



Policy on Moratorium to borrowers (COVID-19)

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INTRODUCTION

PIONEER FINANCIAL & MANAGEMENT SERVICES LIMITED (hereinafter referred to as “Pioneer” or “Company” is a Public Limited Company incorporated under Companies Act, 1956 and regulated & supervised by Reserve Bank of India (RBI).

In light of COVID-19, RBI has notified certain regulatory measures to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic.

The said RBI regulatory measure inter alia mandates to have Board approved Policy in place for providing necessary relief to all eligible Borrowers and disclosure of Policy in public domain.

COMPANY’S POLICY FOR PROVIDING SAID RELIEF TO BORROWERS

This policy applies to credit facilities granted and disbursed by the Company and outstanding as on March 31, 2020.

Customer Eligibility Criteria

- Moratorium can be provided on payment of installments falling due between March 1, 2020 and May 31, 2020(hereinafter referred to as “period”) subject to evaluation of the case by the Company.
- Customers who have paid their dues regularly up to 1st March, 2020 are eligible for the moratorium policy.
- The Company may offer moratorium/deferment to borrowers on need-based and who have been impacted by the COVID – 19 crises and are subject to the request received from the borrower.
- The customers must approach the Company for moratorium/deferment. The customer can write to the Company at info@pioneerfinance.co.in to avail moratorium/deferment.
- Customers need to provide consent for terms and conditions governing the moratorium/deferment and for the revised repayment schedule. Consent should be provided through Email.
- The Customer who has not approached Company for moratorium/deferment, their repayment mandate shall be presented as per routine schedule.

Relief to be provided under Moratorium/Deferment

Customers who are requesting for moratorium/deferment will be informed about the financial implications of such moratorium/deferment including the applicable interest on such action. Such as;

- EMI would not be charged to the customer to whom moratorium is granted for that period.
- Interest on the outstanding amount would be accrued and due once the moratorium period is over.
- The tenor of the Term Loans will get extended by up to 3 months without the change in amount of EMI with the deferred installments being collected after the end of the original tenor.

General terms

- No Bounce charges/Penal Charges shall be charged during moratorium/deferred period.
- The moratorium and rescheduling of payments, including interest, will not qualify as a default for the purposes of supervisory reporting and reporting to Credit Information Companies (CICs).
- The moratorium/deferment will not be treated as a concession or change in terms and conditions of the loan agreements due to financial difficulty of the borrower and such a measure, by itself, shall not result in asset classification downgrade.

While this policy outlines the broad internal guidance that the Company will follow to make decisions regarding moratorium. Managing Director & Chief Financial Officer are jointly authorized to approve any operational procedures/guidelines as may be required to implement the policy and make any changes to the policy in line with the directions/guidelines issued by RBI from time to time.