

Resolution Framework -2.0 for COVID-19-related Stress

Reserve Bank of India (RBI), vide its circular no. RBI/2020-21/16/ DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6th, 2020, had issued guidelines towards “**Resolution Framework for COVID-19-related Stress**” (also referred as **Resolution Framework 1.0**) that provides a one-time window under the Prudential Framework to enable lenders to implement a resolution plan in respect of the following eligible borrowers having stress on account of Covid19, subject to specified conditions for resolution of loan/debt of borrowers

1. Corporate and other borrowers
2. Personal and other retail products

Besides above, RBI has also extended the restructuring window for MSME borrowers, who are having stress on account of Covid19, in terms of its circular RBI/2020-21/17/ DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6th, 2020

In view of the uncertainties created by the resurgence of the Covid-19 pandemic in India in the recent weeks, RBI has extended the Restructuring framework and has issued the following necessary guidelines towards Resolution Framework 2.0:

- **Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses** issued vide circular no. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 and RBI/2021-22/46 DOR.STR.REC.20/21.04.048/2021-22 dated June 4, 2021
- **Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs)** issued vide circular no. RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 5, 2021 and RBI/2021-22/47 DOR.STR.REC.20/21.04.048/2021-22 dated June 4, 2021

In accordance with RBI guidelines, the Bank has put in place detailed Board approved policy for restructuring/resolution of loan/debt (under Resolution Framework 2.0), subject to detailed evaluation and assessment of future income/cash flows to meet timely repayment under restructured terms, of eligible borrowers having stress on account of Covid-19

All the eligible borrowers may apply to Bank for restructuring of its loan/debt through the following mechanisms:

1. **MSME/Small/Individual borrowers** may contact its respective Relationship Manager for submission of application for Restructuring
2. **For Personal Loans and Credit Cards** – Please refer to the FAQ section in Annexure 1 and 2 respectively
3. **For Vehicle Finance and Micro Finance Borrowers** – Please refer to a separate section of FAQ’s hosted in this regard

The decision to restructure would be subject to detailed assessment and compliance to RBI/Board approved norms and the same would rest with the Bank.

Please refer to the respective Frequently Asked Questions (FAQs) section related to Resolution/Restructuring framework hosted on the Bank’s website.

Resolution Framework 2.0 for COVID-19-related Stress for Personal Loans – Frequently Asked Questions (FAQs) – Annexure - 1

1. What is the restructuring scheme 2.0 approved by RBI?

Since March 2021, there has been a rise in the Covid infections, leading to localized lockdown measures announced by various states. To assist borrowers who may further need time and assistance for repayments, RBI has issued guidelines towards Restructuring/Resolution referred to as **Resolution 2.0 Framework** of borrower accounts. Basis the framework and regulatory guidelines, a policy has been framed and approved by the Board of Directors for the restructuring of personal loan(s) of borrowers who are impacted due to the COVID-19 pandemic.

2. Who is eligible for restructuring?

- a) Loan accounts that were in the Bank's books and were classified as Standard as on March 31, 2021 and should not have been closed, settled or charged off
- b) The customer who has been impacted financially by the COVID-19 pandemic in the form of reduction/ loss of income or cash flows. The customer will have to submit the supporting documents as required, to enable the Bank to review the viability of the customer to pay the restructured EMIs, before granting the restructuring

3. How do I avail the restructuring benefit on my loan?

Please call our helpline number 1860 267 777 or write to loan.restructuring@indusind.com. You can also visit <http://myaccount.indusind.com/loanrestructuring/index.aspx> to request for the restructuring of your loan.

4. What are the restructuring options that are available to me?

The balance tenure of the loan can be extended by a further period of a maximum of 24 months to ease your monthly EMI repayment burden. The Bank at its sole discretion will review and approve/decline your choice of restructuring the loan.

