



**Motilal Oswal Home Finance Limited (MOHFL)**

**POLICY ON MORATORIUM OF LOANS**

**Approved By**

Board of Directors through Circular Resolution passed on <b>March 31, 2020</b>	
Title	<b>MOHFL Policy on Moratorium of Loans</b>
Date of Latest Release	May 23, 2020
Reviewed By the Board of Directors at its Meeting Held on May 23, 2020	

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## VERSION DETAILS

Sr. No.	Details of Changes	Date of Creation/Change	Department	Author	Version Number	Approved By
1.	Original Document	March 31, 2020	Compliance	Compliance	Ver. 1.0	Board of Directors
2.	Changes due to amendments in the regulatory provisions.	May 23, 2020	Compliance	Compliance	Ver. 1.1	Board of Directors

## POLICY ON MORATORIUM OF LOANS

### 1. BACKGROUND AND OBJECTIVE

The World Health Organization recently declared COVID 19 to be a pandemic. Like some of the other countries in the World, the virus' impact has led the Indian Government to announce a lockdown across the country, to restrict it from spreading further. As a result, the country's economy is impacted and this has a direct impact on loan repayments as well.

Considering this issue, on March 27, 2020 the Reserve Bank of India (RB) announced various measures including moratorium on EMI payment for term loans/ deferment of interest in working capital facilities. (RBI Notification Ref: no RBI/2019-20/ 186 DOR.No.BP.BC.47/21.04.048/2019-20 "COVID-19 - Regulatory Package" dated March 27, 2020) and RBI Press Release on Statement on Development and Regulatory Policies dated May 22, 2020. These measures include moratorium on term loans, deferring interest payments on working capital and easing of working capital financing.

We are proposing as one time measure to offer the facility of **moratorium of 3 months** to the selected base of customers. Further RBI has given extension by another 3 months i.e. June 1, 2020 to August 31, 2020. The decision of moratorium on term loan is taken as there is delay in cash flows for the business & self-employed and salary credits for the salaried segments.

### 2. ELIGIBILITY CRITERIA

- All delinquent customers whose 1 or more EMI is pending, moratorium of upto 6 months be offered (March to August).
- All non -delinquent customer, moratorium of upto 6 months be offered (March to August), subject to customer request.
- In cases, where customer has not approached and not paid the EMI will be considered as beneficiary of moratorium at the discretion of authorized officials for said purpose.
- The customers must submit consent for terms and conditions governing the moratorium and for the revised repayment schedule.

- The offer of moratorium and acceptance may be through any mode of communication (Email/SMS/Digital Document/Voice Recording/Physical Document) and must be recorded.

### 3. DETAILS OF RELIEF

- Moratorium of EMI/Interest deferment due from the month of March 1, 2020 to August 31, 2020.
- The tenor of the Term Loans will get extended by another 3 months without the change in amount of EMI with the deferred installments being collected after the end of original tenor, with interest of the deferred period capitalized and recovered thereafter.
- Collection process will be ongoing.

### 4. AUTHORISED OFFICIALS

The following persons are authorised to undertake all necessary amendments to the Policies as necessitated from time to time and undertake such actions, activities, execution, decisions:

- Any one of the Director of the Company or
- Chief Financial Officer
- Vivek Kannan

### 5. REVIEW/REVISION OF POLICY

If at any point a conflict of interpretation / information between the Policy and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/ directions issued by relevant authorities (“Regulatory Provisions”) arises, then interpretation of the Regulatory Provisions shall prevail.

In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the Policy shall stand amended accordingly from the effective date specified as per the Regulatory Provisions. The Board and/or its Committee reserve(s) the right to alter, modify, add, delete or amend any of the provisions of the Policy.

**NOTE:** *Once a customer approaches MOHFL with a request for EMI moratorium/interest deferment, it will have to be evaluated and if satisfied with the merits of the case, EMI moratorium/interest deferment will be considered at the sole discretion of MOHFL.*