

सभी राज्य वित्त निगमों के अध्यक्ष और प्रबंध निदेशक / प्रबंध निदेशक
CMDs / MDs of all SFCs.**आईएफवी परिपत्र सं. 03 / 2021-22**
IFV Circular No. 03 / 2021-22प्रिय महोदय/ महोदया,
Dear Sir / Madam,**रिज़ॉल्यूशन फ्रेमवर्क 2.0 - MSMEs के कोविड -19 संबंधित तनाव का समाधान**
Resolution Framework 2.0 – Resolution of Covid-19 related stress of MSMEs

भारतीय रिज़र्व बैंक ने 05 मई, 2021 के अपने परिपत्र सं. RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 द्वारा “रिज़ॉल्यूशन फ्रेमवर्क 2.0 - सूक्ष्म, लघु और मध्यम उद्यमों (MSMEs) के कोविड -19 संबंधित तनाव का समाधान” विषय पर अनुदेश जारी किए हैं। इस पत्र की प्रतिलिपि सुलभ संदर्भ के लिए संलग्न की जा रही है। यह भारतीय रिज़र्व बैंक की वेबसाइट पर नीचे दिए गए लिंक पर भी उपलब्ध है।

Reserve Bank of India vide its circular No. RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 05, 2021 has issued instructions on Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs). A copy of the letter is enclosed herewith for ready reference. The same is also available on the website of RBI on the link given below.

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12086&Mode=0>

आपसे अनुरोध है कि इस संबंध में भारतीय रिज़र्व बैंक द्वारा जारी अनुदेशों / दिशानिर्देशों का सख्ती से पालन / कार्यान्वयन करें। इस मामले में दिए गए दिशानिर्देशों को सूचना एवं आवश्यक कार्रवाई के लिए निदेशक मंडल की अगली बैठक में भी रखे।

You are requested to strictly follow / implement / adhere to the instructions / guidelines issued by RBI in this regard. The guidelines in the matter may be placed at the next meeting of the Board of Directors for information and necessary action.

भवदीय / Yours faithfully,

**[संजीव गुप्ता / Sanjeev Gupta]**

उप महाप्रबंधक / Deputy General Manager

संलग्नक : यथोक्त
Encl: As above

बैंक हिन्दी में पत्राचार का स्वागत करता है।

भारतीय लघु उद्योग विकास बैंक

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भारतीय रिजर्व बैंक

RESERVE BANK OF INDIA

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RBI/2021-22/32

DOR.STR.REC.12/21.04.048/2021-22

May 5, 2021

All Commercial Banks (including Small Finance Banks, Local Area Banks and Regional Rural Banks)

All Primary (Urban) Co-operative Banks/State Co-operative Banks/ District Central Co-operative Banks

All All-India Financial Institutions

All Non-Banking Financial Companies (including Housing Finance Companies)

Madam / Dear Sir,

Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs)

Please refer to the circular DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6, 2020 on restructuring of advances to the MSME borrowers.

2. In view of the uncertainties created by the resurgence of the Covid-19 pandemic in India in the recent weeks, it has been decided to extend the above facility for restructuring existing loans without a downgrade in the asset classification subject to the following conditions:

(i) The borrower should be classified as a micro, small or medium enterprise as on March 31, 2021 in terms of the Gazette Notification S.O. 2119 (E) dated June 26, 2020.

(ii) The borrowing entity is GST-registered on the date of implementation of the restructuring. However, this condition will not apply to MSMEs that are exempt from GST-registration. This shall be determined on the basis of exemption limit obtaining as on March 31, 2021.

(iii) The aggregate exposure, including non-fund based facilities, of all lending institutions to the borrower does not exceed ₹25 crore as on March 31, 2021.

(iv) The borrower's account was a 'standard asset' as on March 31, 2021.

(v) The borrower's account was not restructured in terms of the circulars DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6, 2020; DOR.No.BP.BC.34/21.04.048/2019-20 dated February 11, 2020; or DBR.No.BP.BC.18/21.04.048/2018-19 dated January 1, 2019 (collectively referred to as MSME restructuring circulars).

(vi) The restructuring of the borrower account is invoked by September 30, 2021. For this purpose, the restructuring shall be treated as invoked when the lending institution and the borrower agree to proceed with the efforts towards finalising a restructuring plan to be implemented in respect of such borrower. The decisions on applications received by the lending

institutions from their customers for invoking restructuring under this facility shall be communicated in writing to the applicant by the lending institutions within 30 days of receipt of such applications. The decision to invoke the restructuring under this facility shall be taken by each lending institution having exposure to a borrower independent of invocation decisions taken by other lending institutions, if any, having exposure to the same borrower.

(vii) The restructuring of the borrower account is implemented within 90 days from the date of invocation.

(viii) If the borrower is not registered in the Udyam Registration portal, such registration shall be required to be completed before the date of implementation of the restructuring plan for the plan to be treated as implemented.

(ix) Upon implementation of the restructuring plan, the lending institutions shall keep provision of 10 percent of the residual debt of the borrower.

(x) It is reiterated that lending institutions shall put in place a Board approved policy on restructuring of MSME advances under these instructions at the earliest, and in any case not later than a month from the date of this circular.

(xi) All other instructions specified in the circular DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6, 2020 shall remain applicable.

3. In respect of restructuring plans implemented as per Clause 2 above, asset classification of borrowers classified as standard may be retained as such, whereas the accounts which may have slipped into NPA category between April 1, 2021 and date of implementation may be upgraded as 'standard asset', as on the date of implementation of the restructuring plan.

4. In respect of accounts of borrowers which were restructured in terms of the MSME restructuring circulars, lending institutions are permitted, as a one-time measure, to review the working capital sanctioned limits and / or drawing power based on a reassessment of the working capital cycle, reduction of margins, etc. without the same being treated as restructuring. The decision with regard to above shall be taken by lending institutions by September 30, 2021. The reassessed sanctioned limit / drawing power shall be subject to review by the lending institution at least on a half yearly basis and the renewal / reassessment at least on an annual basis. The annual renewal/reassessment shall be expected to suitably modulate the limits as per the then-prevailing business conditions.

5. The above measures shall be contingent on the lending institutions satisfying themselves that the same is necessitated on account of the economic fallout from Covid-19. Further, accounts provided relief under these instructions shall be subject to subsequent supervisory review with regard to their justifiability on account of the economic fallout from Covid-19.

Yours faithfully,

(Manoranjan Mishra)
Chief General Manager