



Moratorium Scheme for Borrowers impacted by COVID-19

Reserve Bank of India (RBI) announced “COVID-19 – Regulatory Package” on March 27, 2020 in order to support borrowers affected by the COVID-19 pandemic. Most of the borrowers of Spandana Sphoorty Financial Limited (Spandana) belong to the low-income section of the society and may have been impacted by the pandemic and/or by the nation-wide lockdown. In order to support such borrowers during these trying times, Spandana would like to extend the following measures:

Eligibility:

- Borrowers who have a loan outstanding as of March 27, 2020
- Borrowers who are affected either by the COVID-19 pandemic or whose economic activities are affected because of the nation-wide shutdown from March 25, 2020 till the end of the shutdown in their respective districts.
- Borrowers seeking such assistance shall not have any overdue instalments as of March 1, 2020

Moratorium:

- Borrowers may choose:
 - to not avail the moratorium and pay **the dues, if any, since March 1 and continue to pay** instalments regularly;
 - OR
 - to avail moratorium by deferring any or all the instalments due between March 1 to May 31, to the extent not already paid (“Moratorium Period”);
- Instalment shall include principal as well as interest due during the Moratorium Period
- Residual tenor of the loan given to borrowers availing moratorium shall be extended by the duration of the moratorium availed by the borrower. If the borrower avails moratorium for 30 days, the tenor of the loan shall also be extended by 30 days only

Accrued Interest:

- Interest shall accrue on the loan outstanding during the Moratorium Period at the rate at which such loan was given to the borrower
- Interest due for the Moratorium Period will be recovered after the end of Moratorium Period.

Other Conditions:

- All other terms and conditions of the respective loan shall remain unchanged and in full force and effect except for changes in tenor, repayment schedule, interest accumulated during the Moratorium Period and other necessary changes to accommodate moratorium request of the borrowers
- There is no moratorium on overdues prior to March 1, 2020 and the overdue period i.e. days past due (dpd) will continue to increase until the full overdues are paid
- There shall be no impact on the credit history on account of borrowers availing this moratorium
- Any asset classification changes shall be determined on the basis of the revised repayment schedule and the revised due dates