

## **FAQs related to deferment of 3 months EMI**

### **Q-1 whether deferment of instalments of TL/ HL etc. is automatic?**

Ans: Yes, however it is at the option of the borrower. If customer does not want to avail the facility, he needs to give a request to the home branch. It is applicable on all term loans in respect of Retail, Agriculture, MSME, Credit cards and Cash Credit/ Overdraft. Account will be not treated as NPA and it will not affect the CIBIL score also. No penal interest will be charged on deferred instalments and Interest.

### **Q-2 What will happen to the interest or EMI during three months of moratorium period?**

Ans: Interest will be accrued during the moratorium period i.e from 01.03.2020 to 31.05.2020. Interest on Working capital (CC/OD) and instalments of term loans will be deferred. The interest on deferred instalments of term loans and Working capital (CC/OD) will also be accrued. Customer will be paying additional interest on deferred instalments of term loans and Interest on working Capital (CC/OD).

### **Q-3 Whether banks will rephase this additional interest on deferred instalments?**

Ans- No. Customer has to pay additional interest on deferred instalments of term loans. For working capital (CC/OD), customer will pay accrued interest by 30.06.2020 and in case where monthly interest is not being applied, it will be paid in next interest date.

### **Q-4 Whether RBI guidelines are applicable to the loans instalments falling up to 29.2.2020.**

Ans. No, Not applicable. The guidelines are applicable for the instalments and interest falling from 1.03.2020 to 31.05.2020. The instalments/ Interest on CC & OD falling up to 29.02.2020 will be recovered as usual.

### **Q-5 Whether instalment already debited for the month of March 2020 will be refunded?**

Ans- As per the request of the customer.

### **Q-6 What will be the treatment of interest on Working Capital /Over Draft?**

Ans: Interest scheduled from 01.03.2020 to 31.05.2020 will be accrued and deferred. However, Accrued interest should be paid by 30.06.2020 and in case where monthly interest is not being applied; it will be paid in next interest date.

### **Q-7 When the deferred instalment will be due to be paid?**

Ans – The original repayment period will also be deferred by 3 months i.e. if original repayment period of the loan is 36 months now it will be extended to 39 months.

### **Q-8 How the customer will exercise the option. Whether he has to visit the branch?**

Ans- No, all instalments will be deferred automatically. However, if the customer does not want to avail the facility, he has to submit the request to home branch.

### **Q-9 What will be the treatment of credit card dues?**

Ans- The amount due falling from 01.03.2020 to 31.05.2020 will be deferred automatically. The total amount will be payable on 10.06.2020. Accrued interest for the deferred payment will have to be paid on 10.06.2020.

However, customer has the option to pay the monthly instalment as and when it is due to avail the limit for next purchases. No penalty will be charged due to non-payment and Cibil score will not be affected during moratorium period.