5. Do I need to submit any documents to avail of the restructuring benefit?

The bank will require you to submit documents giving details about the current status of your employment or business. Documents such as bank statement may be required. In addition, the borrower will have to submit an application cum undertaking, which will give the Bank the borrower's explicit consent to restructure the loan.

6. Will opting for the restructuring package have an impact on my credit bureau/CIBIL report?

As per regulatory guidelines, your loan/credit facility will be reported to the credit bureau as "Restructured". There will be an impact in the Bureau score for account reported as restructured. The quantum of impact will depend on the tradeline of individual accounts.

7. Will there be any processing fees or charges if I restructure my loan?

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There is no fee / charge for this activity

8. I hold multiple loans/credit facilities with the bank. Do I have to apply separately for each of these loans?

Yes, you will have to request for the restructuring individually for each loan/credit facility that you have with the Bank

9. Can I apply for restructuring now as was not able to/did not apply for the restructuring before?

The customer can request for restructuring of the loan irrespective of whether he has availed of the restructuring previously or not. The request however will be reviewed within the framework provided by RBI and the internal policy of the bank and will be approved or declined accordingly.

10. My loan was taken along with a co-borrower/s. Will all the co-borrowers of the original Loan agreement be required to sign the revised restructuring undertaking?

As per regulatory and legal requirements, all borrowers/co-borrowers of the original loan need to agree and sign on the pre designed undertaking provided by the Bank.

11. I have availed of the restructuring facility under the resolution framework 2,0, however I now need to change the terms, can I request for a restructure again?

No, a customer cannot place another request for a loan that is restructured once already under the resolution frame work 2.0. However, if your loan was restructured, basis your request in the year 2020 under the resolution framework of 1.0, you can request for a change. The request however will be reviewed within the framework provided by RBI and the internal policy of the bank and will be approved or declined accordingly.

12. If I choose to avail of the moratorium facility as part of the restructuring request, can I make any payment towards my loan?

Yes, you can make a payment towards your loan by visiting <https://www.indusind.com/loanemipayments.html>. The amount paid will be remitted to the loan account as pre-payment and the same will be adjusted against the principal amount of the loan. No pre-payment charges will be recovered.

13. Is there a time frame stipulated by when I can submit the request for restructuring?

You can place a request to restructure your loan on or before September 30, 2021. Please note that your loan can be restructured only once and multiple requests will not be acceded to.

14. I had applied for restructuring in 2020, I now want an extension/change in the restructuring terms, is that possible?

Borrowers who had availed relief under previous resolution plan 1.0 and continue to meet eligibility criteria's as per resolution plan 2.0, can avail of further extension, moratorium, subject to combined extension of tenor is resulting in maximum extension of a period up to 24 months. The request however will be reviewed within the framework provided by RBI and the internal policy of the bank and will be approved or declined accordingly.

Resolution Framework 2.0 for COVID-19-related Stress for Credit Cards – Frequently Asked Questions (FAQs) - Annexure - 2

1. What is the restructuring scheme 2.0 approved by RBI?

Since March 2021, there has been a rise in the Covid infections, leading to localized lockdown measures announced by various states. To assist borrowers who may further need time and assistance for repayments, RBI has issued guidelines towards Restructuring/Resolution referred to as **Resolution 2.0 Framework** of borrower accounts.

2. Who is eligible for restructuring?

b) Credit card accounts that are classified as Standard as on March 31, 2021 and continue to remain as standard across all loans/facilities granted to the customer till the date the request is placed for the restructuring of the credit card outstanding are eligible.

b) The customer who has been impacted financially by the COVID-19 pandemic in the form of reduction/loss of income or cash flows. The customer will have to submit the supporting documents as required, to enable the Bank to review the viability of the customer to pay the restructured EMIs, before granting the restructuring.

3. How do I avail the restructuring benefit on my credit card?

Please call our helpline number 1860 267 7777 or write to creditcard.restructuring@indusind.com to request for the restructuring of the outstanding on your credit card.

