

PTC INDIA FINANCIAL SERVICES LTD.
NEW DELHI

With reference to COVID-19 – Regulatory Package issued by Reserve Bank of India (RBI) vide RBI/2019-20/ 186 DOR.No.BP.BC.47/21.04.048/2019-20 dated 27th March 2020, 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.

The Policy Framework of PFS in line with the instructions/ guidelines provided by RBI under COVID-19 – Regulatory Package has been approved by BOD of PFS on 28th April 2020, as below:

S. N.	Parameter	Details
1	Name of the Facility	Moratorium/ Deferment on Term Loan Facility on account of COVID - 19
2	Facility Type & Validity of Scheme	Moratorium/ deferment of three months to the eligible borrowers only on Instalment(s) (principal and/or interest components, bullet repayments, equated monthly instalments) falling due between March 1, 2020 and May 31, 2020, due to economic fallout on account of COVID-19 only.
3	Purpose of the Facility	To mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure the continuity of viable business on large-scale lockdown.
4	Eligibility Conditions	<ol style="list-style-type: none"> 1. Moratorium shall be available on Term Loan Instalments due between March 1, 2020 and May 31, 2020 in the books of PFS 2. Upon receipt of written request from borrower for availing the facility of moratorium with adequate justification that the same is required on account of economic fallout from COVID-19 only. 3. Upon verification and satisfaction of PFS that the same is required on account of the economic fallout from COVID-19 only.
5	Scheme Details	<ol style="list-style-type: none"> 1. To grant moratorium on all Instalments (principal and/or interest components, bullet repayments, equated monthly instalments) falling due between March 1, 2020 and May 31, 2020. 2. The Instalment(s) on which moratorium is to be provided, the total recoverable amount of these Instalment(s) calculated at the applicable gross lending rate, will be automatically converted into the principal amount on the due date. This principal amount will be considered as part of the original loan facility and accordingly, the original loan amount shall stand enhanced. 3. The repayment of such tranche of enhanced principal of the loan will become due on the next standard due date after the last instalment of the original loan facility but not before 3 months after the date of conversion or 31st May 2020, whichever is later. The interest servicing on such principal amount of the tranche will start on the standard due date falling three months after the date of conversion.

		<ol style="list-style-type: none"> 4. The repayment schedule of the original loan will remain unchanged and payments under the original loan will continue to be made as per the original repayment schedule after 31st May 2020. 5. Consequently, the repayment schedule for the loans as also the residual tenor will be stretched across by three months. 6. During the moratorium period, no LD charges shall be levied on Instalments on which moratorium period is applicable. 7. Borrower at any time during the revised tenor of the loan may prepay such enhanced principal of the loan amount without any prepayment charges. 8. In cases where any payment has been received from the borrower for payments falling due between 1st March 2020 and 31st May 2020, such payments shall not be refunded but may be adjusted against the immediate next payable Instalment(s). 9. In cases where moratorium is being provided from retrospective effect, in such case the earlier demand will be reversed. 10. The asset classification of term loans which are granted relief as per the instant policy framework, shall be determined on the basis of revised due dates and the revised repayment schedule. 11. Since the moratorium/deferment/recalculation of the drawing power is being provided specifically to enable the borrowers 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 due to financial difficulty of the borrower 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. 12. Accounts provided relief under these instructions shall be subject to subsequent supervisory review with regard to their justifiability on account of the economic fallout from COVID-19. 13. Wherever the exposure of PFS to a borrower is Rs. 5 Crores or above as on March 1, 2020, an MIS shall be prepared on the reliefs provided to borrowers which shall inter alia include borrower-wise and credit-facility wise information regarding the nature and amount of relief granted.
--	--	--

This facility shall be applicable to all credit facilities granted and disbursed by PFS not later than March 31, 2020, upon receipt of written request from borrower for availing the facility of such moratorium and shall not be applicable to loan disbursements that have been made/ to be made in April 2020 and thereafter.

In consortium cases, PFS at its discretion, may either approve such moratorium to the borrowers in line with the T&C stipulated by the Consortium/ Lead Lender or as per the instant policy framework as applicable to the eligible Borrowers under sole, lead and multiple banking arrangements. The same may be decided and approved by MD & CEO on case to case basis under consortium lending.