

**COVID-19 MORATORIUM POLICY
OF
SAMBANDH FINSERVE PRIVATE LIMITED**



OBJECTIVE OF THE “SFPL - COVID -19 Moratorium Policy “

The objective of “SFPL - COVID -19 Moratorium Policy” herein after also referred as Moratorium Policy, is to allow a moratorium of up to three (3) months till date 31st May 2020, to all eligible borrowers/clients as per the RBI's directive vide their circular on " COVID-19 – Regulatory Package" dated March 27, 2020 (RBI COVID- 19 Circular) and advisory by SROs – MFIN and Sa-Dhan wrt the same.

The moratorium is to be availed by the borrowers/clients after their properly understanding the implications of availing the offer and subsequently their putting a request in a prescribed “form of moratorium agreement” which has to be understood and then signed by the borrower/client for availing the moratorium.

The Financial Service Officers (FSOs) will inform and educate the borrowers/clients through phone or/and in person after the lockdown, keeping all necessary social distance directives of the Government, Regulators, Authorities etc., about the implications of availing the offer, especially with respect to accrued interest during the moratorium, change in repayment schedule and loan tenure.

TYPE OF LOANS COVERED

This Moratorium policy applies to all installments of all borrowers/clients with respect to all types of loan. The term "installments" means principal and/or interest installments and equated monthly installments. The repayment schedule and residual tenor of such loans will be “shifted” by the period of the “moratorium” availed by respective borrowers/clients. Interest will continue to accrue on the outstanding amount for the period of the moratorium.

ACCRUED INTEREST

- For the borrowers/clients who have wished to avail the moratorium, after signing the Moratorium Agreement, the interest on the outstanding portion of their loan will continue to accrue during the opted moratorium period.
- A new repayment schedule will be made for those borrowers/clients who have availed the moratorium and informed to them in writing, about their new EMI and new tenure of their loan.

- The accrued interest for the moratorium period to the borrowers/clients, will be calculated as per the Same Interest Rate, as agreed in the original agreement of their loan.
- There will be NO ADDITIONAL CHARGE OF INTEREST – on the “Moratorium Period Interest”.
- The amount of interest accrued during the moratorium period, has to be collected proportionately over the residual tenure (along with increased instalment amount).

ELIGIBLE BORROWERS

All the borrowers/clients as on 1st March 2020 are eligible to get the moratorium benefits other than the Borrowers/clients whose loan accounts are NPA before 29th February 2020.

ASSET CLASSIFICATION

As per the Board’s “SFPL - COVID-19 Moratorium Policy” Package, which is in accordance with RBI COVID-19 Circular dated March 27, 2020, the Moratorium availed by the borrowers/clients will not be treated as concession or change in terms and conditions of their loan agreements due to financial difficulty of the borrowers/clients and therefore shall not result in any asset classification downgrade. The asset classification changes shall be determined only on the basis of the revised repayment schedule and the revised due dates.

CREDIT INFORMATION COMPANY (CIC) REPORTING

As all borrowers/clients who have agreed to avail the Board approved Moratorium Policy, will not be considered as a default for the purposes of supervisory reporting and therefore there will be no-reporting of such borrowers/clients to credit information companies.

However, record has to be maintained with respect to the days-past-due (DPD) status of loan as on 29th February 2020 until the loan’s first repayment due date after the moratorium period.

For the loans where moratorium is availed by the borrowers/clients for March 2020, as per Board approved Moratorium Policy, before the monthly report submission to CICs, the management must note to cure the non-repayments status of all loans getting delinquent in March 2020.

MORATORIUM

All borrowers/clients who wish to avail the moratorium, shall be allowed for up to three months moratorium on payment of all unpaid installments, falling due by May 31, 2020. The moratorium to all borrowers/clients as per Board's "SFPL - COVID -19 Moratorium Policy" Package, will end on May 31, 2020 unless and until further extension to be decided by the Board.

All other borrowers/clients who are not interested to avail the moratorium under the "SFPL - COVID -19 Moratorium Policy" Package, to avoid the accrued interest for the moratorium period, they can continue to repay as per their original repayment schedule. In all cases, a self-declaration form signed by the borrower/clients shall be collected stating that, they do want to / not to want to avail the moratorium.