

**FINOVA CAPITAL PRIVATE LIMITED**  
**POLICY ON MORATORIUM TERM LOAN - COVID 19**

**Background and Objective:**

Reserve Bank of India, vide its circular dated 27-03-2020, has permitted various lending institutions to grant a moratorium of 3 months on payment of all instalments (PEMI / EMI) falling due between March 1, 2020 and May 31, 2020. In view of the extension of lockdown and continuing disruption on account of COVID-19 pandemic, RBI vide its Circular DOR.No.BP.BC.71/21.04.048/2019-20 dated May 23rd, 2020 has permitted to extend the moratorium by another three months i.e. from June 1, 2020 to August 31, 2020 on payment of all instalments in respect of term loans.

Finova Capital Private Limited (hereinafter referred as "the Company") recognizes its role as a responsible corporate citizen and endeavours to mitigate the burden of debt servicing brought about by disruption on account of COVID-19 pandemic.

The above RBI Notification inter alia mandates disclosure, in public domain, the Board approved policy for providing above mentioned reliefs. Accordingly, the following customer specific points of the Board approved Policy of the company is placed for information of the customers.

We are happy to provide another three months moratorium facility to our customers having loan outstanding on June 01, 2020, whether their account being standard or otherwise. Further, if the Company is unable to reach any of its borrower during its outreach by any means adopted to seek concurrence for availment of option of moratorium by them, then in such a scenario it would be considered as deemed acceptance at the end of borrower to avail moratorium as a mark of our solidarity towards our borrower and based on presumption that they must be going through undue hardship. The tenor of the term Loan will get extended by moratorium period without the change in amount of EMI/PEMI. The Company will activate the moratorium for the unpaid EMI/PEMI of June 2020 if any, and for EMI/PEMI of July and August 2020.

During the moratorium period interest shall continue to accrue and to be charged to the customer but customer has either of the following two options to pay:

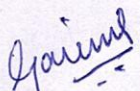
- Customer shall pay the interest of moratorium period along with next EMI/PEMI due in the month of September 2020, OR
- Interest accrued for the moratorium period will be added to the loan outstanding and the repayment schedule shall be redrawn in such a manner that the EMI amount and IRR for the company remains the same and recovery is done by extending his/her tenor to the extent required.

Interest accrued for the period of moratorium will be charged at the same rate as contracted for the respective loan.

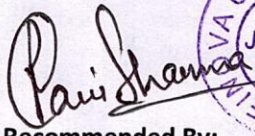
There will be no moratorium for overdues prior to March 01, 2020. Hence in case customer has any overdue instalments and/ or other dues pertaining to the loan repayment prior to 1st March 2020, The customer will have to pay such overdues immediately, to avoid normal penal charges and reporting to bureau.

The MD & CEO is authorised to approve any operational procedures/guidelines/ Structural changes, as may be required to implement the policy and make any changes to the policy in line with the directions/guidelines/clarification issued by RBI from time to time if required.

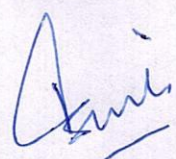
Once a customer approaches the Company with a request for moratorium, it will be at the sole discretion of the Company to accept or reject the request.

  
**Prepared By:-**  
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