



## Monetary Measure II Announcement



The COVID pandemic has disrupted all businesses in Bhutan leading to a decline in economic activities and problem in repaying bank loans. During these trying times, His Majesty The Druk Gyalpo's Kidu interest waiver and principal deferment for the last three months have relieved many Bhutanese from the financial burden. We would like to once again announce the extension of the Kidu interest waiver and principal deferment granted by His Majesty The King. On behalf of our valued clients, Bhutan Development Bank would like to thank His Majesty for magnanimously granting the following additional Kidu:

1. Interest Waiver for loan outstanding as of April 10, 2020
  - a. 100% interest shall be waived off for July, August and September 2020 for the clients.
  - b. 50% interest shall be waived off from October 2020 to March 2021. The clients will have to pay the balance 50% interest during these months.
2. Principal payment deferment for Monetary Measure II  
All loans approved and disbursed as of June 30, 2020 are eligible for principal deferment from July 1, 2020 till June 30, 2021. All the borrowers irrespective of whether they wish to defer their loan repayment or not are requested to compulsorily register either with our nearest Branch Offices, Gewog Field Offices (GFO) or during Farmers' Outreach Banking (FOB) as per the RMA's format within September 30, 2020. The form can be downloaded from our website [www.bdb.bt](http://www.bdb.bt) or collected from our nearest Branch or Gewog Field Offices.
3. Incentive for regular payments during the deferment period  
A 1% interest reduction shall be offered to the clients who repay their EMIs regularly and fully as per the initial repayment schedule during the entire deferment period. However, the client should meet the criteria as tabled below:

Sl#	Period	Condition
1	July 1, 2020 to September 30, 2020	The client should pay only the principal portion of the Equated Monthly Instalment (EMI) within these months
2	October 1, 2020 to March 31, 2021	The client should pay the principal portion of the EMI; and 50% of the interest portion within these months
3	April 1, 2021 till June 30, 2021	The client should pay the full EMI (principal and interest) within these months.

Upon fulfilling the above, 1% interest rebate shall be adjusted against the principal outstanding after the deferment period - June 30, 2021.

4. Soft Term (bridge) Loans  
Bridge loans (working capital) at concessional interest rate of 5% shall be provided to registered or licensed businesses on the submission of financial information based on June 2019 tax returns and Bank's assessment criteria.

You may contact the following officials during office hours for more information or visit our Branch or Gewog Field Offices.

1. Ms. Pema Choden at 17629446 or email to [pema.choden@bdb.bt](mailto:pema.choden@bdb.bt)
2. Ms. Sonam Pelden at 17742252 or email to [sonam.pelden220@bdb.bt](mailto:sonam.pelden220@bdb.bt)
3. Ms. Esther Karki at 17696511 or email to [esther.karki@bdb.bt](mailto:esther.karki@bdb.bt)