

ORIX Leasing and Financial Services India Limited

Moratorium Policy 2.0

Version 1: July 07, 2020

Policy on Moratorium – COVID 19

I. Policy Statement

This Policy is enunciated pursuant to the Reserve Bank of India (RBI) Circular no DOR.No.BP.BC.71/21.04.048/2019-20 May 23, 2020 so as 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 a measure of solidarity, to borrowers who have been economically impacted by COVID-19, RBI has permitted all Indian Banks / Indian financial institutions and NBFCs to offer another moratorium to their customers for a period of 3 months for EMI's falling due between June 1st, 2020 to August 31st, 2020.

The Company has already approved and adopted Policy on Moratorium 1.0 vide Circular Resolution dated March 31, 2020 pursuant to RBI Circular no. DOR. No. Bp.BC.47/21.04.048/2019-20 dated March 27, 2020.

II. Objective:

Objective of this Policy is to lay down guidelines for the Company to grant extension of Moratorium to the Customers of the Company in repayment of their Equated Monthly Installments or Lease Rentals, falling due between the Period as defined below, in respect of Financial Facility availed by Customers from the Company.

III. Definitions:

- (1) **Competent Authority** shall mean the Managing Director and Key Management Personnel of the Company. The Competent Authority shall have power to authorize any person / executive of the Company to implement the Moratorium Policy
- (2) **Customers** shall mean any Borrower/Lessee whoever has availed Financial Facility from the Company and the amount due from them towards the Financial Facility is still outstanding in the books of the Company as on date of this Policy and during the Period
- (3) **Equated Monthly Installment (EMI)** shall mean monthly installments payable by the Borrower to the Company towards repayment of the Loan availed by Customers which shall include principal and interest applicable on Loan availed
- (4) **Financial Facility** shall mean the Loan and Lease facility availed by Customers who are classified as Borrower or the Lessee, as the case may be in the books of the Company
- (5) **Lease Rentals** means monthly installments payable by the Lessee in respect of Lease of Vehicle / Equipment availed by the Lessee from the Company

- (6) **Loan** shall mean the Financial Facility granted by the Company to the Borrower to acquire Commercial Vehicle and / or amount granted to the Borrower for its/his/her personal or business purpose against mortgage of its/his/her immovable property or any other loan
- (7) **Lease** shall mean the Financial Facility granted by the Company to the Lessee as and by way of acquiring the Vehicles or Equipment, as the case may be, and renting the same to the Lessee for a specified period as mentioned in the agreement executed with the Lessee
- (8) **Moratorium** shall mean postponement of repayment of EMI or Lease Rentals payable by Customers on due date falling due during the Period
- (9) **Period** shall mean a maximum period of three months starting June 1st, 2020 and ending on August 31st, 2020 during which the Moratorium may be allowed to Customers

IV. Terms and Conditions of Moratorium

- (1) In view of the extension of lockdown and continuing disruption on account of COVID-19, the Company will provide another moratorium for maximum of three months for EMI/Lease Rentals payments to Customers basis requests received from Customers.
- (2) The interest applicable on Loan or Lease will continue to accrue over the Period and the same will be recovered from Customers.
- (3) The EMI or Lease Rental and Loan / Lease tenure will also undergo a marginal change to accommodate for the interest accrued (at prevailing rate) over Period and the revised repayment schedule will be communicated to the customers at the end of the Period. No written confirmation from Customers shall be necessary for such change, if Customers avails benefits under this Policy
- (4) The acceptance or rejection of offer of Moratorium under this Policy shall have to be communicated to the Company through any mode such as Email / SMS / WhatsApp / Digital Document / Voice Recording / Physical Document etc

V. Classification as Special Mention Account (SMA) and Non-Performing Asset (NPA):

- (1) Since the Moratorium is being provided under this Policy specifically to enable Customers to tide over economic fallout from COVID-19, the same will not be treated as concession or change in terms and conditions of loan agreements / lease agreement, as the case may be, due to financial difficulty of Customers under paragraph 2 of the Annex to the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 dated June 7, 2019 ("Prudential Framework"). Consequently, such a measure, by itself, shall not result in asset classification downgrade.

- (2) The asset classification of Financial Facility which are granted relief as per paragraph 2 shall be determined on the basis of revised due dates and the revised repayment schedule.
- (3) 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 the Company.
- (4) Wherever the exposure of the Company to a borrower is ` 5 crore or above as on March 1, 2020, the Company shall have to develop an MIS on the reliefs provided to its Customers which shall inter alia include Customer-wise and credit-facility wise information regarding the nature and amount of relief granted.

