

NIIF Infrastructure Finance Limited (NIIF IFL)
COVID 19 Pandemic Regulatory Measures Policy

Policy Owner
Chief Risk Officer
March 2020

NIIF IFL – COVID 19 Pandemic Regulatory Measures Policy

Introduction	Reserve Bank of India (RBI) vide its notification no. RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 has advised all the non-banking financial companies to frame a Policy on regulatory measures to be undertaken by non -banking financial institutions (lending institutions) to mitigate the burden of debt servicing brought about by disruptions on account of COVID -19 pandemic and to ensure the continuity of viable businesses.(the “ Policy ”). RBI has prescribed detailed instructions in this regard.
Scope	<p>This Policy shall apply across all eligible borrowers of NIIF IFL to ease the burden of borrowers in respect of debt servicing brought about by disruptions caused due to COVID -19 pandemic and to ensure the continuity of viable businesses.</p> <p>This Policy in the nature of a permission to the Company to defray recovery of monies due between March 1, 2020 and May 31,2020 (hereinafter being referred to as “Moratorium” / “Deferment”). It is not a directive or mandate.</p> <p>The Company is accordingly required to put in place a Board approved policy in this regard so as to implement the Policy requirements.</p>
Eligibility Criteria	All borrowers of NIIF IFL with term loans / non-convertible debentures outstanding with NIIF IFL as on March 1, 2020 and who have approached NIIF IFL with a specific request to avail of the Moratorium /Deferment to mitigate the burden of debt servicing brought about by disruptions in their business on account of COVID -19 pandemic.
General	<p>Rescheduling of Payments – Term Loans Facilities</p> <p>In respect of all term loans (including non-convertible debentures that are in the nature of term loans) Non- Banking Financial Companies (“lending institutions”) are permitted to grant a moratorium of upto 3 (three) months in respect of payments (such as (i) principal and/or interest components; (ii) bullet repayments; (iii) Equated Monthly instalments) of all instalments falling due between March 1, 2020 and May 31, 2020. The repayment schedule for such loans as also the residual tenor, will be shifted across the board by upto three months after the moratorium period. Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period. No penal interest shall be applicable on the rescheduled principal or accrued interest.</p> <p>Special Mention Account (SMA) and Non-Performing Asset (NPA).</p> <ul style="list-style-type: none"> • Since the moratorium/deferment is being provided specifically to enable the borrowers to tide over economic fallout from COVID-19, the same will not be treated as concession or change in terms and conditions of loan agreements due to financial difficulty of the borrower under paragraph 2 of the Annex to the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 dated June 7, 2019 (“Prudential Framework”). Consequently, such a measure, by itself, shall not result in asset classification downgrade. For the sake of clarity, the asset shall not be considered to be a restructured asset.

	<ul style="list-style-type: none"> • The asset classification of term loans which are granted relief shall be determined on the basis of revised due dates and the revised repayment schedule. • The rescheduling of payments, including interest, will not qualify as a default for the purposes of supervisory reporting and reporting to Credit Information Companies (CICs) by the lending institutions. CICs shall ensure that the actions taken by lending institutions pursuant to the above announcements do not adversely impact the credit history of the beneficiaries. • Wherever the exposure of NIIF IFL to a borrower is Rs. 5 crore or above as on March 1, 2020, NIIF IFL shall maintain an MIS on the reliefs provided to its borrowers which shall inter alia include borrower-wise and credit-facility wise information regarding the nature and amount of relief granted. • NIIF IFL shall ensure that the Policy is applicable with immediate effect. • This policy may be amended from time to time and will be guided by the latest directions and circulars issued by RBI in this regard including changes suggested in the future.
Delegation for Approval	CEO is authorized to approve the reliefs of the Moratorium /Deferment under this policy subject to such terms and conditions as may be deemed appropriate and subject the regulations of RBI in this regard. The detailed terms and conditions shall be as documented in a policy manual.
Related Documents	Reserve Bank of India vide its notification no. RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020, Statement of Development and Regulatory Policies released on March 27, 2020 and Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 dated June 7, 2019 (updated from time to time).