4. What are the restructuring options that are available to me?

On a case to case basis, the bank will assess and provide options for moratorium and/or repayment of the outstanding within a fixed time period, maximum being 24 months all together. Once the customer evinces interest to avail the restructuring, the bank will assess and if approved, provide options for restructuring.

5. Do I need to submit any documents to avail of the restructuring benefit?

The bank will require you to submit documents giving details about the current status of your employment or business. Documents such as bank statement may be required. In addition, the borrower will have to submit an application cum undertaking, which will give the Bank the borrower's explicit consent to restructure the outstanding on the credit card.

6. Will opting for the restructuring package have an impact on my credit bureau/CIBIL report?

As per regulatory guidelines, your loan/credit facility will be reported to the credit bureau as "Restructured". There will be an impact in the Bureau score for account reported as restructured. The quantum of impact will depend on the tradeline of individual accounts.

7. Will there be any processing fees or charges if I restructure the outstanding on the credit card?

There is no fee/charge for this activity.

8. I hold multiple loans/credit facilities with the bank. Do I have to apply separately for each of these loans?

Yes, you will have to request for the restructuring individually for each loan/credit facility that you have with the Bank.

9. Can I apply for restructuring now as was not able to/did not apply for restructuring before?

The customer can request for restructuring irrespective of whether he has availed of the restructuring previously or not. The request however will be reviewed within the framework provided by RBI for such restructuring requests and will be approved or declined accordingly.

10. I have availed of the restructuring facility under the resolution framework 2.0, however I now need to change the terms, can I request for a restructure again?

No, a customer cannot place another request for a credit card outstanding that is restructured once already under the resolution framework 2.0.

11. If I choose to avail of the moratorium facility as part of the restructuring request, can I make any payment towards my credit card?

Yes, the option lies with the customer to either continue to repay their outstanding dues or avail of the moratorium benefit. Please visit www.indusind.com for payment options.

12. Is there a time frame stipulated by when I can submit the request for restructuring?

You can place a request to restructure your credit card outstanding on or before September 30, 2021. Please note that your credit card outstanding can be restructured only once and multiple requests will not be acceded to.

13. I had applied for restructuring in 2020, I now want an extension/change in the restructuring terms, is that possible?

If your credit card outstanding was restructured, basis your request in the year 2020 under the resolution framework of 1.0, you can request for a change. The request however will be reviewed within the framework provided by RBI and the internal policy of the bank and will be approved or declined accordingly.

14. Will my credit card be blocked or deactivated if I avail of the restructuring scheme?

Your credit card will be blocked once the restructuring is processed on your Card account.

15. Will the bank levy interest charges on the credit card outstanding dues during the moratorium period?

Interest will continue to accrue at the applicable rate and billed on monthly basis on the outstanding amount during the moratorium period.

FAQs on Restructuring 2.0 Scheme of RBI (Business Loans)

1. What is the restructuring 2.0 scheme approved by RBI?

RBI has provided a framework to banks & lending institutions for implementation of resolution plans for addressing the economic fallout due to the COVID-19 pandemic which has led to significant financial stress for customers. Basis the framework and regulatory guidelines, our bank has framed its policy for the restructuring of the loan/s of entities that have been impacted due to the COVID-19 pandemic

2. Who is eligible for restructuring?

- a) Entities that are classified as Standard with the bank as on 31st March, 2021.
- b) The customer has to be impacted financially by COVID-19 pandemic in the form of reduction/ loss of income or cash flows.
- c) Only those accounts, which are on the bank's book as on Mar 31st, 2021 will be eligible.
- c) The reduction of income and its financial impact on the customer will be reviewed by the bank basis the documents / information provided which does show the drop in cash flow due to the COVID-19 impact.

Additionally, the bank reserves the rights to conduct other due diligence as may deem to be necessary and will depend on overall merits of the case.

