Ex-gratia scheme

In line with the announcement done by the Ministry of Finance on 23rd of October, 2020 amidst the unprecedented and extreme COVID-19 situation, the Central Government has approved “Scheme for grant of ex-gratia payment which is difference between compound interest and simple interest for six months to borrowers in specified loan accounts for the period (1.03.2020 to 31.8.2020)”. NHB has also issued circular on similar lines in this regard.

(1) Key Operational guidelines for the scheme announced by the Ministry of Finance are stated below:

(a) Borrowers in the following segments/classes of loans, who have loan accounts having sanctioned limits and outstanding amount of not exceeding 2 crores [aggregate of all facilities with lending institutions] as on 29.02.2020 shall be eligible under the Scheme:
   1) MSME loans
   2) Education loans
   3) Housing loans
   4) Consumer durable loans
   5) Credit card dues
   6) Automobile loans
   7) Personal loan to professionals
   8) Consumption loans

Any borrower whose aggregate of all facilities with lending institutions is more than Rs. 2 crores (sanctioned limits or outstanding limits) will not be eligible for ex-gratia payment under this scheme

(b) The account should be standard as on 29.02.2020 i.e loan should not be a Non-Performing Asset (NPA) as on 29.02.2020
   • The ex-gratia payment under this scheme shall be admissible irrespective of whether the borrower had fully availed or partially availed or not availed of the moratorium on repayment announced by RBI
(c) The period to be reckoned for crediting of difference between compound interest and simple interest to the eligible borrowers would be from 1.03.2020 to 31.08.2020 (six months/184 days). For accounts closed during the said period, the period of crediting would be from 1.03.2020 and restricted to the date of closure of such account.

(d) The aforesaid exercise of crediting the amount in the respective accounts of the eligible borrowers shall be completed on or before 5.11.2020.

(e) Grievance Redressal Mechanism

As a part of the Grievance Redressal Mechanism, a separate tagging has been created on CRM to handle all queries related to the ex-gratia scheme. For any queries, you can write to our service channel: wecare@bajajfinserv.in.

- In case of any escalation, you may write to Mr Sagar Shah: greivanceredressal@bajajfinserv.in.
- For next level of escalation, you may write to Ms Tamanna Mahajan: customerexperiencehead@bajajfinserv.in.

The queries shall be addressed as per the guidelines laid down in the policy issued by the Ministry of Finance within 7 working days.

Illustration

<table>
<thead>
<tr>
<th>Principal O/s as on 29th Feb,20</th>
<th>P</th>
<th>1,00,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRR as on 29th Feb</td>
<td>R</td>
<td>9.00%</td>
</tr>
<tr>
<td>Period (in Days) *</td>
<td>T</td>
<td>184</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(irrespective whether opted for Moratorium or not)</td>
</tr>
<tr>
<td>Simple Interest</td>
<td></td>
<td>4,524.59</td>
</tr>
<tr>
<td>Compound Interest</td>
<td></td>
<td>4,610.85</td>
</tr>
<tr>
<td>Ex gratia (To be adjusted in Loan A/c)</td>
<td>C - S</td>
<td>86.26</td>
</tr>
</tbody>
</table>

*Days for interest shall not exceed 184 days & can decrease if loan is closed prior to 31st Aug,20