



PRESS RELEASE

30 April 2020

Extension of Monetary Measures in response to COVID-19: Interest Waiver on Non-Performing Loan (NPL) Accounts

On 10th April 2020, His Majesty The King, in the address to the nation, stated that one of the biggest concerns of the people and businesses is the difficulty faced in meeting their loan repayment obligations due to the economic uncertainties arising from the effects of the COVID-19 pandemic. In responding to the challenges, His Majesty The King commended the RMA and Financial Institutions for considering deferment of loan repayments and waiving interest payments for three months from April to June 2020.

While implementing the above measures, His Majesty observed that borrowers, who fall under the category of non-performing loans, were not eligible for the aforesaid monetary measures and, therefore, directed the RMA to discuss with the government and the FIs to explore the feasibility of extending similar consideration.

To ensure that relief measures are adequate and inclusive, the Hon'ble Prime Minister on 30th April 2020, following discussions, announced that the interest waiver facility would also be extended to non-performing loan accounts for a period of three months (April–June 2020).

This interest waiver shall be subject to the same terms and conditions specified under Part A of the Monetary Measures issued on 14th April 2020 and the cost of interest waiver on NPL accounts shall be shared equally by the Government and Financial Service Providers.

The interest waiver will benefit 19,126 accounts.