



**BASSEIN CATHOLIC
CO-OPERATIVE BANK LTD**

(SCHEDULED BANK)

FAQs on Moratorium under Covid-19 Regulatory Package

1. What is meant by 'moratorium' under Covid-19 Regulatory package?

Moratorium is temporary postponement of payment for the period from March 01 to May 31, 2020 of -

- a) Interest/principal/ instalments (EMI) of Term Loan
- b) Deferment of Interest in case of Working Capital Limits

Interest will be payable on all amount(s) for which payment is being postponed for the period from March 01 to May 31, 2020 pursuant to the Moratorium.

2. Is moratorium compulsory or optional?

The moratorium is optional for all kinds of credit facilities.

3. What is the period of moratorium?

Moratorium can be granted up to a period of three months for all amounts falling due between March 01 and May 31, 2020 for eligible borrowers. The repayment schedule for such loans, as also the residual loan tenor, will be shifted across the board by period of 3 months after the above referred moratorium period.

4. Does the moratorium automatically apply for my loan? How do I know whether I am eligible for the scheme?

Yes, Moratorium applies automatically for your loan. But you have to submit a Loan Moratorium Request Letter to your base branch to avail of the facility. The basic eligibility criteria for being eligible for moratorium under this scheme is that your loan account should not be NPA. If you opt to avail the moratorium, you have to clear overdues upto 29th February 2020 in your account, if any.

In case you are not eligible to avail the benefit of Moratorium Period, you are requested to repay the EMI on time as per the existing repayment schedule to avoid levy of penal charges to your account and reporting of the same to Credit Information Companies as default.

5. Does this mean that my EMI is waived off?

No, this does not mean that your EMI is waived off. This is only a deferment of EMI, where you are not required to pay EMI during the moratorium period.

6. Does the moratorium scheme cover overdraft product?

Yes, the moratorium scheme covers Interest payment in case of all Overdraft Accounts.

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

Moratorium can be offered for below payments due.

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

8. Will the interest accrue during the moratorium period?

Yes, the interest will continue to accrue during the moratorium period and same will be recovered after completion of moratorium period.

9. Till what date can I opt for the moratorium period/ place a request for the moratorium period?

Loan Moratorium Request Letter (available on website: www.bccb.co.in under customer notification tab) to be submitted latest by 15th May, 2020 with the base branch or e-mail to covid19.relief@bccb.co.in.

10. How I can opt for the moratorium?

You can opt for moratorium by sending –

E-mail in specified format from your registered e-mail id to official e-mail address of your base/home branch and also to covid19.relief@bccb.co.in.

11. What happens after the moratorium period ends? Will I have to pay all my EMIs at once?

There will be Interest accrued on the outstanding portion of the loan during the moratorium period. This interest will be added into the loan amount outstanding and will result in increase of loan tenor by 3 months. Thus, the payment of the EMI will not be in one go.

12. What will be my new EMI after end of Moratorium period?

The new EMI to be paid after the moratorium will be higher than existing EMI, and will depend on your Principal outstanding and number of EMIs already paid. You will be provided with the revised Loan Repayment Schedule, which will adjust the accrued interest during the moratorium period to derive the new EMI.

13. Since the Term Loan instalments are not to be paid during the moratorium period, how will the loan be adjusted?

During the Moratorium Period, Interest shall continue to accrue on the outstanding portion of your term loan. The Interest accrued will be added to the outstanding loan amount and

the repayment schedule for such loans as well as the remaining tenor will be shifted by three months. (For example - residual tenor for a 12 months' loan can go up to 15 months).

14. Will I be charged with any penalty or late payment fees for non-payment of EMIs during the Moratorium Period?

You will not be charged with any penalty or late payment fees for non-payment of EMIs during the Moratorium Period.

15. If the customer has already availed of a moratorium for an Education Loan, can the tenure get extended on account of the COVID 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 Mar 01 to May 31, 2020.

16. If customer has principal moratorium running in Education Loan, can he/she still avail of this facility?

Yes, the moratorium is available for interest amounts payable.

17. Does this moratorium period affect my credit rating?

No, provided the loan repayment is satisfactory upto February 29, 2020.

