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POORNAWADI NAGRIK SAHAKARI BANK MARYADIT, BEED.

Head Office :- Subhash Road, Beed - 431122. PH - (02442)230576, FAX - (02442) 229755

**BANK POLICY ON RESOLUTION
FRAMEWORK 2.0: RESOLUTION
OF COVID -19 RELATED STRESS
OF MICRO, SMALL AND MEDIUM
ENTERPRISES (MSMEs)**



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Bank Policy on Resolution Framework 2.0: Resolution of COVID -19 related stress of Micro, Small and Medium Enterprises (MSME)

The reserve bank of India vide its Notification Ref. No. DOR.STR.REC.12/21.04.048/2021.22 dated 05.05.2021 has allowed to extent facility for restructuring of existing loans of Micro, Small & Medium Enterprises (MSMEs) without downgrade in the asset classification under "The Resolution Framework 2.0" given the uncertainties created by the resurgence of the COVID -19 pandemic.

The Following are the Policy guidelines adopted by Bank with regard to implementation of the Resolution Framework 2.00 for MSME loans and same has been approved by the bank in the Board of Directors Meeting held on 31.05.2021 vide resolution No. (14)

Restructuring of existing MSME borrower accounts under the Scheme.

PARTICULARS	RESOLUTION FRAMEWORKM 2.0
Eligibility and Applicability	1.The Borrower should be classified as a Micro, Small & Medium Enterprise as on 31.03.2021 as per new definition of MSME in line with the Gazette Notification S.O.2119 (E) dated 26 th June, 2020.


	<p>2.The Borrower entity is GST-registered on the date of implementation of restructuring. However, this will not apply to MSMEs that are exempt from GST-registration. This shall be determined on the basis of exemption limit obtained as on 31st march, 2021.</p> <p>3.The aggregate exposure, including non-fund based facilities of all lending institutions to the borrower does not exceed Rs. 25 crore as on 31st March,2021.</p> <p>4. The borrower's account was a 'standard Asset' as on 31st March, 2021.</p> <p>5. The Borrower's account was not restructured in terms of the MSME restructuring circulars issued before.</p> <p>6. Borrowers having stress on account of COVID -19.</p>
Udyam Registration	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.
Invocation	The restructuring of the borrower account invoked by 30 th sept,2021

Disposal of application	The decision on application received by Bank from the customer for invoking restructuring under this facility shall be communicated in writing within 30 days of receipt of such applications.
Implementation of restructuring plan	The restructuring of the borrower account is implemented within 90 days from the date of invocation but not later than 31.12.2021.
Asset Classification	In respect of restructuring plans implemented, asset classification of borrowers classified as standard may be retained as such, whereas the account which may have slipped into NPA category between 1 April, 2021 and date of implementation may be upgraded as 'Standard Asset' as on the date of implementation of the restructuring plan.
Reassessment /Recalculation of working capital limit	with respect of account of borrowers which were restructured in terms of the MSME restructuring circulars, as a onetime measure, borrower may request for recalculation of the drawing power by reducing margin and/or by reassessing the working capital cycle.
Provision	Upon implementation of the restructuring plan, the Bank shall keep provision of 10 % of the residual debt of the Borrower.

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

Branches are advised to adhere to the above guidelines.




Chief Executive Officer