

## **ADDENDUM: POLICY ON RESOLUTION FRAMEWORK 2.0 & ONE- TIME RESTRUCTURING FOR ADVANCES**

### VERSION CONTROL:

Version	Date of Adoption	Change Reference	Owner	Custodian	Approving Authority
1.0	02-Jun-2021	Policy on Resolution Framework 2.0 & One-Time Restructuring for Advances	Credit-Risk Team and Finance Team	Compliance Team	Board of Directors
1.1	22-Jun-2021	Addendum to Policy on Resolution Framework 2.0 & One-Time Restructuring for Advances	Credit-Risk Team and Finance Team	Compliance Team	Board of Directors

**ADDENDUM****POLICY ON RESOLUTION FRAMEWORK 2.0 & ONE-TIME RESTRUCTURING FOR ADVANCES**

RBI vide notification dated May 5, 2021 had announced a fresh set of measures (called Resolution Framework 2.0) broadly in line with the contours of Resolution Framework 1.0, with suitable modifications for Individuals, Small Businesses & MSME's. The note detailing the parameters was approved by board on June 2, 2021.

The circular/policy specified the eligibility conditions for MSME accounts/individuals/small businesses to be considered for restructuring under the framework, as per the following clause:

“Aggregate exposure, including non-fund based facilities, of all lending institutions to the MSME borrower/Individuals (who have availed of loans and advances for business purposes)/Small businesses (including those engaged in retail and wholesale trade, other than those classified as MSME as on March 31, 2021) should not exceed ₹25 crore as on March 31, 2021”

**Now vide notification dated June 4, 2021, RBI has enhanced the total aggregate exposure limit for the above type of borrowers to be eligible under the framework to Rs. 50 Crores. Accordingly, our policy shall adopt the enhanced limit of Rs. 50 Cr instead of Rs. 25 Cr for determining eligibility of borrowers in line with RBI guidelines.**

All other provisions of the policy remain unchanged. The policy shall be suitably modified based on any change in RBI guidelines in future.

Submitted for noting. This addendum to be read together with Policy on Resolution framework 2.0 & One-time restructuring for advances.