

## Frequently Asked Questions(Revised)

1. 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.

2. What is the moratorium period?

The moratorium period is of 6 months for making payment of Credit Card outstanding balance / EMIs falling due between 1<sup>st</sup> March 2020 and 31<sup>st</sup> August 2020 and the entire outstanding amount, including the applicable interest and charges during this period, need to be paid as per your September 2020 payment due date for revolver and non-revolver customer. For EMI customer, please refer point 5 of FAQ.

3. Am I eligible for a moratorium?

Any Canara Credit card holders shall be eligible for the moratorium **except for staff and Ex-staff of Canara Bank.**

4. 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. Interest shall continue to accrue on the outstanding dues during the moratorium period at the applicable rate @ 2.5% per month. However, kindly note that the moratorium merely defers the payment. Your credit card dues will continue to accumulate interest, other applicable charges 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

5. [Is this a waiver of EMIs / Credit Card Outstanding Balance or a deferment of EMIs / Outstanding Balance payment?](#)

This is not a waiver, EMI falling due for April 2020 and August 2020 statements will not be billed for moratorium opted customers and would be deferred. EMI billing will resume from September 2020 statement and there will be an extension of the remaining tenor the remaining loan with one EMI billed per statement cycle. **Please note, additional interest for the moratorium period will be applicable.**

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.

6. [Does the moratorium cover both principal and interest?](#)

Yes. It does. Installments will include the following payments falling due between March 1, 2020 and August 31, 2020

- (i) Principal and/or interest components
- (ii) Equated Monthly installments
- (iii) Credit card dues.

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

7. [Will there be Late Payment Charges \(LPC\) and Interest charges along with GST on my Canara 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 LPC and its residual GST, but a non-payment will accrue interest on your outstanding amount and applicable charges.

8. [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, we 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 Sep'2020 onwards.

9. [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 facility, we will not debit you savings account in case you have opted for moratorium.

#### 10. 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.

#### 11. 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.

#### 12. I have already missed the payment for the month of March'20. Will I be eligible for a moratorium?

Yes, you will be eligible for moratorium and same will be extended to remaining due during the moratorium period along with missed payment.

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

#### 13. How can I opt for non recovery of Credit Card dues?

If you wish to avail moratorium as per RBI relief measure and do not wish to pay your Credit Card dues, kindly send SMS "NO" to 8422004008 before payment due date.