



[Circulars/Notifications](#) / Infrastructure, Housing & SME Finance Department



IH&SMEFD Circular Letter No. 5 of 2020

April 03, 2020

The Presidents/Chief Executive,
All Banks/DFIs

Dear Sir / Madam,

Relief under SBP Refinance Schemes to Dampen the Effects of Covid -19_

Please refer to BPRD Circular Letter No. 13 dated March 26, 2020 and other similar instructions issued for Consumer, SME, Micro and Agricultural sectors. These instructions were issued to provide relief to all types of borrowers against the effects of COVID-19. In order to broaden the scope of our earlier relaxations regarding deferment of only principal amount for one year or rescheduling/restructuring of the loans, it has been decided to allow the same relaxation to financing under following SBP refinance schemes along with their respective Shariah compliant alternative schemes:

- Long Term Financing Facility (LTFF)
 - Financing Facility for Storage of Agricultural Produce (FFSAP)
 - Refinance Facility for Modernization of SMEs
 - Refinance and Credit Guarantee Scheme for Women Entrepreneurs
 - Refinance Scheme for Working Capital Financing of Small Enterprises and Low-End Medium Enterprises
 - Small Enterprise (SE) Financing and Credit Guarantee Scheme for Special Persons
2. Banks/DFIs may defer repayment of principal amount availed under above mentioned refinance schemes by one year upon a written request of an obligor received before 30th June 2020 provided that the obligor will continue to service the mark-up amount as per agreed terms & conditions of the relevant refinance scheme. Hence, the complete repayment schedule/tenor of the loan will be extended by one year. Further, in case, if obligor is not able to pay markup, banks/DFIs may reschedule/restructure the loan. However, in this case, loan tenor of the rescheduled /restructured loan should not exceed more than one year from the maximum tenor already available under each refinance scheme.
 3. All other instructions relating to deferment/rescheduling/restructuring issued on March 26, 2020 will also be applicable on the above deferment/rescheduling/restructuring under SBP refinance schemes.
 4. Other instructions on the refinance schemes shall remain unchanged.

Yours sincerely,

-Sd-

(Dr. Mian Farooq Haq)
Director



