

NHB (ND)/ROD/2019-20
31st March, 2020

To All Eligible Primary Lending Institutions

Madam / Dear Sir,

Moratorium on payments related to Refinance

Government of India declared all India lockdown with effect from the midnight of 24th March, 2020 for twenty one days, to contain the pandemic of COVID-19 in the country. To meet the economic and financial challenges posed by the lockdown, Reserve Bank of India, on 27th March, 2020, announced a regulatory package to meet the challenges faced by Banks and other financial institutions.

2. With an aim to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure the continuity of viable businesses, Reserve Bank of India has permitted Financial Institutions to grant a moratorium of up to three months on payment of all instalments falling due between March 1, 2020 and May 31, 2020.
3. As an effort in this direction, National Housing Bank (NHB) has decided to allow maximum moratorium of three months to Primary Lending Institutions with/without extension of tenor on payment(s) of instalment along with interest falling due between March 1, 2020 and May 31, 2020.
4. Details of granting of moratorium by National Housing Bank are mentioned in Annexure I.
5. Primary Lending Institutions who wish to seek moratorium are required to submit their request for consideration in the format enclosed as Annexure A.
6. The last date for submission of various periodic returns / certificate for the period ending 31st March, 2020, by Primary Lending Institutions who have availed refinance from National Housing Bank, has been extended by one month from the respective time period. This relaxation is applicable for the period ending 31st March, 2020 only.

Yours faithfully,

-Sd-

General Manager
Refinance & Project Finance Department

Details of the facility for granting moratorium on payments to be made to National Housing Bank

1. The moratorium will be available only on payment of instalment along with interest, falling due between 1st March, 2020 and 31st May, 2020.
2. The moratorium will be granted to only those accounts that are Standard.
3. Any repayment by the borrowers under the refinanced pool during the quarter will have to be repaid by the HFC to National Housing Bank at the end of each quarter as adverse balance payable.
4. In case no moratorium is sought by the PLI, there will be no change in payment of quarterly instalment and will continue as is at present.
5. In case of bullet payment(s) along with interest, if any, falling due between 1st April, 2020 and 31st May, 2020 will be allowed a maximum moratorium of three months.

A. In case moratorium is sought

i. Without extension of tenor

- A maximum of three months moratorium will be allowed for payments falling due between 1st March, 2020 and May 31, 2020.
- In all such cases quarterly interest due on 1st April, 2020 will be payable along with next quarterly instalment (revised) and interest due on 1st July 2020.
- However, the quarterly instalment of principal, due on 1st April, 2020 will be equally distributed over the residual tenor of the refinance, i.e., instalments for the remaining quarters will be adjusted accordingly.
- Any adverse balance of a HFC, as per the extant refinance policy of National Housing Bank, has to be repaid at the end of each quarter.

The repayment schedule, for all such loans which are granted moratorium without extension of tenor, will remain unchanged in the overall tenor of the Refinance.

ii. With extension of tenor

- A maximum of three months moratorium will be allowed for payments falling due from 1st March, 2020 to May 31st, 2020.
- In all such cases quarterly instalment along with interest, due on 1st April, 2020 will have to be paid on or before 1st July, 2020.
- Further, interest due on 1st July, 2020 will have to be paid on or before 1st July, 2020 while the instalment of principal due on 1st July will stand shifted to 1st October, i.e., repayment schedule for such loans as also the residual tenor, will be extended across the board by three months after the moratorium period.
- The quarterly instalment in subsequent quarters will be as agreed; only tenor will get extended by three months.
- Any adverse balance of a HFC, as per the extant refinance policy of National Housing Bank, has to be repaid at the end of each quarter.

The repayment schedule, for all such loans which are granted moratorium with extension of tenor, will be extended to the extent of moratorium allowed. Interest shall continue to accrue on the outstanding portion of refinance during the moratorium period.

(To be submitted through official email id of the authorized signatory)

To
The General Manager
Refinance & Project Finance Department
National Housing Bank
4th Floor, Core- 5A,
India Habitat Centre,
Lodhi Road, New Delhi - 110003

Request Letter for allowing Moratorium on payment with/without* extension of tenor

1. Name of the PLI: _____
CIN No. _____.
2. Aggregate of various refinance assistance(s) availed under refinance schemes from time to time: Rs. _____ (In words Rupees only)

3. Amount of total refinance outstanding as on 1st March, 2020 under various refinance assistance(s) availed Rs. _____ (In words Rupees. _____ only)
4. Amount of instalments: Rs. _____
(due between 1st March, 2020 and 31st May, 2020) in aggregate under various refinance assistance(s) availed from time to time.

In terms of the notification NHB(ND)/ROD/2019-20 dated 31st March, 2020 (“said Notification”) issued by the National Housing Bank (“NHB”), we opt for moratorium **with / without*** extension of tenor.

In this regard, we request NHB to allow us maximum moratorium of three months **with / without*** extension of tenor, in terms of the said Notification, on payment of instalments along with interest(s) falling due between March 1, 2020 and May 31, 2020 (“Moratorium Period”) in respect of the refinance assistance(s) availed by us from time to time (hereinafter individually and collectively referred to as the “Refinance Assistance”). We are aware that the interest shall continue to accrue on the outstanding portion of the respective Refinance Assistance during the Moratorium Period.

In this regard, we further request and authorize the National Housing Bank to shift the repayment schedule and/or extend the tenor, as applicable, in term of the said Notification.

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A. With respect to each Refinance Assistance, we hereby undertake and agree as under:

For Quarterly Instalments (with extension of tenor)*:

- (i) That the quarterly instalment and interest due on 1st April, 2020 will be paid on or before 1st July, 2020.
- (ii) That further interest for the quarter ending June, 2020 falling due on 1st July, 2020 will be paid on or before 1st July, 2020.
- (iii) That the instalment of principal due on 1st July, 2020 will stand shifted to 1st October, 2020 and the repayment schedule will get extended by three months after the Moratorium Period with corresponding increase in the residual tenor.
- (iv) That the quarterly instalment in subsequent quarters after Moratorium Period will remain the same as agreed initially.
- (v) That any adverse balance, as per the extant refinance policy of National Housing Bank, will be repaid at the end of each quarter.

For Quarterly Instalments (without extension of tenor)*:

- (i) That the quarterly interest due on 1st April, 2020 will be paid on or before 1st July 2020, along with next quarter instalment (revised) and interest becoming due on 1st July 2020.
- (ii) That the quarterly instalment of principal due on 1st April, 2020 will be equally distributed over the residual tenor of the Refinance Assistance and the instalments for the remaining quarters will be fixed accordingly.
- (iii) That any adverse balance, as per the extant refinance policy of National Housing Bank, will be repaid at the end of each quarter.
- (iv) That in case of bullet payment(s) along with interest, if any, falling due between 1st April, 2020 and 31st May, 2020 will be allowed a maximum moratorium of three months.
- (v) That there will be not be any change in the overall tenor of the Refinance Assistance.

B. We hereby further undertake and agree that this letter shall form part and parcel of the financing/loan documents executed by us with the NHB in connection with each Refinance Assistance.

C. All other terms and conditions of each Refinance Assistance will remain unchanged.

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As the entire country is under lock down to prevent the spread of COVID-19 pandemic, we hereby request you to consider this request in electronic form. The physical copy of this letter will be delivered/submitted to NHB after the lock down is withdrawn.

Thanking you,

For and on behalf of

Place:

(signature)
Authorized Signatory

Date:

Name: _____

Designation: _____

** Delete, which is not applicable*