



**SHARE MICROFIN
LIMITED**

MORATORIUM POLICY

1-224/58, Rajeev Nagar, Nacharam, Hyderabad, Telangana-500076

Background and Objective

SHARE Microfin Limited (SHARE) is a Non Banking Financial Company (Non Deposit) Microfinance Institute (NBFC-MFI) providing collateral-free loans to Joint Liability Groups (JLGs). SHARE is a Public Limited Company incorporated under Companies Act, 1956 and regulated & supervised by Reserve Bank of India.

The RBI vide its Circular BP.BC47/21.04.048/2019-20 dated March 27, 2020, COVID-19 – Regulatory Package 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”) were permitted to grant a moratorium of three months on payment of all instalments¹ falling due between March 1, 2020 and May 31, 2020.

Company’s Policy on Moratorium

Considering the RBI directive on providing moratorium to borrowers of the company, it is proposed & decided the following:

- Moratorium will be offered to all the existing borrowers across India.
- The borrowers can choose to either pay or avail moratorium.
- If the borrower avails moratorium, the incremental interest and the increase in the loan tenure would be explained to the borrower.
- It is proposed to grant a moratorium of two months on payment of all installments falling due between April 1, 2020 to May 31, 2020, to all borrowers of the Company, considering the release of circular dated March 27, 2020 and collections for the month of March, 2020 being completed.
- The repayment schedule for such loans as also the residual tenor will be shifted across the board.
- The status of overdue prior to the moratorium shall continue.
- Interest shall continue to accrue on the outstanding portion of the term loan.
- No penalty shall be charged for deferred installments
-
- The rescheduling of payments, including interest, will not qualify as a default and clients will not be reported as defaulters during the moratorium period. The regular reporting to credit bureaus shall commence after the repayment holiday period

Process of implementation

Decision for implementation of these guidelines at each customer loan level shall be on the basis of evaluation of client's history and recommendation from field operations, internal audit, risk and finance teams

Display on Website

The Board Approved Policy on Rescheduling of Payments Moratorium will be hosted on the Company's website for our Customers information and benefit as mentioned in the RBI's Circular
