

COVID-19 REGULATORY PACKAGE

Dear Customers,

As you are aware that RBI has issued guidelines dated 27.03.2020, where inter alia certain regulatory measures were announced to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic. In this regard, information is as under:

A. Rescheduling of Payments – Term Loans

RBI has permitted to grant a moratorium of 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 three months after the moratorium period. Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period.

B. Working Capital Facilities

- (i) Working Capital facilities sanctioned in the form of cash credit/overdraft (“CC/OD”), the recovery of interest applied in respect of all such facilities during the period from March 1, 2020 upto May 31, 2020 is permitted to be deferred by the RBI. However, the accumulated accrued interest shall be recovered immediately after the completion of this period.
- (ii) Recalculation of Drawing Power and/or Re-assessment of the working capital cycle in case of Working capital facilities sanctioned in the form of cash credit/overdraft (“CC/OD”).

In this context, we request you to contact dealing branch with your request on the annexed format for availing the benefits.

ANNEXURE

**LETTER OF REQUEST FROM THE PARTY FOR AVAILING RELIEF UNDER
COVID-19 REGULATORY PACKAGE**

From

M/s.....
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To

Branch Head,
Punjab National Bank,
Branch.....

Dear Sir/Madam,

Subject: Application for availing relief under COVID-19 Regulatory Package.

With reference to your communication on the captioned subject, we hereby request as under:

- a) In respect of Term Loan bearing Account No..... being maintained with your branch, a moratorium of 3 months on payment of all instalments falling due from March 1, 2020 to May 31, 2020 to be granted. However, we agree that interest shall continue to accrue on the outstanding portion of the term loan during the moratorium period.
- b) In respect of Working Capital Facility sanctioned in the form of Cash Credit/Overdraft (CC/OD) bearing Account No.....maintained with your branch, please defer the recovery of interest applied during the period from March 1, 2020 to May 31, 2020. However, we undertake that accrued interest to be recovered immediately after the completion of this period.

We undertake to provide necessary information, data, documents etc. as may be required.

Thanking you,

Authorised Signatory

Place:

Date: