

## Frequently Asked Questions (FAQs) on Moratorium for Loan / Interest

S.No.	Question	Response
<b>GENERAL FAQ's</b>		
1	What is the EMI moratorium provided for loans under COVID 19 – RBI's regulatory package?	The prevailing situation may pose a huge challenge for people at large. As a measure of solidarity, RBI has permitted all Indian Banks / Indian Financial Institutions to offer its customers up to 3 months moratorium (holiday) on their EMI payments falling due between 3rd December 2019 to 31st May 2020. Essentially, it means that the customer will not be treated as a defaulter even if he does not pay his EMI until 31st May 2020
2	Who is eligible?	All Muthoot Fincorp Limited customers who have availed of any instalment loan prior to 1st March 2020 and is due during the 3 months moratorium period, are eligible provided the loan is not classified as a Non Performing Asset (NPA) on 1st March, 2020. Also we have provided the 3 months moratorium to all installments falling due from 3rd December 2019 to 29th February 2020 so as to enable them to continue as standard loans as at 31st May 2020.
3	What will happen if I choose the EMI Moratorium?	If you choose EMI moratorium, - Muthoot Fincorp Limited will not ask for any EMI Payment till 31st May 2020
	After availing this scheme for 3 months, will we have to pay the interest for these 3 months also ?	- Interest will continue to accrue on the principal outstanding for the period of the moratorium at the contracted rate of the loan - The loan tenure will get extended by the corresponding period for which the moratorium has been availed - For eg., if the EMI for the month of March 2020 has been paid and moratorium for April & May 2020 has been availed, then the loan tenure will be extended by upto 3 months. The EMI will remain the same
4	If I do not want the EMI moratorium, what should I do?	Since you have already given NACH mandate for the installment during the moratorium, we will send an SMS request to you asking for your consent for presenting the NACH. You can send a return SMS stating "Yes". We will continue to bank your repayment instructions
	Is it mandatory to avail this scheme?	We encourage customers with adequate funds to continue paying during this period to avoid the extra interest for the moratorium period and tenor extension. However, if you skip your EMI payment during this period, it is understood that you require EMI moratorium till 31st May 2020
5	Why was my account debited when the RBI has announced a moratorium?	Opting for the Moratorium is at the discretion of Muthoot Fincorp Limited. We understand that all our customers may not opt for the Moratorium given that interest will continue to be accrued during moratorium as per the contracted rate and payable after moratorium. If you wish to opt for the Moratorium, we would be happy to process and register your Loan account under the scheme for the remainder of the moratorium period. However, payments already made will not be refunded
6	What charges will I pay, if I avail of this EMI moratorium?	If you avail the EMI moratorium, there will be a levy of interest at the contracted rate of the loan for the period of EMI moratorium on the loan outstanding. Such interest will be collected by extending the original tenor of the loan accordingly. No other charges will be levied during moratorium period
7	How do I opt out of NACH repayment / debit to my bank account? OR How do I avail this EMI moratorium?	We have sent an SMS on 4th April 2020 on your registered mobile number with a link to respond if you wish to opt out of NACH repayment. Please respond to the SMS by clicking the link and responding accordingly
		For the May 2020 EMI due on 5th May 2020, we will send another SMS on your registered mobile number with a link to respond if you wish to opt out of NACH repayment. Please respond to the SMS by clicking the link and responding accordingly
		Call on our toll-free no. 1800-102-1616 from your registered mobile number and provide your name, loan number, mobile number for confirmation and the reason why you wish to opt for moratorium