3. Are Business Loan covered under the regulatory restructuring relief package?

Yes, MSME loans with Udyam certificate (The borrower should be classified as a MSME on March 31, 2021 in terms of Gazette Notification S.O. 2119 (E) dated June 26, 2020) are eligible under restructuring relief package as circulated by RBI in its 5th May 2021 circular.

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, and to whom the lending institutions have aggregate exposure of not more than Rs.25 crore as on March 31, 2021 are also eligible for restructuring.

4. What type of loans are not eligible for restructuring?

Loans to the following entities/individuals are not eligible for restructuring: -

- individuals/entities for agricultural purposes and classified as agricultural loans by the bank
- agricultural credit societies
- financial service providers
- Central, State and local government bodies
- Loans which have been already restructured once

5. How do I avail the restructuring benefit on my loan?

You may put us a request at below mentioned email ids:

reachus@indusind.com / blrestructure@indusind.com

6. Can I apply multiple times for restructuring?

No. You can apply for restructuring only once.

7. Do I need to submit any documents to avail of the restructuring benefit?

The bank will require you to submit documents giving details about the current status of your employment or business:

1. Current / CC account bank statement from 1st Oct 2020 till date
2. GST returns till date
3. Last audited financial statement
4. Udyam certificate
5. Undertaking on monthly debt obligation
6. PAN Card/ Signature Proof.

Additionally, Bank reserves the right to ask for any other document as deemed fit, post review of proposal so as to ensure sustainability of business.

8. Will opting for the restructuring package have an impact on my credit bureau report?

As per regulatory guidelines, your loan/credit facility will be reported to the credit bureau as "Restructured".

9. I hold multiple loans/credit facilities with the bank. Do I have to apply separately for each of these loans?

Yes, you have to apply for each of these loans separately.

10. I am self-employed/ entity having my small-scale unit. Am I eligible for relief?

Self-employed individuals/entities are eligible for relief for both under the MSME category as well as the Non-MSME category. The Bank would request its self-employed customers to register themselves as MSME through the Udyam portal of the Government wherever applicable.

Udyam portal link is as below:

<https://udyamregistration.gov.in/Government-India/Ministry-MSME-registration.htm>

11. Can I apply for restructuring now as I was not able to apply for moratorium before?

The scheme for restructuring is open to all customers of the bank irrespective of the moratorium applied status subject to the borrower meeting the regulatory guidelines of restructuring

12. My loan was taken along with a co-borrower/s. Will all the co-borrowers of the original Loan agreement be required to sign the revised restructuring agreement?

As per regulatory and legal requirements, all borrowers/co-borrowers of the original loan need to agree and sign on any changes in the loan structure including the restructuring agreement.

13. What is the last date of making applications for restructuring?

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The last date of the scheme is till 30th September 2021 for customers with single loan or overall exposure less than Rs 25 crore. You are advised to submit your applications accordingly.

14. How much time will it take for me to know the status of the restructuring application?

The bank will process and communicate the status of the application to the customers in 7 to 14 working days.

15. How will I get the approval and communication for acceptance?

The bank will communicate the status of the restructuring request via text message or email on the registered phone number or email address.

16. Will I need to do further documentation post restructuring?

For all loans, you would have to sign the restructuring agreement post approval for the bank to effect restructuring. In case there are two or more applicants on the loan structure, then all applicants will be required to accept the terms by putting physical signatures on the application and revised agreement, and this agreement will need to be submitted to your Relationship Manager.

In case of further queries:

SME customers – Please contact your relationship manager or write to us at reachus@indusind.com/
blrestructure@indusind.com

FAQs on Restructuring 2.0 Scheme of RBI (Loan against Card Receivables (LACR)/ FLIP loans)

1. What is the restructuring 2.0 scheme approved by RBI?

Since March 2021, there has been a rise in the Covid infections, leading to localized lockdown measures announced by various states. To assist borrowers who may further need time and assistance for repayments, RBI has issued guidelines towards Restructuring/Resolution referred to as Resolution 2.0 Framework of borrower accounts.

