



Bussan Auto Finance India Pvt. Ltd.

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FREQUENTLY ASKED QUESTIONS (FAQs) ON MORATORIUM BENEFIT

1. What does the Moratorium Benefit mean?

As per Company's Moratorium Policy the Moratorium Benefit includes –

- a. Rescheduling of Payments to allow the Customer to defer their payments of EMIs falling due between March 01, 2020 and *August 31, 2020 ("Moratorium Period");
- b. Waiver of Charges to waive off any default rate of interest / charges / penalties on non payment of EMIs during the Moratorium period; and
- c. No downgrade Asset Classification of the loan accounts to whom the Moratorium benefit is allowed.

For details please refer the Policy of the Company on its website www.bafindia.com.

2. Does Moratorium mean that the Customer need not pay the EMIs?

Moratorium benefit is a rescheduling of the loan which allows Customers to defer their payments falling due during the Moratorium Period. The benefit is meant **only for deferment in payment** and does not allow any waiver of payment of EMI.

3. What loans are covered for Moratorium benefit?

The loans shall include both, **Two Wheeler and Personal Loans**, extended by the Company to its Customer for which the repayment of instalment is falling due during the Moratorium Period.

4. Whether Moratorium benefit be automatically granted to all the Customers?

No. The Company shall present the EMIs of all its Customers in normal course. The Customer who wish to avail the Moratorium benefit shall place a request to the Company on its email id moratorium@bafindia.com in order to avail the Moratorium benefit. The benefit shall however be granted or denied on the sole discretion of the Company.

5. What are the instances where the Customer can be denied this benefit?

There are no specific instances in which the benefit can be denied. However, the following exhaustive cases can be considered to deny the benefit –

1. The Loan account had already been qualified as NPA by the Company.
2. The Borrower had been irregular in his repayments prior to March 01, 2020
3. The Borrower fails to satisfy the Company that he shall be granted the benefit.
4. The Borrower fails to provide any additional information or documents which the Company may ask for in order to determine his / her eligibility in this regard
5. The Credit History or the track record of the Customer is as such that the Company doesn't consider it fit to grant the benefit.

6. Whether I need to provide any additional documents for availing Moratorium Benefit?

No. The Customer need not submit any document to avail the benefit. However, the Company may, on case to case basis, seek additional information or documents from the Customer in order to extend the facility which the Customer shall submit in due time.

7. Whether deferment result in default of payment?

No. The deferment of instalments shall not mean default in repayment and accordingly it shall not attract any default rate of interest / charges / penalties, by whatever name called.

8. What if an EMI has already been deducted?

The Borrowers who have already paid their EMIs for any month falling due during the Moratorium Period may avail the Moratorium Benefit for the remaining Moratorium Period. The Company shall not refund the amount of EMI already paid.

9. Will deferment impact the Credit Score?

It has been amply clarified by the RBI that the deferment of EMIs during the Moratorium period shall not be considered for reporting to the Credit Information Companies (CICs) and thus the deferment shall not adversely impact the Credit Score of the Customers.

10. How will the loan of a Customer be rescheduled?

The Company shall accordingly change the repayment schedule of the loans in a manner that the residual tenor of the loan is elongated across the board by equivalent period (including the Moratorium period) by keeping the EMI constant or by keeping the loan tenor same and revising the EMI amount to give effect of the capitalisation of interest. Interest shall continue to accrue on the outstanding principal portion of the loan during the Moratorium Period and shall be recoverable along with the future instalments as per the revised repayment schedule as may be decided by the Company.