		Write to us on customercare@muthoot.com providing your name, loan number and contact number
8	I have more than one loan from Muthoot Fincorp Limited. Can I get moratorium for both the loans?	Yes, you can opt for moratorium for each loan that you have availed from us, provided they meet the criteria as explained in Sr. No. 1 and 2 above. Please remember that interest for the moratorium period will be applicable for each loan separately
9	What if I have already paid my EMIs and would like to avail the moratorium till 31st May 2020?	You can avail of the moratorium benefits only for the unpaid EMIs. Please follow the process given above in Sr. No. 7 for availing the moratorium
10	Does the moratorium affect my Credit Rating?	No. Opting for the EMI moratorium will not affect your Credit Rating or Score during the moratorium period, i.e. until 31st May 2020. However, post the moratorium any delay in repayment of your EMI shall lead to the loan being treated as overdue and your Credit Bureau score will be affected. All EMI's which were 1-89 days overdue as at 29th February 2020 will continue with same DPD as at 31st May 2020. That means the period between 1st March 2020 and 31st May 2020 will not be reckoned for the purpose of computing overdue days in such cases
11	Is the Moratorium an interest waiver scheme?	No. It is not an interest waiver scheme, only a deferment scheme, i.e. you can pay your instalments a little bit later. However, interest at the contracted rate will continue to be accrued on the loan outstanding during the moratorium
12	Will there be any change in Terms & Conditions of my loan agreement	No. There will be no change in Terms & Conditions of the loan agreement, apart from the Interest accrued due to moratorium which will lead to change in tenor without change in EMI
13	If I have already paid the EMI for March 2020, will the scheme be available to me for next 3 months? Can I ask for refund or will be refunded the EMI paid in March 2020, so that I can avail this scheme?	No. The already paid EMI will not be refunded as this is already adjusted against your outstanding dues. Also, you can avail this scheme for your next 2 instalments, till 31st May 2020

14	Will we have to pay all EMIs together, after 3 months ?	No. Your loan tenure will automatically be extended by 3 months or more, if you opt for Moratorium. For e.g. If you have availed loan before March 2020 and your last EMI was supposed to be paid by December 2020, then after this scheme, your last EMI will be due in March 2021 or later
15	Which is beneficial – paying regular EMI or availing the EMI deferment scheme?	The reason for the EMI deferment scheme is to reduce financial burden on you during the period of lockdown. If you can afford to pay the regular EMI, then we request you to please do so, which is beneficial
<b>Muthoot Fincorp Limited PRODUCT SPECIFIC FAQ's</b>		
1	Will my Gold Loan be under moratorium? Muthoot Fincorp Limited extend the benefit on my GL?	<p>Will</p> <p>Tenor of Gold Loans (other than EMI Gold Loans) with maturity date from 3rd December 2019 till 31st May 2020 is being extended by 3 months. Interest slab as applicable on the loan on 24th March 2020 will be retained until 31st May 2020</p> <p>For Gold Loans maturing on and from 1<sup>st</sup> June 2020, this moratorium is not applicable. However, a period of 14 days is being provided to the customer to regularise the loan from the date of opening of the branch. Hence, for a branch that re-opens for lending, for example, from 20th April 2020, the interest rate slab change will happen on or after 4th May 2020 without interest rate slab freeze. It means interest rate slab freeze will not be available to those customers in this category who are not paying interest on or before 3rd May 2020</p>
	Will my EDI loan be under moratorium?	Tenor of all MSME EDI loans having maturity date between 3rd December 2019 and 31st May 2020 will be extended by 3 months. Your credit score will not change during this period. But if you delay payments after this moratorium period then your credit score will be affected.
