

FREQUENTLY ASKED QUESTIONS (FAQs) ON EX-GRATIA SCHEME

What are the key features of the ex-gratia payment scheme?

- Loan accounts must be standard as of February 29, 2020.
- Borrowers who have loan accounts with sanctioned limits and outstanding amount not exceeding Rs. 2 cr. (aggregate of all facilities with all the lending institutions, excluding Non-Fund based facilities) as on February 29, 2020 are eligible.
- The relief shall cover the following segments – MSME Loans, Education loans, Housing Loans, Consumer Durable Loans, Credit Card Dues, automobile loans, personal loans to professionals and Consumption loans.
- The period considered for calculation of interest is from March 1 to August 31, 2020 i.e. 6 months period / 184 days.
- The applicable rate of interest for calculating the interest amount shall be the contracted rate of interest as on February 29, 2020 for the respective loan account.
- The scheme applicability to the loan account is subject to reimbursement of claim by SBI, the Nodal agency appointed by Government of India. In case, the claim is rejected or there is a significant delay in settlement of the claim, the credit would be reversed.

Is borrower required to apply for the scheme?

No. The ex-gratia relief will be credited to the account of all eligible borrowers without any requirement to apply.

Who will finalise the list of eligible accounts?

Individual banks/ lending institutions will finalise the list of eligible borrowers for the relief based on the GOI guidelines.

Whether Accounts categorised as SMA-0, SMA-1 and SMA-2 are eligible to avail the benefit of the package?

Yes, the accounts classified as SMA-0, SMA-1 and SMA-2 as on 29th Feb 2020 are eligible for the relief package.

Are NPA accounts eligible for the relief package?

No. The loan should not be a “Non-Performing Asset (NPA) as on 29.02.2020.

Whether borrowers who have opted for deferment of Interest and Instalment under the RBI COVID 19 relief package earlier are eligible to avail the benefit under the above relief?

Yes. The package will be available for eligible borrowers irrespective of whether they have availed or partially availed or not availed the moratorium on repayment announced by RBI vide DOR. No. BP.BC.47/21.04.048/2019-20 dated 27.03.2020 and extended on 23.05.2020.

Whether “partly disbursed loans” are covered under the relief package?

Yes, provided that the sanctioned and outstanding amounts do not exceed Rs. 2 Cr. The outstanding as on 29.02.2020 shall be the reference amount for calculating the differential interest amount.

Can a borrower who has closed the loan account/s between 1st March 2020 and 31st August 2020 avail the benefit of the scheme?

Yes. Such borrowers are eligible for refund of differential interest from 1st March 2020 up to the date of closure of account (not later than 31st August 2020).

In which of my accounts will the differential amount be credited?

The differential amount will be credited to the loan account(s) with the Lender.

If I have already closed my loan account after March 1st, 2020, how will the differential amount be paid?

In case of closed accounts, ex-gratia amount will be credited to any of your other existing loan account(s) with us. In case there is no existing facility, the ex-gratia amount will be credited to your savings/ current account registered with us.

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What will be the treatment of penal interest/ penalties while arriving at the rate of interest?

The contracted rate / interest rate prevailing as on 29.02.2020 which is considered for calculating the interest differential will exclude any penalties or any penal rate of interest applied in the account.

What will be the treatment for the repayments / credits made in term loan/ demand loan during the period from 1st March 2020 to 31st August 2020?

The outstanding as on 29.02.2020 will be the reference amount for calculating the differential. Any repayment / credits subsequent from 01.03.2020 – 31.08.2020 shall be ignored for the purpose of calculation.

How can I flag my grievances related to the relief package?

The borrowers can register their request/ grievance by sending a mail to helpdesk@neogrowth.in. In case of any delay of response beyond 5 working days , an escalation can be done to the nodal officer by sending mail to nodalofficer@neogrowth.in

**** Please note FAQs may change based on Regulatory clarification on scheme. ****