

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UN-STARRED QUESTION NO. 31
TO BE ANSWERED ON 2nd FEBRUARY, 2021/ 13 MAGHA 1942(SAKA)

‘COMPOUNDING INTEREST ON MORATORIUM AMOUNT’

31. Dr. L. Hanumanthaiah::

Will the Minister of *FINANCE* be pleased to state:

- (a) whether Government has received complaint regarding charging interest on interest or compound interest on moratorium amount by some Housing Finance Companies; and
(b) if so, the details thereof including steps taken or to be taken in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI ANURAG SINGH THAKUR)

(a) and (b): In view of the unprecedented and extreme COVID-19 situation, the Central Government had approved the ‘Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months i.e. 1.03.2020 to 31.08.2020 to borrowers in specified loan accounts.

As informed by National Housing Bank (NHB), which carries out the supervision for Housing Finance Companies (HFCs), during the Financial Year 2020-21 up to 31.12.2020, 28 complaints were received on customers not receiving the difference between the compound interest and simple interest on the moratorium amount from the HFCs. All these complaints have been resolved as per procedure.
