

Frequently Asked Questions (FAQ) on EMI Moratorium

Q1: Whether my car loan is covered under the relief package announced by RBI?

A1: The Reserve Bank of India (RBI) has permitted Ford Credit India Pvt. Ltd. (Ford Credit) to grant a moratorium up to three months on payment of all instalments falling due between March 1, 2020 and May 31, 2020. The repayment schedule for such loans as also the residual tenor, will be shifted across the board by up to three months.

Please go through the remaining FAQs for more information.

Q2: Will Ford Credit provide moratorium on the monthly payments?

A2: Yes, Ford Credit will provide moratorium. Ford Credit monthly payments are due on 5th and 10th day of every month. Hence, payments due in April and May are being considered. In view of the payment dates, you must provide your consent to Ford Credit before April 3, 2020 for 5th dated instalment and by 6th April for 10th dated payments to allow Ford Credit to process the instalment amount in time.

Q3: Whether I should necessarily take the moratorium benefit? Is it good for me?

A3: You may take the benefits under this package only if there is a disruption in your cash flows or there is a loss of income. You must take into account that the interest on the loan continues to accrue on your account even during the moratorium period which shall be paid by you. This implies additional interest will accrue on your loan.

Q4: What happens if I do not wish to avail the moratorium benefit?

A4: You will have to pay the due instalment/interest amount as per the existing schedule of repayment. No action is required from your part.

Q5: Does the moratorium automatically apply for my loan? How do I know whether I am eligible for the scheme?

A5: Please see below:-

- a) No. Moratorium does not apply automatically for your loan. One has to apply and if found eligible, moratorium is extended under the scheme.
- b) The basic eligibility criteria are:
 - i. Loans disbursed or balances generated post March 1, 2020 are not eligible.
 - ii. Your account should not be overdue on any instalments or payments due to Ford Credit as of March 29, 2020.
 - iii. Certain class of customers are not eligible as per Ford Credit's policy.
 - iv. All details need to be correctly and completely filled in the format prescribed by Ford Credit and should be submitted before the respective due dates.

Q6: How do I apply to avail moratorium under this scheme?

A6: You may write a mail with your complete loan details to fcicare@ford.com. Our team will guide you through the process.

Q7: Is this rescheduling only for Principal amount or it also includes interest?

A7: The accrued interest during the moratorium period should be paid before June 4, 2020. The loan period will be extended by 2 months. The amount to be paid will be equivalent to your monthly payment each month.

Q8: Whether this moratorium scheme will be treated as “restructuring”? What about the provisions applicable?

A8: The measures stipulated by RBI under the March 27, 2020 circular on COVID 19 Regulatory Package will not be treated as “Restructuring” and hence will not result in asset classification downgrade. Accordingly, the enhanced provisions for Restructured Accounts will not apply.

Q9: Whether Ford Credit will honor the Standing instructions, ECS Mandate etc. existing in the account during this period?

A9: Ford Credit will continue to collect instalments as per the standing instructions & also through existing NACH mandate unless stopped by the borrower. In case Borrower wants to avail moratorium, they must approach Ford Credit.