

FAQs on COVID-19 Resolution Framework 2.0 – Credit Card (Customers)

1. Credit Card customer eligible for restructuring under the framework?

Yes, Credit Card customers of bank whose income have been effected on account of COVID-19 and whose accounts are in standard category as on 31.03.2021, except the following

- 1) Staff Credit Card Accounts
- 2) Credit Card issued against Fixed Deposit.

2. Is it mandatory for the Cardholder to avail the resolution plan?

No, It is not mandatory to avail the benefit under resolution plan and purely optional.

3. Do I need to give consent even if I don't wish to avail the benefit of this scheme?

No action is required in that case.

4. How my credit information will be impacted if I avail the facility under the said framework?

The resolution plan will lead to reporting of Credit Cards as “Restructured” status by Banks to CIBIL & other Credit information companies.

5. Do I need to prove that the income is affected?

The Cardholder will require to submit the declaration/undertaking regarding reduction in income and/or the repaying capacity has been affected due to COVID-19 pandemic.

6. What is the maximum permissible extension of residual repayment period?

Maximum extension of the residual tenor, with or without payment moratorium, by a period not more than two years on case to case basis with justification.

7. Is rescheduling is only for card usage or it also includes finance & other charges?

The rescheduling includes the dues outstanding (Card Usage and finance/other charges) in the Credit Card as on 31-03-2021 or date of invocation (whichever is lower) will be eligible for restructuring under Resolution Framework 2.0.

8. What is date of Invocation?

The date on which both the Cardholder and Issuer (Bank) agree to proceed with the resolution plan under this framework, is date of invocation. The date of invocation cannot be later than 30.09.2021

9. What is last date (cutoff) date for implementation of Resolution plan?

The last date of (Cut-off date) for implementation of Resolution plan is within 90 days from date of invocation.

10.What will be the reference date for the outstanding amount that may be considered for resolution?

The reference date for the outstanding amount due in Credit Card that may be considered for resolution shall be 31.03.2021.

11.Whether separate application form is required from the Cardholder?

Yes, Application-cum-consent letter in the prescribed format (having declaration/undertaking that they have been affected by COVID-19) along with Agreement (properly executed) to be obtained from the Cardholder.

12.Whether any charges will be levied on account of re-structuring.

No charges is to be levied on account of restructuring. However, finance and other charges will continued to be levied as per the guidelines.

13.Whether customer who has availed the facility under the said framework can pre pay the dues?

Yes, the Cardholder may pre- pay the dues.

14.Is there any pre-payment penalty under the said framework?

No pre-payment penalty.

15.What documents are required to be submitted for restructuring under Resolution Framework 2.0. ?

Following Forms/ documents are required to be submitted.

(i)Consent-cum-Application form.(duly signed).

(ii)Agreement for Restructuring (COVID-19 related stressed accounts-Credit Cards - executed properly.

16. What Income reduction proof due to COVID- 19 pandemic will have to be submitted?

The Cardholder is required to submit undertaking /Declaration regarding Reduction in income/ repaying capacity due to COVID-19.

17. From where the Credit Cardholder obtain the required forms for restructuring.

The Cardholder may obtain the required forms from any nearest PNB branch or may download the forms from our website www.pnbcards.in.

18. How and where the customer can submit his/her application for availing the facility?

The Credit Cardholder may submit the duly filled /signed **original** copy of the application along with the duly signed and witnessed agreement (Agreement for Restructuring (Covid-19 Related Stress – Credit Cards) and undertaking /Declaration of reduction in income due to COVID-19 at nearest branch or may send the documents directly to following address.

ADDRESS:

**The Chief Manager (Punjab National Bank)
Credit Card Processing Centre, (CCPC)
Rajendra Bhawan, Rajendra Place, New Delhi – 110008
Contact-011-25820041, Email: Creditcardho@pnbcards.in**

19. What is applicable rate of Interest on restructured Credit Cards under Resolution Framework 2.0?

The finance charges/Interest on restructured Credit Card accounts will be levied @ 18% per annum plus applicable GST under Resolution Framework 2.0.

20. What will be the minimum amount eligible for restructuring under Resolution Framework 2.0

The minimum amount eligible for restructuring under Resolution Framework 2.0 will be Rs 2000/- .

21. How many EMI will be permissible to re-structure my Card dues under Resolution Framework 2.0?

Sr. No	Outstanding 31.03.2021	Dues as on or date of	Re-structuring/EMI Period (in multiple of 3 months)
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	invocation (whichever is lower) (Rs.)	
1	2000/- and upto Rs. 50000/-	03 months to 12 months
2	>50000/-	03 months to 24 months

22.What will happen if I fail to pay the EMI within 90 days from date of implementation of resolution plan in my Credit Card account?

In case the default in payment of card dues remains unpaid for more than 90 days from due date, the Credit Card facility along with other borrowal account (if any) will be classified as NPA.

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