

Policy on Rescheduling of Instalments

Reserve Bank of India, vide its circular dated 27-03-2020, has permitted various lending institutions including Micro Finance Institutions to grant a moratorium of three months on payment of all instalments falling due between March 1, 2020 and May 31, 2020. Accordingly, the Board of Directors of Satin Creditcare Network Limited have approved following policy guidelines on rescheduling of Installments.

- i) CMD, Group Controller and CFO (Authorized Officials) are authorized to take a call on deferment of repayment of principal / interest on company's borrowings based on prevailing situation.
- ii) As far as Satin's borrowers are concerned, Customers who want to continue with the original schedule of installments will be allowed to continue with the option after a request from them.
- iii) As far as Satin's borrowers who want to exercise the moratorium, CMD, Group Controller and COOs (Authorized Officials) are authorized to take operational decision on the moratorium.
- iv) Based on the geography/segment or any other pertinent factor Authorized Officials may decide to propose or defer all the interest/principal payments due from 01st March 2020 to 31st May 2020, subject to the consent of the borrowers. *Hence, it is proposed to grant 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 term loans during the moratorium period. However, many borrowers have already paid installments in the month of March 2020. Such borrowers shall be granted deferment for period starting the date of last instalment payment in the month of March, 2020 up to 31st May, 2020, subject to the consent of the borrowers.
- v) No penalty shall be charged for deferred installment for both fresh loan disbursements and for existing loan repayments during this period.
- vi) In case any borrower does not want deferment of installment, he / she will have to communicate the same to the Company. Non- communication or delayed communication shall be treated by default as acceptance of deferment by that particular borrower(s).
- vii) 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) by SCNL.
- viii) The existing instalments falling due up to 29th February 2020 will have to be paid as early as possible and penalty will be levied on any defaults of such installments

as per existing guidelines.

- ix) While our recovery and Branch staff shall make all possible efforts for recovering the overdue in time, they have to adopt softer approach (wherever required) in view of the prevalent conditions.
- x) Authorized Officials are authorized by the Board to approve any operational procedures/guidelines as may be required to implement the policy and make any changes to the policy in line with the directions/guidelines issued by RBI from time to time.
- xi) The decision on the deferment of installment shall be applicable to all loans irrespective of loan asset classification. However, such deferment will not be applicable in case voluntary payment/prepayment by borrowers voluntarily.
- xii) The Authorized Officials are authorized to approve any operational procedures/guidelines as may be required to implement the policy and make any changes to the policy only in line with the directions/guidelines issued by RBI from time to time.
- xiii) This policy will come into force with effect from 28th March 2020 and remain effective till 31st May, 2020.