



THE COSMOS CO-OP. BANK LTD.

(Multistate Scheduled Bank)

Enriching Life!

**Resolution Framework - 2.0 In Respect Of
Restructuring Of Borrowers Facing Covid-19 Related Stress**

The resurgence of COVID-19 pandemic in India in the recent weeks has adversely affected the economy and has created uncertainty about the repayment capacities of borrowers. RBI, vide its circulars dated May 5, 2021, has announced Resolution Framework 2.0 for carrying out restructuring of stressed borrowers. This framework contains 2 guidelines as under:

Guideline 1:

It covers the following categories of borrowers:

1. Individuals who have availed personal loans,
2. Individuals who have availed loans and advances for business purposes and
3. Small businesses, including those engaged in retail and wholesale trade, other than those classified as micro, small and medium enterprises as on March 31, 2021

In case of borrower categories (2) and (3) above the aggregate exposure of all banks / financial institutions to the borrower should not exceed Rs.50 crores* as on 31.03.2021

Guideline 2:

It covers all borrowers 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 and the aggregate exposure, including non-fund based facilities, of all banks / financial institutions to the MSME borrower should not exceed Rs.50 crores* as on March 31, 2021

Aggregate exposure means total exposure of all banks / financial institutions to the borrower

**RBI had stipulated aggregate exposure limit of Rs.25 crores vide its circulars dt. May 5, 2021. This aggregate exposure limit is revised to Rs.50 crores vide RBI circular dated June 4, 2021.*

Policies in respect of the above guidelines are uploaded on our Bank's web-site.

Sd/-
Joint Managing Director

