



COVID-19 – RELIEF MEASURE

- RBI vide its circular no. RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated 27.03.2020 has taken various relief measures to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure the continuity of viable businesses.
- These relief measures are (i) Rescheduling of Payments – Term Loans and Working Capital Facilities (ii) Easing of Working Capital Financing.

In view of above guidelines, Bank has come up with below mentioned relief measures:

S N	Particulars	Relief Measures
1.	Rescheduling of Payments – Term Loans and Working Capital Facilities	<p>a) In respect of all Term Loans (including Agricultural Term Loans, Retail and Crop Loans), Moratorium of three months has been granted on payment of all installments* falling due between March 1, 2020 and May 31, 2020. The repayment schedule for such loans as also the residual tenor, will be shifted across the board by three months after the moratorium period. Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period.</p> <p>b) In respect of working capital facilities sanctioned in the form of cash credit/overdraft (“CC/OD”), recovery of interest applied in respect of all such facilities has been deferred during the period from March 1, 2020 up to May 31, 2020 (“deferment”). The accumulated accrued interest shall be recovered immediately after the completion of this period.</p> <p>• Further Standing Instruction (SI) shall be deferred up to May 31, 2020. However if borrower is willing to deposit installments that can be allowed.</p> <p>Note: * Installments will include the following payments falling due from March 1, 2020 to May 31, 2020:</p> <p>a) Principal and/or interest components; b) Bullet repayments; c) Equated Monthly installments; d) Credit card dues.</p>

S N	Particulars	Relief Measures
2.	Easing of Working Capital Financing	<p>Following measures are available with respect to easing of working capital cycle:</p> <p>a) <u>Reassessment of the Working Capital cycle</u></p> <p>Reassessment of the working capital cycle and working capital limit after factoring three months deferment (i.e. 1st March 2020 to 31st May 2020).</p> <p>and/or</p> <p>b) <u>Reduction in Drawing Power Margin</u></p> <p>A relaxation upto10% in margin from the stipulated margin subject to minimum margin of 10%.</p> <p>. The above relief shall be available in respect of all such changes effected up to May 31, 2020 and shall be contingent on the bank satisfying themselves that the same is necessitated on account of the economic fallout from COVID-19.</p> <p>• Note: <u>In case borrower is availing above mentioned relief, “Covid 19 Emergency Credit Facility”, shall not be available.</u></p>
3.	Classification as Special Mention Account (SMA) and Non-Performing Asset (NPA)	<ul style="list-style-type: none"> • Since the moratorium/deferment/recalculation of the ‘drawing power’ is being provided specifically to enable the borrowers to tide over economic fallout from COVID-19, the same will not be treated as concession or change in terms and conditions of loan agreements due to financial difficulty of the borrower under para 2 of the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 dated June 7, 2019 (“Prudential Framework”). Consequently, such a measure, by itself, shall not result in asset classification downgrade. • The asset classification of term loans which are granted relief as per S No. 1(a) shall be determined on the basis of revised due dates and the revised repayment schedule. Similarly, working capital facilities where relief is provided as per S No. 1(b) above, the SMA and the out of order status shall be evaluated considering the application of accumulated interest immediately after the completion of the deferment period as well as the revised terms, as permitted in terms of S No.2. above. • The rescheduling of payments, including interest, will not qualify as a default for the purposes of supervisory reporting and reporting to Credit Information Companies (CICs) by the lending institutions.
4.	Other Conditions	<ul style="list-style-type: none"> • The relief shall be applicable to all eligible borrowers