Plan</p>	<p>The resolution plan shall be deemed to be implemented only, if all of the following conditions are met:</p> <ul style="list-style-type: none">a. All related documentation, including execution of necessary agreements between organization and borrower are completed.b. The changes in the terms of conditions of the loans get duly reflected in the books of the organization and,

	<p>c. Borrower is not in default with the organization as per the revised terms.</p>
<p>Features of Resolution Plan 2.0</p>	<p>The resolution plans consist of the following:</p> <ul style="list-style-type: none"> • Rescheduling payments of instalments/EMIs of loans. Conversion of any interest accrued, or to be accrued, into another credit facility, or, granting of moratorium, based on an assessment of income streams of the borrower, subject to a maximum of two years 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 two years. <p>2. Individual IGP, Housing micro-Loans for Business Purposes and Small Business Loans.</p> <p>The following scenarios shall be followed</p> <ul style="list-style-type: none"> • organization may allow extension of the residual tenor of the loan, with or without moratorium, by a period not more than two years. The moratorium period, if granted, shall come into force immediately upon implementation of the resolution plan under this framework.

	<ul style="list-style-type: none"> • 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 maximum of two years. • organization may also exercise option to reschedule repayment of Principal/Interest. With all the steps, repayment period can be extended up to a maximum of 2 years only. • Fresh repayment schedule to be generated in case of Term Loans, where Resolution Plan is implemented under this framework.
<p>Extension of moratorium and residual tenor of loans where Resolution Framework 1.0 implemented</p>	<ul style="list-style-type: none"> • In case of borrowers where resolution plan had been implemented in terms of the Resolution Framework – 1.0, and where the resolution plan had availed no moratorium or moratorium of less than two years and / or extension of residual tenor by a period of less than two years, it is now permitted to modify the moratorium and extension of residual tenor up to a period of two years only. The overall caps on moratorium and / or extension of residual tenor granted under Resolution Framework – 1.0 and this framework combined, shall be maximum of two years. • However, the same can be permitted to accounts which are fulfilling the criteria under Resolution Framework 2.0. <p>The guidelines regarding eligibility, invocation and implementation shall be applicable.</p>

Rate of Interest	1. Individual (IGP), Housing micro loans & Small Business Loans including COVID Relief Loans: Existing ROI will continue
Documentation Charge	IGP, Housing micro-Loans and Business purposes and Small Business: One-time Cost of Rs 300 (Three hundred only).
Security	Clean in nature
Disclosure and Credit Reporting	The credit reporting by the organisation in respect of borrowers where the resolution plan is implemented under this window shall reflect the “restructured due to COVID-19” status of the account. 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.
Grievance Redressal:	In case of any customer grievance arising due to Resolution Plan 2.0, Customer would have the option to register the grievance on organization's website. Existing Grievance

	<p>Redressal Mechanism would be applicable to grievances arising due to Resolution Plan 2.0 as well.</p>
Miscellaneous Aspects	<ol style="list-style-type: none">1. If a borrower has more than one loan account, then Requests for Resolution would be required to be given separately.2. Chief manager/ program me coordinator of SHEPHERD would be the Nodal authority for the implementation of this Resolution framework.
contact:	<p>If any customer needs any clarifications on SHEPHERD's Resolution plan as above, please contact your nearby SHEPHERD Branch for further details. (or)</p> <p>kindly contact: 0431-2780648 (or) contact@shepherd.india.org</p>