

Frequently Asked Questions

Moratorium for Retail Customers of Standard Chartered Investments and Loans (India) Limited under COVID-19 regulatory package

1. What is the relief RBI has provided for retail customers of Standard Chartered Investments and Loans (India) Limited under COVID-19 regulatory package?

As part of COVID-19 regulatory package, RBI has rolled out a notification: RBI/2019-20/186 dated March 27, 2020 and amended notification RBI/2019-20/244 dated 23rd May 2020, to reduce the burden of debt servicing caused due to disruptions in business on account of the COVID 19 pandemic and to ensure continuity of business.

For more details please refer the link below: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11835&Mode=0> and <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11902&Mode=0>

2. Is moratorium compulsory or optional?

The moratorium is optional for all kinds of retail credit facilities such as Loan Against Securities (LAS), and Loan Against Property (LAP), though for our Retail clients they have to opt out of the Moratorium as per the details mentioned in the communication send by their respective Relationship Managers.

3. For what period can the moratorium be granted?

Initially moratorium was granted for a period up to 3 months for all amounts falling due between 1st March to 31st May 2020. Subsequently, the moratorium period has been extended for another three months for all amounts falling due between 1st June to 31st August.

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

Moratorium can be offered for below payments due during the moratorium period.

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

5. Will the interest accrue during the moratorium period?

Yes, the interest will accrue during the moratorium period. Treatment of the interest will be as per the relevant terms and conditions applicable to the respective credit facilities. For details please contact your Relationship Manager.

6. How can I opt for the moratorium?

All SCILL customers are been given the benefit of the moratorium / deferred interest payment, in case you wish NOT to avail then please write to your relationship manager and Scillcustomer.Care@sc.com.

7. How will interest be charged and recovered for retail term loans such as LAP?

The accrued interest would be added to the principal amount which will increase the residual tenure of the loan except in cases where extension of tenure is not possible in which case the EMI amount will increase. Please refer to the relevant applicable terms and conditions for further details.

8. How will interest be charged and recovered for Line of credit facilities availed under Loan Against Securities?

The accrued interest will be due and payable immediately after the end of the moratorium i.e. in Sep 2020.

9. Will there be late payment charges/ default interest/ additional interest for the deferred instalments during the moratorium period?

No late payment charges/ default interest/ additional interest shall be levied during the moratorium period.

10. Do I need to submit fresh Auto Debit or NACH debit mandates?

No, as the EMI will remain same and tenure will increase by six months to recover the deferred interest accrued during the moratorium period, there is no need of fresh Auto Debit (AD) or NACH. However, in case the instalment amount increases, then a fresh NACH mandated will be required.

11. Can I make payments in between the Moratorium period?

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.

12. Will a payment of EMI during the moratorium be considered as prepayment?

If the due EMI is paid, then it will not be considered as prepayment and there will not be any prepayment penalty on the same.

13. Will the seeking of Moratorium by the borrower have an impact on their credit/bureau score?

The moratorium on payments will not qualify as a default for the purposes of supervisory reporting and reporting to Credit Information Companies (CICs)/credit bureau by the Bank. Hence, there will be no adverse impact on the credit history of the borrowers.

Any delay in payments of dues/ outstanding amounts payable after the expiry of the Moratorium for customers(s)/ borrower(s) who had availed of the Moratorium will qualify for the purposes of reporting to Credit Information Companies (CICs)/credit bureau by the Bank.

14. For the retail Term Loans, can I pay all 6 months' EMI in Sep 2020?

As the tenure of the retail term loans has been extended because of the moratorium, a 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 Sep 2020.

15. Is it ok if I continue paying the EMIs rather than availing of the moratorium?

Yes, please continue to pay your EMI.

16. Can I opt moratorium for EMI due for the current month and then pay EMI due for the subsequent month(s)?

No, once an option is informed you can't change it during moratorium period.

17. In case of multiple facilities availed from SCILL, whether the moratorium is applicable for all facilities?

Please inform us at Scillcustomer.Care@sc.com and your Relationship Manager mentioning the loan account details for which you DONOT wish to avail moratorium.