

## JAIN SONS FINLEASE LIMITED

### VERSION CONTROL:

Version	Date of Adoption	Particulars	Owner	Custodian	Approving Authority
1.0	31-Mar-2020	Policy on Covid-19 Pandemic	Credit-Risk Department	Compliance	Board of Directors

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**POLICY DETAILING GUIDELINES ON PROVIDING RELIEF TO BUSINESSES DISRUPTED ON ACCOUNT OF  
COVID – 19 PANDEMIC**

**SECTION A:**

RBI vide circular No. DOR.No.BP.BC.47/21.04.048/2019-20 dated 27.03.2020 has released guidelines 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.

The reliefs/relaxations detailed as per the circular are as below:

**A) Rescheduling of Payments – Term Loans**

In respect of all term loans (including agricultural term loans, retail and crop loans), all commercial banks (including regional rural banks, small finance banks and local area banks), co-operative banks, all-India Financial Institutions, and NBFCs (including housing finance companies) (“lending institutions”) are permitted 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.

\* Instalments will include the following payments falling due from March 1, 2020 to May 31, 2020: (i) principal and/or interest components; (ii) bullet repayments; (iii) Equated Monthly instalments.

**B) Rescheduling of Payments - Working Capital Facilities**

In respect of working capital facilities sanctioned in the form of cash credit/overdraft (“CC/OD”), lending institutions are permitted to defer the recovery of interest applied in respect of all such facilities during the period from March 1, 2020 up to May 31, 2020 (“deferment”). The accumulated accrued interest shall be recovered immediately after the completion of this period.

The asset classification of term loans which are granted relief/relaxation as defined in point A shall be determined on the basis of revised due dates and the revised repayment schedule. Similarly, working capital facilities where relief is provided as per point B above, the SMA and the out of order status shall be evaluated considering the application of accumulated interest immediately after the completion of the deferment period as well as the revised terms. 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 Intellegrow.

## SECTION B:

As per the circular, RBI has asked the lenders to provide the above-mentioned relaxations to all “eligible borrowers” to enable them to tide over economic fallout from COVID-19. Accordingly, following guidelines/processes are defined under the proposed framework.

**I. ELIGIBLE FACILITIES TO BE CONSIDERED:** The following facilities shall be covered under the relief framework:

- i) Term Loans
- ii) Working Capital Term Loans
- iii) Bill Discounting facilities

**II. DEFINITION OF ELIGIBLE BORROWERS:** The proposed framework shall broadly cater to the following types of Borrowers:

- a) SME Loan
- b) Business Loan (financial based and banking surrogate)
- c) Cluster Loan
- d) MFI/BC/NBFC-MFI/NBFC- Fintech Loans
- e) Direct Assignment – Borrowers
- f) Loans through partnerships – Finwego, FT cash
- g) Facilities disbursed during March 2020

Covid 19 pandemic has posed an extraordinary and unprecedented challenges to the society and economy at large. It is expected to leave a mark on every section of society and all sort of economic activity irrespective of its size and scale. Since Intellegrow as an organisation is focused on lending in SME space and have varied kind of borrowers in its portfolio like small manufacturing/trading/service set ups as well as small establishments like Shopkeepers/Kirana Stores/retailers/merchants along with MFI and small NBFCs. Most of the borrowers are witnessing disruption in their normal business activity which is adversely impacting their cash flow. As a gesture of support to its borrowers Intellegrow has decided to extend benefit of moratorium, as advised by RBI, to all its borrower.

Borrowers to be eligible for receiving the reliefs/relaxations should satisfy the following criteria's:

- i) Account should be Standard as on February 29, 2020;
- ii) Overall satisfactory dealings/conduct with Intellegrow

Relief eligible, moratorium of EMI/interest deferment due from month of March 2020 to May 2020(up to 3 months).

## III. MONITORING & SUPERVISION:

- i) Borrowers who have been provided with the reliefs/relaxations under the framework shall be monitored by review of their business activity level, bank account and financial statements, other documents etc. as and when required by Intellegrow.
- ii) Wherever Intellegrow's exposure to a borrower is ₹ 5 crore or above as on March 1, 2020, the relevant team shall develop an MIS on the reliefs provided to its borrowers which shall inter alia include borrower-wise and credit-facility wise information regarding the nature and amount of relief granted.

The instructions in this circular come into force with immediate effect.