

Rescheduling of Payments as per RBI COVID-19 Relief Package

VERSION : 1

PRODUCT: All Term Loans (Secured and Unsecured)

COMPANY: Religare Finvest Limited



Policy Date: 03 April 2020

Purpose: Policy Manual for Rescheduling of Payments

Rescheduling of Payments – All Loans

RBI through its COVID-19 circular released on March 27, 2020 inter alia announced certain regulatory measures to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure the continuity of viable businesses. This policy in line with the said circular aims at easing financial stress caused by COVID-19 disruptions by relaxing repayment schedule.

Applicability: All terms loans (both secured and unsecured) outstanding as on 01st March 2020.

Relief: Following one time relaxations are permitted by Religare Finvest Limited (RFL):

1. Moratorium:
 - a. Moratorium on payment of all instalments (to include principal and/ or interest components, bullet repayments, Equated monthly instalments) falling due between March 1, 2020 and May 31, 2020.
 - b. The repayment schedule for such loans as also the residual tenor, will be shifted by maximum of three months depending on the no. of months of moratorium availed of by the borrower. For example, the current loan tenor which has to end by 15 March 2021 and the borrower avails of full 3 months of moratorium, post the said relaxation the loan tenor will be extended by 3 months and will end by 15 June 2021. The said relief in the repayment is just a deferment of the dues and it is not the waiver.
 - c. Interest on contractual rate shall continue to accrue on the outstanding portion of these loans during the moratorium period.

2. Classification as Special Mention Account (SMA) and Non-Performing Asset (NPA) :
 - a. As the moratorium/deferment is being provided specifically to enable the borrowers to tide over economic fallout from COVID-19, therefore the same will not be treated as concession or change in terms and conditions of loan agreements due to financial difficulty of the borrower under paragraph 2 of the Annex to the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 dated June 7, 2019 (“Prudential Framework”). Consequently, such a measure, by itself, shall not result in asset classification downgrade
 - b. The asset classification of term loans which are granted relief shall be determined on the basis of revised due dates and the revised repayment schedule.
 - c. The rescheduling of payments, including interest, will not qualify as a default for the purposes of supervisory reporting and reporting to Credit Information Companies (CICs) (including CRILC for reporting of exposures >Rs.5cr) by the lending institutions. Operations & Risk Analytics team shall ensure correct reporting feed to all CICs in line with the above.

Other Conditions for the above relief measures:

1. Wherever the exposure is Rs. 5 crore or above as on March 1, 2020, it is required to maintain an MIS on the reliefs provided to its borrowers which shall inter alia include

borrower-wise and credit-facility wise information regarding the nature and amount of relief granted. Format of such MIS is appended as an Annexure –I. Risk Analytics team will maintain the MIS and will circulate the same to the Management Team.

2. All the cases, wherein the bounce has happened during period March 1, 2020 and May 31, 2020, shall not be marked 'Bounce' in the system and to be tagged as "MORT0320 Relief".
3. Interest accrued during this moratorium period shall be paid by customer either upfront or by way of revised enhanced EMI spread equally over residual period to ensure IRR is maintained.
4. All Borrowers' shall be informed through digital mode, about this moratorium and revised schedule of repayment. Borrowers who willingly request for payments during this moratorium period, shall be allowed to make payments and the same be adjusted to their respective EMIs.
5. Once approved, key and relevant parts of the policy shall be uploaded on the website of the company.
6. For structured repayment cases, the revised repayment schedule basis underlying cash flow will be arrived at and an approval of "Moratorium Relief Committee" as referred in point 8 below shall be obtained. The revised repayment schedule shall be subject to moratorium not exceeding 3 months and overall tenure not getting extended by 3 months and contracted IRR being maintained.
7. For cases which have been assigned to PTC/ Direct Assignment, moratorium is subject to the approval from the PTC owner / Direct Assignment Assignee.
8. A management committee named 'Moratorium Relief Committee' is being formed to approve the "standard Operating Procedure" and other routine changes within this policy for smooth operationalization of the above policy. The members to this committee will be nominated by the Group Executive Chairperson. Any subsequent changes/ modification to this committee shall also be approved by the Group Executive Chairperson.
9. This policy shall be revised / updated basis any subsequent clarifications and/or modifications advised by RBI to this regard. The above referred 'Moratorium Relief Committee' is authorised to take suitable decision to this regard.

Annexure-I

| Cust Id | App Id | Customer Name | Product | Sanctioned Amount | POS as on 01 March 2020 | Tenor Remaining | Moratorium Period | Original EMI | Original Loan End date | Revised EMI | Revised Loan End date |
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