



Ref No: 32/04/034/0001/001

23.09.2021

To: CEO/ GM of all Participating Financial Institutions (PFIs) of SCRF

Dear Sir/Madam,

(1) Saubagya COVID 19 Renaissance Facility: Extension of Concessions Provided for Businesses and Individuals in the Tourism Industry.

(2) Saubagya COVID 19 Renaissance Facility: Extension of Concessions.

This is further to the letters issued on 24.03.2021, 09.06.2021 and 10.09.2021 on the above subjects by the Director, Regional Development Department (RDD) of the Central Bank of Sri Lanka (CBSL).

2. Extended Concessions for the loans granted under the Saubagya COVID 19 Renaissance Facility (SCRF) for Businesses and Individuals in the Tourism Industry.

2.1. In line with the Monetary Board Circular No. 10 of 2021 dated 13.09.2021 issued by the Monetary Board of the CBSL (The Monetary Board Circular) (Annex A), it has been decided to extend the debt moratorium facility for the tourism sector under the SCRF Phase I, II and III up to 30.06.2022 on case-by-case basis.

2.2. The borrowers of the tourism sector who did not avail themselves of the maximum repayment period of 36 months extended by the letter of the DRD dated 09.06.2021 to increase their repayment period up to 36 months including the grace period, on case-by-case basis, considering the impact of the debt moratorium granted.

2.3. In case of SCRF Phase III Credit Guarantee Scheme, charge an additional credit guarantee fee of zero point two five percent (0.25 %) from Participatory Financial Institutions (PFIs) on the loans extended the repayment period.

2.4. Businesses and individuals registered with following institutions are eligible to obtain this extension of concessions.

- i. Ministry of Tourism
- ii. Sri Lankan Tourism Development Authority
- iii. Agencies under Sri Lanka Tourism Development Authority
- iv. Department of Cultural Affairs
- v. The Hotel Association of Sri Lanka

2.3 Debt moratorium could be provided only for Capital Repayment or for both Capital and Interest Payments of the respective loans, as requested by the sub-borrowers. Proposed

concessions shall grant for the sub-borrowers who are affected by COVID-19, as defined in the Monetary Board Circular, on case by case basis.

2.4 Eligible borrowers who wish to avail the concessions shall make a request seeking such concessions to the relevant PFIs on or before 20.10.2021. Participating Financial Institutions (PFIs) shall expeditiously communicate the concessions, deadlines and application format for the submission to all eligible borrowers via printed and/or electronic means including e-mail and SMS.

2.5 Accordingly, PFIs are requested to accept the request from the eligible borrowers who wish to avail the extension of concessions and report the details separately for each Phases of the scheme as per the attached format (RDD-SCRF-22.09.2021- Annex I) with the guarantee premium of zero point two five percent (0.25 %) for each sub loan under SCRF Phase III, to the Director of RDD by 30.10.2021. Soft copy of the details in Excel format shall be sent to bashika@cbsl.lk and sehan@cbsl.lk with a copy to vijithap@cbsl.lk.

3. Computation of Interest with regard to the extended debt moratorium periods

3.1 All PFIs are hereby informed to compute the interest on the capital accumulation resulting from the extended debt moratorium period, in conformity with the interest rate of 4 per cent per annum as given in the respective Operating Instructions and subsequent amendments issued by the Director, RDD of the CBSL on the implementation of Saubagya SCRF Phase I, II and III.

3.2 In the event of any PFI has charged an interest from any sub-borrower, which is higher than the interest rate referred above, at any given time, under any circumstance, such PFI shall make immediate arrangements to reverse such interest charges in favor of the sub-borrower and pay the difference to the relevant sub-borrowers.

3.3 If any sub-borrower of SCRF Phase I, II and III, has opted for no payment of interest during the debt moratorium period, the interest accumulated during such period should be equally distributed among the remaining loan installments. No interest should be charged on accumulated interest during the debt moratorium period and no any compound interest shall be computed during the debt moratorium period.

4. Execute the Recovery Actions for Non-Performing Loans (NPLs)

4.1 In line with the Section B.3 of the Monetary Board Circular, PFIs are required to initiate all required initial recovery actions which will be suspended according to the guideline of the same circular, within one month after 30.06.2022, on defaulted borrowers of the SCRF Phase I, II and III.

4.2 PFIs are required to send Credit Guarantee claims to the RDD after taking all required recovery actions relevant to that claims as stipulated in the prevailing Operating Instructions of the SCRF Phase III.



5. Providing Concessions for the loans in the NPL Category

5.1 PFIs shall provide the debt moratorium for NPL category for upcoming loan installments, subject to the condition that, the PFI shall comply with all the Directions issued by the CBSL with regard to the NPLs when taking a decision. Further, PFIs shall not back date debt moratorium facility for the borrowers who are already in NPL category and transfer such borrowers to the performing category.

6. Further to the concessions given to SCRF by RDD letter Ref No: 32/04/034/0001/001 dated 10.09.2021, extend the repayment period by 12 months by providing a maximum repayment period of 36 months including the grace period to the sub-borrowers under the loan granted SCRF Phase I, II and III on case-by-case basis. In case of SCRF Phase III Credit Guarantee Scheme, charge an additional credit guarantee fee of zero point two five percent (0.25 %) from PFIs on the loans extended the repayment period. The guarantee premium for each sub loan under SCRF Phase III, shall be sent to the Director of RDD by 30.10.2021 with the details mentioned in the letter dated 10.09.2021.

7. Arrangements will be made, in collaboration with the Bank Supervision Department of the CBSL, to ensure the compliance of the PFIs with these instructions.

8. Please bring the contents of this letter to the notice of the officers of the relevant departments/ branches of your bank and ensure meeting the deadlines mentioned above, to maintain the operational efficiency of the SCRF Schemes.

Yours faithfully,

Sgnd. B.L.J.S Balasooriya
Director/Regional Development Department



“Saubagya COVID-19 Renaissance Facility”

Details of Extension of Concessions Provided for Businesses and Individuals of the Tourism Sector

Phase :

Name of the PFI:

#	CBSL Registration No.	CBSL Refinance No. (if applicable)	Name of the Borrower/s	NIC/B R	Approved Loan Amount by the CBSL (Rs.)	Loan Released Amount by the PFI (Rs.)	Date of Loan Released by the PFI	Date of Refinance granted by the CBSL (For SCRF Phase I and II)	Concession Extended Date by the PFI	Capital Outstanding to be rescheduled	Due premium* (0.25 per cent of the total initial loan amount)	Grace Period (GP)/Debt Moratorium (DM)				Repayment Period Including the GP/DM			Requested Moratorium Facility (Capital only/Capital and Interest Both)**	
												Initial GP provided for the loan (No. of months)	End date of the DM previously granted (if any)	Requested new DM period (No. of months)	Ending date of the GP/DM	Original/ Existing (No. of months)	Requested (No. of months)	New Repayment Period (No. of months)		

*Applicable only for the loans which have requested to extended the repayment period under SCRF Phase III

** Pls, mention as appropriate