

MAG FINSERV COMPANY LIMITED
(MAG's)

POLICY ON MORATORIUM
DUE TO FINANCIAL STRESS CAUSED BY
COVID-19

The Reserve Bank of India vide its circular RBI/2019-20/186-DOR No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 inter-alia announced certain regulatory measures to mitigate the burden of debt servicing brought about by disruptions on account of the COVID-19 pandemic and to ensure the continuity of viable business and issued notifications to regulated entities in this regard. The Board of Directors ("Board") of MAG FINSERV COMPANY Limited ("Company") has considered this and owing to genuine hardships faced by its customers the Company has approved the Policy on Moratorium Due to Financial Stress caused by COVID 19("Policy") and proposes to extend the following relaxations to eligible existing borrowers.

1. Moratorium will be granted automatically to all those accounts which are not classified as Non-Performing Accounts ("NPA") as on 29th February 2020.
2. Moratorium in respect of EMI payments will not be granted to accounts which have been classified as NPA as on 29th February 2020. Such customers shall need to pay EMI as usual on the respective EMI due dates.
3. Moratorium will not be available to loans which are sanctioned on and after 1st March 2020.
4. Moratorium will be granted for EMI repayments for the month of April 2020 and May 2020 ("Specified Period").

5. The loan tenure for customers who avail this moratorium facility will be increased by number of months for which moratorium has been granted.

6. The moratorium facility is only a deferment of the EMIs and hence interest for the Specified Period (hereinafter "Specified Period Interest") shall be payable on the outstanding amount. The rate of interest shall be the IRR rate contracted at the time of the grant of the loan and shall be calculated on a monthly compounded basis. The Specified Period Interest shall be added to the EMI payable for the month of June 2020 and the entire amount shall be payable in June 2020. If such Specified Period Interest is not paid in June 2020 then penal interest shall be charged at the rate applicable for the amount overdue as per the loan agreement. The amount of Specified Period Interest shall be communicated to the customer by way of an SMS to the mobile number of the customer registered with the Company.

7. A customer can opt to pay EMIs for the Specified Period even if such customer is eligible for moratorium. In such case the Company will not charge any Specified Period Interest. In case a customer pays the EMIs only for one of the two months during the Specified Period, then such customer shall be treated as having availed of the moratorium for a part of the Specified Period, and the procedure specified in Clause 6 above shall be applicable for the period for which the moratorium was availed. Further, customers who have paid EMIs for the month of April 2020 & May 2020 in advance would be treated as if the moratorium has not been granted to them. No Specified Period Interest shall be charged to such customers.

8. In case a customer pays only a part of the EMI payable during the Specified Period, then such customer shall be treated as having availed of the moratorium. In this instance, the part EMI received shall be treated as an advance and the Specified Period Interest shall be computed on the net amount outstanding. Such Specified Period Interest shall also be added to the EMI and payable in accordance with Clause 6 above.

9. In case of moratorium also, the Company will present NACH & PDC to respective customers' bank accounts. If the respective instrument is not honoured, the Company will not charge any penalties for any bounced PDC/ NACH.

10. Customers having NACH and PDC as repayment options can stop the respective instrument by sending an email at nach@magfinserv.in at least 5 (five) days prior to the EMI due date. Customers need to mention clearly their loan account number, full name and mobile number and the reason for such request in their mail.

11. Customers having repayment option other than through NACH and PDC can pay cash at any of the branch offices of the Company or directly in company's bank account or through online mode available.

12. This Policy will be uploaded on the Company's website www.magfinserv.in.