

Addendum to the Moratorium Policy

This is a first addendum to Moratorium Policy dated 27th March 2020 and the variations made to such policy by the terms of this first addendum shall be deemed to form an integral part of the existing moratorium policy and shall be read in conjunction and harmoniously with the other clauses of the existing moratorium policy.

In light of the COVID-19 outbreak in India, Reserve Bank of India (“RBI”) vide its circular No. RBI/2019-2020/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated 27th March 2020 had permitted all the Commercial Banks, NBFCs and other lending institutions to grant a moratorium of three months on payment of instalments in respect of all term loans (including agricultural term loans, retail and crop loans), falling due between 1st March, 2020 and 31st May, 2020. RBI has also directed that the total tenure of the loans be shifted across the board by three months after the moratorium period.

Further, the circular states that the Lending Institutions shall frame Board Approved Policies for providing the aforesaid moratorium to all the eligible borrowers.

Yunus Social Business Fund Bengaluru (“YSBFB”) is categorised as a NBFC-ND-NSI (Non - Systemically Important Non-deposit taking NBFC) Loan Company. In compliance with the said RBI circular, YSBFB had approved a moratorium policy dated 27th March 2020 for granting relief to the eligible borrowers as moratorium of 3 months on payment of all installments/interests due on loan from YSBFB falling between 1st March 2020 and 31st May 2020.

Subsequently, RBI on 23rd May 2020 released the 2nd COVID-19 regulatory package vide circular no. DOR.No.BP.BC.71/21.04.048/2019-20, thereby permitting all the Commercial Banks, NBFCs and other lending institutions to extend the moratorium by another three months i.e. from 1st June, 2020 to 31st August, 2020 on payment of all instalments in respect of term loans (including agricultural term loans, retail and crop loans) in view of the extension of lockdown and continuing disruption on account of COVID-19.

In this regard, YSBFB shall implement the following amendments to the existing policy to reflect the relief provided by RBI in its 2nd COVID-19 Regulatory Package:

- a. The provision of Moratorium for payment of installments in clause 1 shall stand amend and substituted as follows:
 1. YSBFB shall provide a moratorium period of 3 months on payment of all instalments / interests due on Loan from YSBFB to the eligible borrowers falling between 1st March 2020 and 31st May 2020. YSBFB may also extend the moratorium by another 3 months from 1st June, 2020 to 31st August, 2020 on satisfying themselves that the same is necessitated on account of the economic fallout from COVID-19. Further, accounts provided relief shall be subject to subsequent supervisory review with regard to their justifiability on account of the economic fallout from COVID-19.
- b. All other provisions of the existing moratorium policy shall remain applicable mutatis mutandis.