



(Scheduled Bank)

1. Is moratorium compulsory or optional?

The moratorium is **optional** for all kinds of credit facilities such as retail loans, Home Loans, Business Loans.

2. What is meant by moratorium?

Moratorium is **temporary postponement** of payment of interest/ principal/ instalments **and is not a waiver** for the period from 01st March, 2020 to 31st May, 2020. Interest will be payable on all amount(s) for which payment is being postponed pursuant to the Moratorium.

3. For what period can the moratorium be granted?

A moratorium may be granted up to a period of **three months** for all amounts falling due between 01st March, 2020 to 31st May, 2020.

4. Is the moratorium on principal or interest or both?

Moratorium can be offered for below payments due during the moratorium period:

- i. Principal and/or interest components;
- ii. Bullet repayments;
- iii. Equated Monthly Instalments or EMIs

5. Will the interest accrue during the moratorium period?

Yes. The interest **will accrue** during the moratorium period. Treatment of the interest will be as per the relevant terms and conditions applicable to the respective credit facilities.

6. How can I opt for the moratorium?

Borrower **can opt** for the moratorium by sending his/her reply through SMS in specified format

7. How will interest be charged and recovered for retail term loans such as Home Loans, Personal Loans, Mortgage loans and Vehicle Loans?

Option A: Cumulative Interest due to deferment of installment will be paid in addition to regular EMI within 90 days from the date of completion of deferment period. Amount of EMI payable on completion of moratorium period of three months will remain unchanged with increase in tenor of loan by 3 months.

OR

Option B: I authorize the bank to add interest accrued on deferred EMIs to the Principal Loan amount and revise my EMI upward as required to ensure repayment in extended tenor for three months and

- a. To deduct revised EMI from my Savings/Current account as per the present mandate.
- b. I undertake to submit revised mandate for ECS/NACH facility for revised EMI latest by 31st May, 2020.

OR

Option C: I authorize the bank to add interest accrued on deferred EMIs to the Principal Loan amount and revise my EMI upward as required to ensure repayment without extending tenor by three months.

- a. To deduct revised EMI from my Savings/Current account as per the present mandate.
- b. I undertake to submit revised mandate for ECS/NACH facility for revised EMI latest by 31st May, 2020.

8. Will there be late payment charges/ default interest/ additional interest for the deferred instalments during the moratorium period?

No late payment charges/ default interest/ additional interest shall be levied during the moratorium period.



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9. If the borrower has already availed of a moratorium for an Education Loan, can the tenure get extended on account of the COVID-19 Regulation?

No, since the repayment for such customers will start in future and the moratorium is for customers whose repayment (interest or EMI) is active in the period 01st March, 2020 to 31st May, 2020. Extension can be granted as a special case, where the universities have postponed the Educational Academic period, with approval from Retail Department, Head Office.

10. If customer EMI running in Education Loan, can he/she still avail of this facility?

Yes, the moratorium is available for EMI's payable.

11. Do the customer need to submit fresh Auto Debit or NACH debit mandates?

No, in case if the customer has opted to pay the Interest within 90 days. The EMI will remain same and tenor will increase.

Yes, in case if the EMIs are restructured (higher EMI), to be submitted by the customer **before 31st May, 2020**.

12. Can the customer make payments in between the Moratorium period?

It is **optional**. It is a relief granted to the borrower due to disruption caused due to unprecedented outbreak of COVID-19. However, the **option lies with the borrower** to either repay the EMIs during this moratorium as per the actual due dates or pay the interim interest.

13. Will a payment of EMI during the moratorium be considered as prepayment?

No. If the due EMI is paid, then it will not be considered as prepayment.

14. Will the seeking of Moratorium by the borrower have an impact on their credit/bureau score?

No. The moratorium on payments **will not** qualify as a default for the purposes of supervisory reporting and reporting to Credit Information Companies (CICs)/credit bureau by the Bank. Hence, there will be **no adverse impact** on the credit history of the borrowers.

Yes. Any delay in payments of dues/outstanding amounts payable **after the expiry** of the Moratorium for borrower(s) who had availed of the Moratorium **will qualify** for the purposes of reporting to Credit Information Companies (CICs)/credit bureau by the Bank.

15. If I have sufficient balance in my account and instalment of my loan(s) is due, will the Bank debit the EMI during this period?

Yes. If the customer have not opted in for the moratorium.

16. As per RBI, the moratorium is for 3 EMIs, can borrower get refund of EMI paid in Mar 2020?

Yes, only if, the borrower opts for moratorium then such EMI paid for the month of **March** maybe considered for refund at the request of the borrower.

17. Due to COVID-19 outbreak, borrower's business/job was impacted in the month of March 2020 hence, borrower could not pay the EMI. Can a borrower get moratorium for unpaid EMI?

Yes. Borrower will be eligible for moratorium for EMI due in March 2020.

18. In case of multiple facilities availed from the Bank, whether the moratorium is applicable for all facilities?

Yes. Customer will specify all the loan account numbers in the communication to the bank.