



**Indiabulls Consumer Finance Limited**  
(Formerly IVL Finance Limited)  
(CIN: U74899DL1994PLC062407)

## **POLICY ON MORATORIUM ON LOANS DUE TO COVID-19 DISRUPTION**

Three-month moratorium and subsequent re-schedulement of terms in borrower accounts to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic

[Approved by the Risk Management Committee on March 28, 2020, and by the Audit Committee on March 28, 2020]

This policy has been drawn following the Reserve Bank of India's [RBI] notification RBI/2019-20/186 DOR.No.BP.BC.47/ 21.04.048/2019-20, dated March 27, 2020, regulatory measures were announced 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 shall be applicable to all term loans and/or working capital facilities outstanding as on March 1, 2020 ["Said Loan[s]"] and/or any other loans which may be permitted under the Applicable Laws.

### **Rescheduling of Term Loan Payments**

The Company may consider, at its discretion keeping in view, inter alia, the credit & risk parameters of the borrower[s] and any legal proceedings, granting a moratorium of three months on payment of all instalments falling due between March 1, 2020, and May 31, 2020. The repayment schedule for such loans as also the residual tenor will be shifted across the board by three months after the moratorium period.

Interest shall continue to accrue on the outstanding portion of the Said Loan[s] during the moratorium period and the borrower[s] shall be liable to pay the same in terms of the revised payment schedule, which shall be communicated by the Company. However, in case of any working capital facility, the accumulated accrued interest shall be payable by the borrower[s] immediately after the completion of the moratorium period.

The instalments referred to above include the following:

- Principal and/or interest components
- Bullet repayments
- Equated Monthly instalments
- Other contracted charges
- Interest, principal and other charges of overdraft lines of credit and working capital facilities

The borrower(s) shall continue to abide all other terms and conditions of the loan documents and the Applicable Laws.

### **Classification as Special Mention Account [SMA] and Non-Performing Asset [NPA]**

Since the moratorium/deferment/recalculation/re-schedulement is being provided specifically to enable the borrowers to tide over economic fallout from COVID-19, in keeping with RBI's notification, the same will not result in asset classification downgrade.

The asset classification of term loans which are granted this relief shall be determined on the basis of revised due dates and the revised repayment schedule.

The rescheduling of payments, including interest, will not be reported as a default for the purposes of supervisory reporting and reporting to Credit Information Companies [CICs].

### **Risk Management Committee**

The Risk Management Committee [RMC] is authorised to put in place appropriate processes and policies to effect the extension of this relief to the Company's customers wishing to avail of it. The RMC is also authorised to scope Technology and other logistical requirements and implement appropriate solutions. Clear instructions are to be issued to relevant staff regarding the implementation of this policy. Suitable MIS will be maintained for all accounts that have availed of this relief and portfolio performance will be tracked.

This policy shall be subject to, and read with, the RBI COVID-19 Circular and/or the other Applicable Laws and/or any changes to this policy approved by the Board of Directors of the Company in line with the Applicable Laws. Further, in case of any issue[s]/matter[s] which is/are not specifically mentioned/covered under this policy and/or in case of any ambiguity, the RMC and/or any designated employee[s] [as approved/delegated/specified by the RMC from time to time] are authorised to take appropriate decisions, issue clarification and do all such acts, deeds and things to give effect to this policy, the RBI COVID-19 Circular and/or the other Applicable Laws.

This policy comes into force with immediate effect