

**EXTRACT OF STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LIMITED – (SCILL) BOARD APPROVED POLICY FOR EMI/PRINCIPAL/INTEREST MORATORIUM APPLICABLE FOR CUSTOMERS IMPACTED DUE TO COVID 19**

**Background:**

RBI had issued guidelines regarding moratorium under the COVID 19 Regulatory package vide circular reference RBI/2019-20/ 186, DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020. (<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11835&Mode=0>) granting moratorium to customers instalments in respect of all term loans outstanding as on March 1, 2020; the interest was to continue to accrue on the outstanding portion of the loans during such moratorium period.

On account of intensification of COVID-19 disruptions and to impart priority to relaxing repayment pressures and improving access to working capital by mitigating the burden of debt servicing, prevent the transmission of financial stress to the real economy, and ensure the continuity of viable businesses and households, RBI has further issued revised guidelines regarding moratorium under the COVID 19 Regulatory package vide circular reference RBI/2019-20/ 244, DOR.No.BP.BC.71/21.04.048/2019-20 dated May 23, 2020. Circular link provided below. (<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11902&Mode=0>)

**SCILL Coverage & Exclusions:**

Instalments of all Retail and Non-Retail Loans excluding Loans in the form of Non- Convertible Debentures and Fees. Instalments of term loans will include (i) principal and/or interest components; (ii) bullet repayments and (iii) Equated Monthly Instalments.

**Applicability of deferment:**

	<b>Customer</b>	<b>Approach</b>
Repayment schedules and residual tenor for all term loans including short term loans and Line of Credit facilities wherein principal instalment and / or interest is falling due (and remaining unpaid) between 1 March 2020 and 31 Aug 2020	Retail	Moratorium provided to all customers. If a customer <b>wants to opt out</b> of the moratorium then he/she is requested to approach their designated Relationship Managers.
	Non-Retail	Moratorium shall be provided at the request of the customer. If a customer <b>wants to opt in</b> for the moratorium he/she is requested approach their designated Relationship Managers.

**Approach for offering moratorium for Interest/EMI/Principal:**

Customer/ Type of Facility	Approach
Retail /Term Loan (Loan against Securities)	Moratorium offered to all customers for payment of term loan instalment falling due between 1 March 2020 and 31 Aug 2020 with the repayment schedule being shifted by up to six months after the moratorium period and interest being recovered on revised due date. As per customer request, the instalments due during the moratorium period shall be added to the loan amount and recovered after the moratorium period or shall be deferred upto six months and recovered separately.
Retail/ Line of Credit(LOC) (Loan against Securities)	Moratorium of up to six months on payment of principal instalment / interest falling due between 1 March 2020 and 31 Aug 2020 offered to all customers for LOC facility. Interest on such loans shall be recovered immediately after the completion of the moratorium period.
Retail/ Loan against Property	Moratorium on EMI falling due between 1 March 2020 and 31 Aug 2020 offered to all customers. At the end of moratorium period, the accrued interest would be added to the principal amount which will increase the residual tenure of the loan except in cases where extension of tenure is not possible, in which case the EMI amount will increase.
Non-Retail /Term Loans	For customers exercising the option of moratorium, moratorium shall apply on payment of term loan instalment falling due between 1 March 2020 and 31 Aug 2020 with the repayment schedule being shifted by up to six months after the moratorium period and interest being recovered on revised due date. As per customer request, the instalments due during the moratorium period shall be added to the loan amount and recovered after the moratorium period or shall be deferred upto six months and recovered separately.
Non-Retail/ Line of Credit(LOC) (Loan against Securities)	For customers exercising the option of moratorium, moratorium shall apply on payment of principal instalment / interest falling due between 1 March 2020 and 31 Aug 2020. Interest on such loans shall be recovered immediately after the completion of the moratorium period.

***Note w.r.t. points above:***

- a) All Customers will be given the option of Deferment or continuing with the current interest payment and repayment schedule without availing the benefit of the extension of moratorium. The option once exercised will be binding and applicable for repayments due for the entire residual moratorium period upto 31 Aug 2020,
- b) All customers who had not opted for moratorium earlier, have the option of availing moratorium from 01 Jun 2020 till 31 Aug 2020.

- c) Customers who had opted for moratorium earlier, have the option of either continuing with the moratorium till 31 Aug 2020 or opting out of the moratorium and repaying the amounts as per earlier revised schedule.
- d) For term loans (other than Retail LAP) the repayment schedule will be shifted by up to six months after the moratorium period. Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period and shall be recovered as per the revised due date. Interest on the extended tenor shall be charged at the extant rates and be payable as per the extant terms on the due date.
- e) Further, interest will be charged at contractual rates as applicable on the outstanding principal and on the interest due and not serviced during the moratorium period from the initial due date and shall be payable on the revised due date
- f) SCILL shall not be directly debiting bank accounts of Retail customers unilaterally during the deferment period. Retail customers can opt out of the deferment by sending an email to their Relationship manager with a copy to [scillcustomer.care@sc.com](mailto:scillcustomer.care@sc.com) to initiate direct debit and / or repay the outstanding dues by directly funding the account.
- g) Notwithstanding whether moratorium facility is being availed or not, in case of failure to maintain the requisite collateral, SCILL shall continue to have a right to sell securities and recover dues as per the terms of the loan agreement.
- h) Customers who have opted for deferment of principal instalment / interest repayment will receive a confirmation from SCILL with details of amount deferred and the due date for the same.
- i) Any correspondence regarding request for deferment and consequent amendment in the facility terms may be exchanged by way of email/letter from or to authorized signatory(ies) of the customers.

For any queries or clarifications regarding the moratorium options kindly reach out to your designated Relationship manager or write to us at our Customer Care mailbox [scillcustomer.care@sc.com](mailto:scillcustomer.care@sc.com). You can also reach us at our toll free number 1800 2090 505 between 9.30am to 5.30pm Monday to Friday except on Saturday, Sunday and Public Holidays.