18. Are there any charges applicable to avail the EMI moratorium?

No, there are no additional charges applicable to avail the EMI moratorium

19. For the Term Loans, can I pay all 3 months' EMI in Jun 2020?

As the tenure of the term loans has been extended on account of the moratorium, the customer is required to pay the EMIs as per the revised schedule. However, as per terms and conditions of the facility, if prepayment is permitted then you may pay the EMIs in Jun 2020.

20. 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 you have not opted in for the moratorium.

21. Can I make an EMI payment even during the moratorium period?

The borrower who have availed the moratorium relief can continue to make payment during relief period, the same would be considered as pre-payment in the loan account. 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 loan during this moratorium as per the actual due dates or avail of the benefit of the Moratorium.

22. If instalment/Interest on Working Capital of March is already paid, whether it will be reversed?

No. EMI/Interest paid prior to 31st March 2020 will not be refunded unless specifically requested by Borrower/Customer.

23. Will the Bank initiate a hold on the automated payment option such as Electronic Clearing System (ECS)/Standing Instruction (SI) during the moratorium period?

No. All such automated instructions on the account need to be managed by the customer. The Bank will be presenting the payments as per the regular process during the moratorium period.

24. I have more than one loan from BCCB, Can I get an EMI moratorium for all the loans?

Yes, you can opt for an EMI moratorium for each loan that you have availed from BCCB. Please remember that additional interest for the EMI moratorium period will be applicable for each loan separately.

25. What type of relief is available for Working Capital Limits?

Deferment of interest for three months i.e. from March 1, till May 31, 2020.

Reduction in margin for calculating drawing power.

Reassessment of Working Capital Cycle

Above relief will be granted with proper justification for example wherein WC cycle is impacted by the pandemic, cancellation/deferment of orders, shutdown of unit, non-availability of manpower/ transportation, elongated debtors realisation, payment of salaries and wages, payment of statutory dues etc.

26. Till what time the concession as regards to reduction in margin for calculating drawing power will be valid?

The concession in reduction in margin will be valid up to 31st May 2020. After such period the margin will be reverted to pre-relief margin stipulated by the Bank.

27. When the unpaid interest on term loan and working capital limit is to be paid?

In case of Term Loan -

- Recovery of adjusted/ additional interest during moratorium period of 3 months i.e. from March 1, 2020 till May 31 2020 will be added to your principal. The tenure of your loan shall be extended by 3 months and revised EMI shall applicable.
- In case of foreclosure of Term loan facility, the entire outstanding balance along with the adjusted/ additional interest would be recovered from the borrower.

In case of Working capital-

The accumulated accrued interest shall be recovered immediately after the completion of this moratorium period i.e. on or before 30th June 2020.

28. Whether penal interest will be charged on unpaid interest portion?

No penal interest will be levied on unpaid interest portion during moratorium/ deferment, however if the customer fails to pay the accumulated accrued interest on due dates as specified i.e. after completion of moratorium period, penal interest will be charged.

29. Whether deferment will be treated as restructuring/ down gradation in asset classification?

As the bank is granting the moratorium or deferment or recalculation of drawing power facility only after obtaining proper justification from customer who is affected by COVID-19 pandemic, hence it would not lead to reclassification of asset or asset classification downgrade. As this relief will not be considered as a concession or change in terms of loan agreements.

30. If I have not opted for moratorium, whether Bank will debit interest and instalment during this period?

Yes, if you have not opted in for the moratorium.

31. If my loan disbursement is to be done in Apr 2020, then would I be eligible for moratorium?

Yes, if your instalment/payment falls due on or before May 31, 2020.

32. Whom to contact for further Queries?

Respective Branch Manager and following officials from H.O. Credit Dept.

1) Mrs. Natalia Lopes-AGM(Credit) 7720868800

2) Mr. Sixto Fargose-AGM(Credit) 9146008849

3) Mrs. Sapna D'costa- CM(Credit) 7774003782

4) Mr. Gaurav Joshi - CM(Credit) 7776089911

BCCB is grateful to you for your support and patronage during this challenging period.

Take Care and Stay Safe