

Dear Customer,

We wish you good health and hope you and your family members are keeping safe and sound.

The RBI has recently instructed financial entities to grant a three-month moratorium to all borrowers on their loan outstanding. The announcement has come as much-needed succor for borrowers who may face liquidity issues in the wake of the pan-India mandated lockdown amid the pandemic.

As per the guidelines issued by RBI on 27th March, 2020 all commercial banks (including regional rural banks, small finance banks and local area banks), co-operative banks, all-India Financial Institutions, and NBFCs (including housing finance companies and micro-finance institutions) ("lending institutions") financial institutions are permitted to give moratorium to all borrowers in respect of all type of loan outstanding between the period March 1 and May 31. The deferment of the payment during the moratorium period will not impact the borrower's credit score.

Hence, we would like to clarify a few points .

- I. Interest will be charged during the moratorium period.**
- II. Unpaid interest and instalment during moratorium period be repaid by way of three equal monthly instalment on expiry of original loan period . Once the moratorium period is over customers have to pay the EMI falling in subsequent months.**
- III. As a result of the above points, your regular EMI amount will be the same for the remaining tenor of your loan and the customer needs to pay additional interest cost only for extended EMI.**
- IV. For availing the above facility customer needs to give a request to SML.**

For further details, you can check the FAQ's related to moratorium which we have updated in our website

Regards

SML FINANCE LTD