2	What are the benefits of this moratorium?	As a gesture of a considerate lender, Muthoot Fincorp Limited is with its customers during such difficult times and understands their position. Hence, loans which are maturing within the moratorium period, we are giving 3 months time to repay the loan and interest slab as on 24th March 2020 (being the branch closing date before lockdown) will be retained till 31st May 2020. For all loans maturing after 31st May 2020, we will provide a 14 days' time from the date of opening of the branch for paying the interest in order to avail the interest slab as at 24th March 2020. Thus, this is a substantial relief to the customers during this difficult time
3	My loan has matured. What should I do? Will you auction my ornaments?	If your loan maturity is any time between 3rd December 2019 and 31st May 2020, Muthoot Fincorp Limited will extend the tenor of your loan by 3 months. Do not worry. Muthoot Fincorp Limited is not taking any adverse action for such loans. Your loan will be considered for auction after 1st June 2020 after giving due notice to you. Once normalcy returns and we open for business, please visit the branch for payment and releasing your ornaments
4	I have made payments through e-pay / app / online but the same is not reflecting	We request you to kindly bear with us and apologise for this inconvenience. We are working to ensure that your payments are applied to your loan at the earliest. Our IT systems are under a lot of pressure due to many customers using online methods to pay and hence it is taking a bit longer than expected to reflect payments. We thank you for your patience
5	I want to renew my Gold Loan as it has matured	The tenor of your loan will be extended by 3 months from the maturity date. You need not worry. Our branches are now functioning across the country depending upon local conditions. Please reach out to our call centre or visit our website or write to customercare@muthoot.com to find out the nearest working branch in your location
6	How do I register for 24x7?	Please visit the nearest branch to register yourself for this facility. We are also working to introduce an online method through our App and Website. Kindly bear with us for some time. We shall reach out to you when this feature is ready
7	I have SME EMI / Gold EMI loan. Is moratorium applicable to me?	Yes, Muthoot Fincorp Limited is granting moratorium provided there are no EMI's pending from you prior to 3rd December 2019. The tenor of all such eligible loans is being extended by upto 3 months. However, please note that the NACH mandate will be presented on 8th April and 5th May 2020 based on your response to the SMS. If you can pay, we urge you to honour this NACH so that you do not have to bear interest during the moratorium. Muthoot Fincorp Limited will however not levy any charges or penal interest in the event you do not pay your EMI for April and May 2020. Any payment received during this period shall be applied first to Interest and balance to Principal so as to give you the benefit of reducing the interest burden
8	What happens if my NACH is bounced / dishonoured by bank and it levies bounce charges to me?	You have to approach your Bank for that with a request to consider a waiver of charges. We are sure in such times your bank will be considerate and accept your request. We assure you that we will not levy any charges including bounce charges from our side
9	Will my pledged gold be auctioned if I don't make the regular interest/principal payments?	If your loan maturity is any time between 1st March 2020 and 31st May 2020, Muthoot Fincorp Limited will extend the tenor of your loan by 3 months. Do not worry. Your loan will be considered for auction after 1st June 2020 after giving due notice to you. Once normalcy returns and we open for business, please visit the branch for payment and releasing your ornaments
10	Under EMI scheme, will Muthoot Fincorp Limited deposit my cheque / NACH mandate?	You can request us to not present the cheque / NACH as explained under Sr. No.7 of General FAQs above
11	I have issued NACH mandate to Muthoot Fincorp Limited to debit my bank account for EMI recovery. Do I have to cancel this mandate with my bank?	No, there are no separate instructions required from your end. It will be managed by Muthoot Fincorp Limited upon receipt of a confirmation from your end
12	Will penal interest (due to deferment) be levied for the instalments which are falling due between 1st March, 2020 to 31st May, 2020 and which have been deferred by availing the moratorium ?	No, penal interest will not be charged due to deferment of the instalments which are falling due between 1st March 2020 and 31st May 2020. However, interest would continue to accrue on the outstanding principal at the applicable contracted rate of interest for the loan and which has to be paid by you after the moratorium period
13	Is it OK if I continue to pay my instalment / interest and not OPT-IN for moratorium/deferment?	Yes. Please continue to pay if you can afford to. It will help you in avoiding interest during the moratorium period which will be payable after moratorium period
14	Can I OPT-IN for the moratorium for one month and then OPT-OUT?	No, if you avail of the moratorium, you will not be able to change your decision till end of moratorium period. For eg. If you avail the moratorium for April 2020, it will be also applicable for May 2020
15	Here is an example of a loan with moratorium	Ms. B has a term loan of Rs.1 lakh at 26% rate of interest p.a., EMI of Rs.9,553 for 12 months. If she opts for moratorium, then she will pay interest of Rs.8,776 during the moratorium period. Therefore, if you can afford to pay then we recommend that you continue to pay your dues on time. It will help you in avoiding paying extra interest during the moratorium