

Frequently Asked Questions (FAQs) on EMI Moratorium

RBI has issued a policy statement on March 27, 2020 announcing certain regulatory measures to mitigate the debt-servicing burden on borrowers in view of the disruptions brought out by the current situation.

Some Frequently asked questions (FAQs) on moratorium benefit to the customers have been given below:

1. What is the EMI moratorium facility provided for loans during the COVID 19 regulatory package?

In a moratorium, your EMIs will be deferred. This means that during the period between 1st March and 31st May 2020, no payment has to be made by the customer to HLF. Interest on the EMIs will keep accruing for the customer during this period and will be payable after the moratorium period.

2. Who is eligible for moratorium?

Moratorium shall be applicable on all term loans outstanding as on March 1, 2020 and all such loans are eligible to claim the relaxation. The moratorium shall be applicable to all payments falling due from March 1, 2020 to May 31, 2020.

HLF shall offer moratorium to all loans relating to Commercial Vehicles, Construction equipment, loan against property, three wheelers, small commercial vehicle and used vehicles.

In case of two-wheeler loans, the repayment schedule will continue as per the contractual terms. However, if a two-wheeler customer makes a request for moratorium, the same will be offered to him. Thus, HLF will offer moratorium on two-wheelers loans based on customer preference.

Link : http://connect.hindujaleylandfinance.com:86/acceptance_Moratorium/#/

In case of clarification, please contact Hinduja Leyland Finance representative

3. Who is not eligible for moratorium?

The following are ineligible/not eligible to avail moratorium; -

- Borrowers on whom there are proceedings under DRT, SARFAESI, Insolvency proceedings and borrowers classified as Fraud, will continue to remain ineligible.
- Any legal cases pending before National Company Law Tribunal (NCLT)/Insolvency & Bankruptcy Code (IBC), Debt Recovery Tribunals (DRT),



arbitration, cases are not eligible for moratorium/deferment without express approval from NCLT / IBC / DRT.

4. Is moratorium a waiver of EMIs?

No, a moratorium is not waiver of EMI. Customers will need to pay the entire principal with interest back to HLF. Customers just have the option of not paying in during the moratorium period.

5. What is the benefit of availing the moratorium?

During this difficult period, cash flows of some customers have been affected and they might not have enough funds available to pay their EMIs. Such customers may avail this moratorium. However, if a customer has sufficient cash flow to meet his needs and service the EMIs also, he may choose to pay his EMI regularly as per the normal loan schedule to avoid the accruing interest charges during the moratorium period

6. Would interest be charged in the moratorium period?

Yes, interest will be charged at the contractual interest rate on outstanding balance.

7. Is the moratorium mandatory for all Commercial Vehicles, Construction equipment, loan against property, three wheelers, small commercial vehicle and used vehicles customers?

No, customers have the option of not availing the moratorium. HLF will contact all customers by way of SMS and all those who do not want to avail moratorium have to respond to the SMS or can give their preference on our website. Those who do not respond are automatically deemed to have opted in for the moratorium. In case you need further clarification please reach out to our local HLF representative.

8. If a customer avails moratorium, then will it impact credit score?

No, it will not impact the credit score of the customer. As per the RBI notification dated 27th March, 2020, the rescheduling of payments will not qualify as a default in customer's credit bureau report.

9. If a customer has overdue on EMI before 1st March 2020, will that attract penal charges?

Yes. The moratorium is provided for only those EMIs due in the moratorium period (1st March 2020 to 31st may 2020). Any overdue for EMIs which were due before moratorium period will attract penal charges and no relaxation is given on that.



However, for the EMIs due in the moratorium period, no penal charges will be charged and repayment will be modified as per the communication sent out to customer.

10. If a customer paid his EMI in March 2020, is he still eligible for moratorium?

Yes. The customer can avail moratorium facility for April and May 2020 or for only May 2020.

11. Customer opted to pay the EMI but still his PDC/ ACH was not presented for deduction on due date. Why did that happen and what to do?

Due to lockdown, HLF offices remains closed and hence ACH/ PDC might not have been presented. It will be done as soon as offices are open. No penal charges will be levied.

Once when the lockdown is lifted and still if your PDC/ ACH is not presented, please contact HLF representative immediately. Alternatively, the customer can download our HLF connect app (only android users) and use the online payment options available for payment of dues even during the moratorium period.

12. Customer's repayment mode is Cash but nobody collected it from customer on due date. Why did this happen and what to do?

During lockdown, HLF offices are closed. In such a case, after lockdown is lifted, customer can visit HLF office or can ask the representative to come for collection. The customer can also make his payment by downloading HLF connect APP (from Google Play) and pay his EMI through the APP. Alternately the customer can make payment of their EMI on line payment. For more details please contact our HLF representative.

13. Can a customer avail moratorium for multiple loans?

Yes, the customer can avail moratorium for all eligible loans.

14. How exactly will customer's repayment schedule change?

Customer's tenure of loan will get extended by the number of months moratorium is availed. For Example: If customer takes 3 months moratorium now, then the tenure will get extended by three months and customer will pay his regular EMI amount in those months. Plus, there will be interest which gets accrued due to the moratorium. That will also need to be paid by the customer. The exact details in this regard will be shared with the customer in due course.

15. If the customer wishes to make the payment in moratorium period, how can he do it?



Customers make their payments through the following modes: -

1. HLF Connect APP; or
2. Can make use of online payment facility; or
3. Deposit cash after lockdown is lifted; or
4. If the repayment mode is ACH/ PDC, the same will be banked on customer's request.

16. As per RBI guideline, the moratorium period includes the month of March 2020. If a customer has already paid EMI in the month of March 2020 and he wants EMI payment of March 2020 to be refunded, can that be done?

Customers are encouraged to pay their loans on time. Moratorium will be offered for unpaid EMIs only.

17. The customer wants moratorium period for only one month while he has the option of availing it for more than one month (max. up to three months). Is that possible?

The customer can opt for availing moratorium for all the three months (March 2020 to May 2020) or if they have made their payment for March 2020, then for only 2 months April and May 2020 and can opt for one month of May 2020 only. However, if customers wish, they can make payments during the moratorium period as well. Please exercise the option on the link http://connect.hindujaleylfinance.com:86/acceptance_Moratorium/#/ and choose relevant option.