



**Frequently Asked Questions:  
Resolution Framework 2020**

**1. What does Loan Restructuring mean and why was it offered?**

Loan Restructuring is when a Financial Institution alters the terms of credit in order to help the borrower when they are facing financial distress. RBI dated August 6, 2020, has announced a One-Time Restructuring ('OTR') Scheme in the interest of borrowers that are affected by COVID-19 and only to those borrowers that have faced stress on the account of COVID.

**2. What all Products are covered under the RBI circular dated 6<sup>th</sup> Aug'20 for Restructuring?**

All Products excluding Tractor loans given to Farmers are eligible for restructuring as per RBI Circular dated 6<sup>th</sup> Aug'20.

**3. Which products are not eligible for a Restructuring?**

The following Products are not eligible for a Restructuring as per the RBI Circular dated 6<sup>th</sup> Aug'20.

- Farm credit
- Primary Agricultural Credit Societies (PACS), Farmers' Service Societies (FSS), and Large-sized Adivasi Multi-Purpose Societies (LAMPS) for on-lending to agriculture.
- Loans to financial service providers.
- Loans to Central and State Governments; Local Government bodies (e.g. Municipal Corporations); and, body corporates established by an Act of Parliament or State Legislature.

**4. What is the Eligibility required to avail a restructuring?**

Borrowers that are less than 30 days past due as on 1st March 2020 and continue to remain Standard (Less than 90 days past due) as on the date of invocation will be eligible.

**5. What is the last date to apply for a restructuring?**

The Last date of invocation for a restructuring is 31<sup>st</sup> December 2020.

**6. What if I have multiple Loans?**

You can apply for the restructuring of multiple Loans provided that you satisfy the eligibility criteria.

**7. If I am eligible for a restructuring, what are the next steps I need to take?**

You need to contact our Customer Service for guidance on their next steps. They will confirm your eligibility and request you to submit the relevant documents.

**8. What are the Restructuring Options available?**

The Restructuring option will be subject to our Internal Policy. Options include but not limited to Rescheduling of Payments, Conversion into an affordable credit facility, and Moratorium for specific periods and Extension of Tenure, subject to maximum increase in loan tenure by two years.

**9. What all documents do I need to submit?**

The Following Documents need to be submitted.

➤ For Salaried Customers –

- Letter from company on company letterhead indicating job loss or pay cut or deferment of salary (if available) OR
- 02 Payslips for period during COVID and prior to COVID to indicate at least 15% loss of pay (if available)

If the above documents are not available, Self-Declaration of financial stress due to COVID

➤ For Self Employed Customers –

- If the borrower has filed GST Returns, returns/turnover can be observed to determine if the borrower faced any stress and there is clear decrease to the extent of 30% in turnover as compared to pre-covid levels
- In case GST returns are not available, cash flows can be analysed using bank statement for similar periods prior to COVID OR
- Books of accounts, if available (optional) OR
- Turnover passed through the account during the current year and Pre COVID-19 Period may also to be taken into consideration. (optional)

If the above documents are not available, Self-declaration submitted by the borrower clearing identifying the reasons for stress and impact on the business.

**10. Will there be any additional Charge/Cost involved in availing a restructuring?**

There will not be any charges. Only interest shall be levied in line with the principal agreement

**11. Will availing a restructuring reflect or impact my Credit Score?**

The credit bureau status of the respective loan of the borrower will be updated as “restructured” for restructuring done as per RBI circular dated 6<sup>th</sup> Aug’20.



**12. Can I avail multiple restructurings against one loan?**

No, only one restructuring will be allowed on a loan.

**13. How much time will the restructuring of my loan take?**

within 5 working days.