

## ANNEXURE - I

### FAQS

**PLEASE NOTE THAT CREDIT CARDS ISSUED UNDER CENT ASPIRE SCHEME AND CREDIT CARD ISSUED TO STAFF MEMBERS ARE NOT ELIGIBLE FOR THE MORATORIUM.**

- Q1. What is the RBI moratorium on loan repayment? What is the scope of RBI's moratorium? What kind of loans does the moratorium cover?
  - RBI vide its press release dated 27th March 2020 titled "Statement on Developmental and Regulatory Policies and subsequently through COVID-19 –Regulatory Package had directly addressed the stress in financial conditions caused by COVID-19
  - The RBI policy statement explicitly mentions term loans, which includes home loans, personal loans, education loans, auto and any loans which have a fixed tenure. This also includes consumer durable loans, such as EMIs on mobiles, fridge, TV and credit card dues etc.
  
- Q2. What is the moratorium period?
  - The moratorium period is of 3 months for making payment of Credit Card outstanding balance / EMIs falling due between 1<sup>st</sup> March 2020 and 31<sup>st</sup> May 2020 and the entire outstanding amount, including the applicable interest and charges (other than Late Payment Charge) during this period, need to be made as per your June 2020 payment due date. For EMI payments, there is no extension of tenure.
  
- Q3. Am I eligible for a moratorium?
  - Any account which was in current status (no- delinquent i.e. with no overdue) as on 29 February 2020 shall be eligible for the moratorium. PLEASE NOTE THAT CREDIT CARDS ISSUED UNDER CENT ASPIRE SCHEME AND STAFF MEMBERS NOT ELIGIBLE FOR THE MORATORIUM.
  - Such accounts shall be deemed to be auto-enrolled for a moratorium in case no payment is received on their respective due dates falling in March 2020 or April 2020 or May2020. It is clarified that for accounts where there is auto debit/Standing Instruction/Mandate, the same shall be executed as usual. However, in case of dishonor of the instructions, the account would be auto enrolled for the moratorium and the dishonor (bounce) charges shall be reversed accordingly.
  
- Q4. Should I hold my Credit Card payments during the moratorium period?
  - In case you opt to avail the moratorium for your credit card dues, you may hold the payment during moratorium period. However, kindly note that the moratorium merely defers the payment. Your credit card dues will continue to accumulate interest, other applicable charges (other than Late Payment Fee) and residual GST. Hence, we advise you to make your card payments regularly:
    - To lessen your burden from accumulation of outstanding amount;
    - To avoid interest which will continue to accrue on the outstanding amount at applicable interest rate associated with your card account

- Q5. Is this a waiver of EMIs / Credit Card Outstanding Balance or a deferment of EMIs / Outstanding Balance payment?
  - This is not a waiver, but a deferment or moratorium from making payment of instalments / outstanding balance falling due between 1st March 2020 and 31st May 2020. You will have to pay the entire accumulated outstanding (including EMIs) together as per your June 2020 payment due date, along with the interest that shall continue to accrue on the outstanding balance of your credit card during the moratorium period.
  - Please note, in the case of EMIs, there is no extension of tenure.

Hence, we advise you to make card payment regularly to lessen your burden from accumulation of outstanding amount which will also include interest and GST charges.

- Q6. Does the moratorium cover both principal and interest?
  - Yes. It does. Instalments will include the following payments falling due between March 1, 2020 and May 31, 2020
  - Principal and/or interest components
  - Equated Monthly instalments
  - Credit card dues.

As per RBI guidelines, interest will continue to accrue on your credit card outstanding balance.

- Q7. Will there be Late Payment Charges (LPC) and Interest charges along with GST on my SBI Credit Card if I miss to pay Minimum Amount Due?
  - RBI moratorium clearly says, “interest shall continue to accrue on the outstanding portion of the term loan during the moratorium period”. While we will not charge you Late Payment Charges and its residual GST, but a non-payment will accrue interest on your outstanding amount and applicable charges.
- Q8. What will happen to my credit score on non-payment of outstanding due to three months moratorium?
  - Credit Bureau score is calculated based on proprietary models of individual credit bureaus and we will not be able to comment on the impact of the moratorium on the credit score. As per RBI, rescheduling of payments, including interest, due to moratorium will not qualify as a default for the purposes of supervisory reporting and reporting to Credit Information Companies (CICs). However, Bank will continue to report updated balances every month along with the repayment status of Feb’2020 during the moratorium period. Normal credit bureau reporting shall start from June’2020 onwards.
- Q9. My Credit Card payment is due soon. Should I hold the payment?
  - In case you opt to avail the moratorium for your credit card dues, you may hold the payment during moratorium period. However, kindly note that the RBI moratorium merely defers payment. Your credit card dues will continue to accumulate interest and residual GST. Hence, we advise you to make card payment regularly to lessen your burden from accumulation of outstanding amount which will also include interest and GST charges.
  - In case you have opted for auto-debit/ECS facility, unless it is modified the same will be deducted as per mandate given by you previously.

- Q10. Will the moratorium impact my card services?
  - The card services will be active/inactive for usage as per the status of your card account on Feb'20 and periodic review of account. We advise you to make card payment regularly to lessen your burden from accumulation of outstanding amount which will also include interest and GST charges.
- Q11. Will my credit card statement get generated?
  - Yes, your credit card statement will continue to get generated and will be sent to you. The statement will include past dues and new charges (including usage, interest levied due to the deferral of payment during the moratorium). The interest will be calculated from the date of individual transactions till the statement date.
- Q12. I have already missed the payment for the month of March'20. Will I be eligible for a moratorium?
  - Any account which was in current status (no-delinquent i.e. with no overdue) as on 29 February 2020 shall be eligible for the moratorium
  - In the event a customer has more than one account / card, only those accounts / cards which are in current status (no-delinquent i.e. with no overdue) will be eligible for the moratorium.

We advise you to make card payment regularly to lessen your burden from accumulation of outstanding amount which will also include interest and GST charges.