

## **POST COVID BUSINESS REVIVAL POLICY (PCBR Policy)**

### **1. Background**

The Central Bank of Sri Lanka (CBSL) implemented a series of moratoriums on debt servicing to assist people and businesses affected by the Covid-19 epidemic since 2020. The CBSL whilst commending the role the NBF sector played in providing relief to affected borrowers, has requested the NBF sector to be cognizant of the continuing financial hardships faced by borrowers, and therefore, establish a “Post Covid Revival Unit” in each company along with a Post Covid Revival Policy to offer assistance to affected customers when necessary.

### **2. Purpose or basis for the Policy**

The Policy is intended to comply with the requirement specified in instructions issued by the Central Bank of Sri Lanka bearing reference number 24/10/001/0019/003 and dated 29.10.2021.

### **3. Policy statement**

The company will establish a Post Covid Business Revival Unit (PCBR Unit) for the purpose of carrying out the following activities;

- (i)** Provide affected customers with the necessary solutions on request in order to repay their debts by -
  - a. Offering moratoriums to defer all or part payment of instalments for a limited period of time.
  - b. Restructuring loan/lease facilities with flexible terms such as;
    - i. Structured installment payment schemes to suit cash flows and earnings
    - ii. Balloon payment schemes
    - iii. Term extensions to reduce monthly repayment amount
    - iv. Part Capital and Interest payment schemes
  - c. Working out flexible payment plans with customers to pay the existing arrears with concessions where considered reasonable.
  - d. Helping customers to sell or dispose the asset(s)
- (ii)** Conduct awareness programs on rehabilitation methodologies to affected customers.
- (iii)** Provide counselling and advice to existing clients on effective management of their cash flows in order to meet debt obligations, whilst also offering solutions to help them in servicing their debt obligations with the Company arising from loss/reduction of income resulting from the pandemic.

In doing so, the PCBR unit will actively liaise with branches and other business units of the company to identify borrowers who require relief or debt rehabilitation assistance.

**4. Structure of the unit**

Staffing of the PCBR unit will comprise all Collection Managers overseen by the DGM Recoveries.

**5. Eligibility criteria**

Customers who are affected by the Covid-19 pandemic requesting assistance

**6. Approving authority**

The Policy shall be approved by the Board of Directors.

**7. Effective date**

The Policy will come into effect on January 01, 2022.

**8. Review**

The Policy will be reviewed if necessary or if required

**9. Document controls**

Policy version is 1.0

**10. Policy year**

2022

**11. Document owner**

Head of Recoveries

End of document