

**RBI GUIDELINES ON EMI/ INSTALLMENT DEFERMENT
FREQUENTLY ASKED QUESTIONS**

1. What types of loans are covered under the relief package on account of COVID 2019

All Term Loans in respect of Retail, Agriculture and MSME and Cash Credit/Overdraft which are standard assets are eligible to avail the benefits under the package.

2. If the installment is deposited, what will be the fate of the installment?

The option lies with the borrower to avail of this facility or to continue with the existing repayment schedule. The repayment will be considered to be regular with no changes in the terms if paid as per existing terms.

3. Whether account will be treated NPA if the installment is not deposited during this period?

No, the account will not be treated as NPA if the EMI/ INSTALLMENT between the said period of three months (EMI/ INSTALLMENTS due from 01.03.2020 to 31.05.2020) are not deposited.

4. What will be treatment of three months gap for the month of March, April & May 2020?

Bank will provide moratorium/deferment for this period. The account classification and status of the customer will not change during the period on account of deferment.

However, customers have an option to repay as per existing EMI/ INSTALLMENT schedule also.

5. What will be the treatment of interest on the Working Capital facilities?

The recovery of Interest applied to Cash Credit/Overdraft on 31st March, 30th April and 31st May 2020 is being 'deferred'. However, the entire interest must be recovered along with the interest being applied on 30th June 2020 and in cases, where monthly interest is not being applied, along with the next interest date.

6. Whether the rescheduling will be done only for Principal amount or it also includes interest?

In EMI based loans, EMI constitutes both principal & interest and hence deferment of EMI will apply for both principal and interest.

In case of other Term Loans borrowers will have option to defer principal installment as well as interest.

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7. Whether the impact of this relief on borrowers will be reported as a default to Credit Bureau/CRILIC ?

The overdue payments post 1st March 2020 will not be reported to Credit Bureaus/ CRILC for three months. No penal interest or charges will be payable to the Banks.

8. Whether businesses/ Individuals should necessarily take the benefit?

The benefits under this package can be availed, if there is a disruption in cash flows or there is loss of income. However, one must take into account that the interest on the loans, though not mandatorily payable immediately and gets postponed by 3 months, continues to accrue.

9. What about my Credit Card dues?

The relief is available for Credit Card payments also.

10. How will customer contact the bank for non deduction of EMI/ INSTALLMENT?

The customer can avail of this facility if he/she wishes so and there is no need to contact your bank if you do not want to avail of this facility. In case the customer wants to avail of the deferment, he/she has to reply to SMS sent by the bank by sending "NO" on mobile no 8422004008.

11. In case, borrower has not received SMS from bank for deferment of EMI/ INSTALLMENT?

The customer can send e mail to retailbankingwing@canarabank.com with details of Loan Account Number, Name of customer, Branch Name and CASA account number.

12. Whether the Penal Interest will be charged for non payment of EMI/ INSTALLMENT for three months March, April & May 2020(falling due from 01.03.2020 to 31.05.2020)?

No Penal interest shall will be charged.

13. Whether EMI/ INSTALLMENT will be refixed from 01.06.2020?

Yes, the deferred EMI/ INSTALLMENTS along with accrued interest during this period will be repayable over the extended tenor loan (original term+ three months). Accordingly the EMI/ INSTALLMENTS will be rescheduled.