

Frequently Asked Questions (FAQs) on EMI Moratorium

RBI has issued a policy statement on March 27, 2020 announcing certain regulatory measures to mitigate the debt-servicing burden on borrowers in view of the disruptions brought out by the current situation.

Some Frequently asked questions (FAQs) on moratorium benefit to the customers have been given below:

1. What is the EMI moratorium facility provided for loans during the COVID 19 regulatory package?

In a moratorium, your EMIs will be deferred. This means that during the period between 1st March and 31st May 2020, no payment has to be made by the customer to the Company. Interest on the EMIs will keep accruing for the customer during this period and will be payable after the moratorium period.

2. Who is eligible for moratorium?

Moratorium shall be applicable on all term loans outstanding as on March 1, 2020 and all such loans are eligible to claim the relaxation. The moratorium shall be applicable to all payments falling due from March 1, 2020 to May 31, 2020 to both Housing Loan and Loan Against Property. Moratorium shall not be applicable for those cases which are under litigation.

In case of clarification, please contact Hinduja Housing Finance representative

3. Who is not eligible for moratorium?

The following are ineligible/not eligible to avail moratorium; -

- Borrowers on whom there are proceedings under DRT, SARFAESI, Insolvency proceedings and borrowers classified as Fraud, will continue to remain ineligible.
- Any legal cases pending before National Company Law Tribunal (NCLT)/Insolvency & Bankruptcy Code (IBC), Debt Recovery Tribunals (DRT), arbitration, cases are not eligible for moratorium/deferment without express approval from NCLT / IBC / DRT.

4. Is moratorium a waiver of EMIs?

No, a moratorium is not waiver of EMI. Customers will need to pay the entire principal with interest. Customers just have the option of not paying in during the moratorium period.

5. What is the benefit of availing the moratorium?

During this difficult period, cash flows of some customers have been affected and they might not have enough funds available to pay their EMIs. Such customers may avail this moratorium. However, if a customer has sufficient cash flow to meet his needs and service the EMIs also, he may choose to pay his EMI regularly as per the normal loan schedule to avoid the accruing interest charges during the moratorium period

6. Would interest be charged in the moratorium period?

Yes, interest will be charged at the contractual interest rate on outstanding balance.

7. Is the moratorium mandatory for both housing loan & loan against property?

No, customers have the option of not availing the moratorium. The Company will contact all customers by way of SMS and all those who do not want to avail moratorium have to respond to the SMS or can give their preference by writing to compliance@hindujahousingfinance.com. Those who do not respond are automatically deemed to have opted in for the moratorium. In case you need further clarification please reach out to our Company's local representative.

Follow the steps to register your EMI Moratorium preference.

SMS your response to +917065155111 from your registered mobile number.

MORT 1 to avail the Moratorium,

MORT 2 not to avail the Moratorium & continue to make the payments as per regular schedule,

MORT 3 to avail the Moratorium and in case you have cleared March or April EMI and if you would like to adjust that against the future EMI.

MORT 4 to avail the Moratorium only in May 2020,

8. If a customer avails moratorium, then will it impact credit score?

No, it will not impact the credit score of the customer. As per the RBI notification dated 27th March, 2020, the rescheduling of payments will not qualify as a default in customer's credit bureau report.

9. If a customer has overdue on EMI before 1st March 2020, will that attract penal charges?

Yes. The moratorium is provided for only those EMIs due in the moratorium period (1st March 2020 to 31st may 2020). Any overdue for EMIs which were due before moratorium period will attract penal charges and no relaxation is given on that. However, for the EMIs due in the moratorium period, no penal charges will be charged and repayment will be modified as per the communication sent out to customer.

10. If a customer paid his EMI in March 2020, is he still eligible for moratorium?

Yes. The customer can avail moratorium facility for April and May 2020 or for only May 2020.

11. Customer opted to pay the EMI but still his PDC/ ACH was not presented for deduction on due date. Why did that happen and what to do?

Due to lockdown, our offices remain closed and hence ACH/ PDC might not have been presented. It will be done as soon as offices are open. No penal charges will be levied. Once when the lockdown is lifted and still if your PDC/ ACH is not presented, please contact our representative immediately.

12. Customer's repayment mode is Cash but nobody collected it from customer on due date. Why did this happen and what to do?

During lockdown, our offices are closed. In such a case, after lockdown is lifted, customer can visit our office or can ask the representative to come for collection. Alternately the customer can make payment of their EMI on line payment through NEFT. For more details please contact our HHF representative.

13. Can a customer avail moratorium for multiple loans?

Yes, the customer can avail moratorium for all eligible loans.

14. How exactly will customer's repayment schedule change?

Customer's tenure of loan will get extended by the number of months moratorium is availed. For Example: If customer takes 3 months moratorium now, then the tenure will get extended by three months and customer will pay his regular EMI amount in those months. Plus, there will be interest which gets accrued due to the moratorium. That will also need to be paid by the customer. The exact details in this regard will be shared with the customer in due course. Alternatively, customers interest for the 3 months will be added to his POS and the total will be spread over the remaining tenure of the loan, which will lead to an increase in his EMI

15. If the customer wishes to make the payment in moratorium period, how can he do it?

Customers make their payments through the following modes: -

1. Can make use of online payment facility; or
2. Deposit cash after lockdown is lifted; or
3. If the repayment mode is ACH/ PDC, the same will be banked on customer's request.

16. As per RBI guideline, the moratorium period includes the month of March 2020. If a customer has already paid EMI in the month of March 2020 and he wants EMI payment of March 2020 to be refunded, can that be done?

Customers are encouraged to pay their loans on time. Moratorium will be offered for unpaid EMIs only.

17. The customer wants moratorium period for only one month while he has the option of availing it for more than one month (max. up to three months). Is that possible?

The customer can opt for availing moratorium for all the three months (March 2020 to May 2020) or if they have made their payment for March 2020, then for only 2 months April and May 2020 and can opt for one month of May 2020 only. Customers can even make payments during the moratorium period as well as per their original repayment schedule.