

VIVA HOME FINANCE LTD.

**Policy on Moratorium / deferment (in line with COVID-19 –
Regulatory Package released by RBI on March 27, 2020)**

April 2, 2020

This policy is in reference to RBI Circular no. RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 on Covid - 19 regulatory package, where inter alia certain 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

As per the above mentioned circular specified Financial institution including HFCs are permitted to grant moratorium of installments falling due from 1/3/20 to 31/5/20 on all term loans outstanding as at 01/03/20. . The repayment schedule for such loans as also the residual tenor, will be shifted across the board up to three months after the moratorium period. Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period.

In accordance with the above mentioned circular, Viva Home Finance Limited (“VHFL” or “the company”) Board has approved following policy guidelines.

Liabilities

Company do not propose to avail any moratorium benefit on its liability from its lenders ,as currently company has sufficient liquidity to service all payment along with interest thereon that will be due during the period March 1, 2020 to May 31, 2020.

Assets

Following is proposed for facilitating moratorium benefits to it's customer

1. Communication will be sent to all customers via SMSs and emails on their registered mobile no. and email address for seeking request for moratorium benefits from customers. Similar communication will also be displayed on company's website and request's from customer will be taken. EMIs / Pre – EMIs will not be presented for all requests received from customer up to End of working hours on 7th April, 2020

2. EMIs / Pre-EMIs will be presented in the month of April 2020 and May 2020 for all cases except for those where request is received for availing moratorium benefit

3. Considering the overall low level of awareness of our customers and current lock down situation it would be difficult for the company to explain in person or through call centers the effect and impact of moratorium scheme to each and every customer and take their confirmations and hence we assume that we may not receive timely confirmation from all the customers and hence moratorium benefit will

be passed on to all the customers who are unable to service EMI / Pre – EMI falling due during the period between March 1, 2020 to May 31, 2020

4. Since EMIs / Pre-EMIs for the month of March 2020 were already presented before the circular from RBI was released, customer's who has paid for their EMIs / Pre-EMIs in the month of March 2020 will be offered moratorium only the month of April 2020 and May 2020. However, if these customers specifically submit request by 31st May for moratorium on paid EMI of March, same will be considered

at discretion of the company after assessing impact on their cash flow and giving proper guidance to them. All other customers who have not paid EMIs / Pre-EMIs in the month of March 2020, moratorium will be offered for entire period of 3 months.

5. Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period and such interest will be added to respective customers loan account and will be considered for calculating their revised EMIs. Residual tenor for all loans wherein moratorium is allowed will be extended up to 3 months as per RBI circular.

6. Company will waive off cheque bounce charges and other penal charges due on account of bouncing in EMI during the period March 2020 to May 2020

7. However in case where customer has sufficient cash flow and he wants to pay entire interest accrued during the moratorium period, such payments will be accepted by the company in the month of June 2020 and for such cases residual tenor will be extended to the extent of deferred EMI without revising the EMI amount.

9. Moratorium benefit will be available to all loans irrespective of the asset classification i.e. Standard asset, Stage 1, Stage 2 or Stage 3. as on 1st March 2020

10. The above moratorium in payment of Pre-EMI/EMI will not be applicable on staff loans offered at concessional rate as per the company's policy

11. All charges and penal interests are applicable for all installment falling due on or before February 29, 2020 and such dues are to be collected as soon as possible.

12. Overdue/NPA/Fraud cases where recall letters are issued or legal action's is already initiated will not be eligible for any deferment. Other delinquent and NPA accounts will be considered for moratorium at specific request of customer and at sole discretion of company. However asset classification of such accounts will remain same till customer repays the overdue installments as on 1st March, during moratorium period.

13. The rescheduling of payments, including interest, will not be treated as a default for the purposes of supervisory reporting and reporting to Credit Information Companies (CICs) as per above mentioned RBI guidelines

14. The above policy is applicable for all Home loans and LAP accounts

The above will ensure to support all customers whose cash flow is impacted. The customer unable to service EMIs for this period, penal and other charges will be waived off and balance loan can be serviced with marginal increase in EMI and / or increase in balance tenure

While VHFL staff shall make all possible efforts for recovering the overdue in time, they have to adopt softer approach in view of the prevalent situation. Branch team will make all efforts to reach out customers and explain the customer about the scheme. The team will also guide to

customers to continue regular payment of EMI, if their cash flows are not impacted so as to save from interest liability on deferred EMI.

MD is authorized to approve any operational procedures/guidelines as may be required to implement the policy and consider exceptional cases to support affected customers within ambit of RBI/NHB guidelines. In case postponement of EMI is further granted by RBI/NHB, the policy will cover the same accordingly.