VI. Duration of this Policy and its revocation:

This Policy shall remain in force during the Period and can be extended on a month on month basis or for such period as may be determined by Competent Authority

If the RBI does not extend the validity of the circular as referred in Policy Statement above by another Circular then this Policy shall stand revoked automatically on August 31st, 2020 without any further approval from Board of Directors or by Competent Authority

VII. Documentations :

Following communication to and from Customers shall be sufficient for the purpose of documentations with regard to availment of Moratorium by Customers and acceptance thereof by the Company under this Policy and there shall not be additional documents will be required including acceptance by Customers:

- (1) A request by Customers to the Company to avail Moratorium confirming to the effect that he/she /it wishes to avail benefits of this Policy
- (2) Acceptance of request by the Company requesting for Moratorium and providing by the Company to Customers revised repayment schedule of EMI or Lease Rental and revised tenure.
- (3) Acceptance by the Customer of revised EMI / Lease Rentals to accommodate the interest accrued during the Period and revised tenure by a maximum of three months

VIII. Queries, Complaint / Disputes and Resolutions Mechanism:

- (1) Any queries by the Borrower / Lessee with regard to their understanding of ths Policy can be referred to email id 'customercare@orixindia.com'

- (2) Any dispute / complaint by the Borrower under this Policy may be referred to Nodal Officer as listed in Annexure 1 and in case of dispute / complaint by the Lessee to the Principal Officer of the Company
- (3) All queries / complaint / disputes shall be settled by the Nodal Officer within 15 working days of its receipts on a best effort basis
- (4) Any unresolved queries/complaint/dispute shall have to be referred to Principal Officer who shall resolve the same within 15 working days of its receipt

IX. Monitoring and Reporting:

Customer Support Team shall prepare monthly MIS of capturing all relevant details availed by the Customers and submit the same to Competent Authority who in turn shall report to the Board of Directors either in their Board Meeting or through Circulation, as he deems necessary.

X. Modification :

Any amendment or modification to this Policy shall be approved by the Competent Authority in writing and such modification / amendments shall have to be reported to the Board of Directors of the Company immediately after effecting the modification / amendments either in a Board Meeting or through Circulation

XI. Publication and Communication:

- (1) This Policy shall be uploaded on Company's website at 'www.orixindia.com' for benefits of Customers and as required by RBI under the Circular as referred above
- (2) The Business Heads of Lease, Loan Against Property, and Commercial Vehicle verticals of the Company are required ensure that the terms and conditions of the Policy and other aspects as defined herein above are properly communicated down the line in their respective departments, and clear instructions are issued to their staff regarding the implementation of this Policy

Annexure 1 - Details of Nodal Officers of the Company

Sr. No.	Principal Nodal Officer - Regional	Email ID	Office Address	Contact No.	State	Branch Name
1.	Mr. Ameet L. Venkeshwar	ameet.venkeshwar@orixindia.com	Plot No. 94, Marol Co-operative Industrial Estate, Andheri-Kurla Road, Andheri (East), Mumbai – 400059.	022-67070100 / 9820498771	Gujarat	Ahmedabad Gandhidham Surat Vadodra
					Maharashtra	Mumbai Pune
2.	Mr. Antony Joseph	Anthony.joseph@orixindia.com	1 Bandappa Colony, Opp; Montfort College, New Byyappanahalli Ext., Indiranagar, Bangalore – 560038.	080 – 43302222 / 9620220670	Andhra Pradesh	Vijaywada
					Karnataka	Bangaluru
					Tamil Nadu	Chennai
					Telangana	Hyderabad
					Puducherry	Puducherry
3.	Mr. Ravi Kumar Jha	ravi.jha@orixindia.com	D-71/2, Najafgarh Road Industrial Area, New Delhi - 110015	011 – 45623200 / 8469722333	Chhattisgarh	Raipur
					Delhi	Delhi
					Madhya Pradesh	Indore
					Rajasthan	Ajmer Alwar Bikaner Jaipur

						Jodhpur Kotputli Udaipur
4.	Mr. Rominder Singh	rominder.singh @orixindia.com	D-71/2, Najafgarh Road Industrial Area, New Delhi - 110015	011 – 45623200 / 9650122335	Haryana	Ferozpur Zhirka Karnal
					Punjab	Chandigarh
					Uttar Pradesh	Agra Etawah Kanpur Lucknow Meerut Moradabad
					West Bengal	Kolkata

Adoption/Modification History

Date of Adoption/Modification	Version	Description	Approved by
07-07-2020	1	Initial Draft	Board of Directors