Basis the framework and regulatory guidelines, a policy has been framed and approved by the Board of Directors for the restructuring of Loans of Business borrowers (MSME & Small Business) who are impacted due to the COVID-19 pandemic.

2. Who is eligible for restructuring?

- Only those accounts, which are on the bank's book and are classified as Standard with the bank as on 31st March, 2021 will be eligible.
- The customer has to be impacted financially by COVID-19 pandemic in the form of reduction/ loss of income or cash flows.
- The reduction of income and its financial impact on the customer will be reviewed by the bank basis the documents / information provided which does show the drop in cash flow due to the COVID-19 impact.
- The customer should not have availed of any resolution in terms of Resolution Framework – 1.0
- Additionally, the bank reserves the rights to conduct other due diligence as may deem to be necessary and will depend on overall merits of the case.

3. Are LACR (OD/DLOD) and FLIP Loans covered under the regulatory restructuring relief package?

The OD/DLOD facilities under the LACR programmes are covered under the restructuring relief package. Similarly the FLIP daily instalment loans too are covered under the product.

MSME borrowers with Udyam certificate (The borrower should be classified as a MSME on March 31, 2021 in terms of Gazette Notification S.O. 2119 (E) dated June 26, 2020) are eligible under restructuring relief package as circulated by RBI in its 5th May 2021 circular.

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, and to whom the lending institutions have aggregate exposure of not more than Rs.50 crore as on March 31, 2021 are also eligible for restructuring.

4. What type of loans are not eligible for restructuring?

Loans to the following entities/individuals are not eligible for restructuring: -

- individuals/entities for agricultural purposes and classified as agricultural loans by the bank
- agricultural credit societies
- financial service providers
- Central, State and local government bodies
- Exposures to housing finance companies which have already been rescheduled

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- Loans which have been already restructured once

5. How do I avail the restructuring benefit on my loan?

You may put us a request at the below mentioned email ids:

supportlacr@indusind.com or reachus@indusind.com

6. Can I apply multiple times for restructuring?

No. You can apply for restructuring only once.

7. Do I need to submit any documents to avail of the restructuring benefit?

The bank will require you to submit documents giving details about the current status of your business:

1. Current / CC account bank statement for the last 6 month
2. GST returns till date
3. Last audited financial statement
4. Declaration on estimated business projection for the next 2 years till the completion of loan tenure post restructuring 2.0
5. Udyam certificate (where applicable)
6. Undertaking on monthly debt obligation

Additionally, Bank reserves the right to ask for any other document as deemed fit, post review of proposal so as to ensure sustainability of business.

8. Will opting for the restructuring package have an impact on my credit bureau report?

As per regulatory guidelines, your loan/credit facility will be reported to the credit bureau as "Restructured".

9. I hold multiple loans/credit facilities with the bank. Do I have to apply separately for each of these loans?

Yes, you have to apply for each of these loans separately.

10. I am self-employed/ entity having my small-scale unit. Am I eligible for relief?

Self-employed individuals/entities are eligible for relief for both under the MSME category as well as the Non-MSME category. The Bank would request its self-employed customers to register themselves as MSME through the Udyam portal of the Government wherever applicable.

Udyam portal link is as below:

<https://udyamregistration.gov.in/Government-India/Ministry-MSME-registration.htm>

11. Can I apply for restructuring now as I was not able to apply for moratorium before?

IndusInd Bank

The scheme for restructuring is open to all customers of the bank irrespective of the moratorium applied status subject to the borrower meeting the regulatory guidelines of restructuring

12. My loan was taken along with a co-borrower/s. Will all the co-borrowers of the original Loan agreement be required to sign the revised restructuring agreement?

As per regulatory and legal requirements, all borrowers/co-borrowers of the original loan need to agree and sign on any changes in the loan structure including the restructuring agreement.

13. What is the last date of making applications for restructuring?

The last date of the scheme is till 30th September 2021 for customers with single loan or overall exposure less than Rs 50 crore. You are advised to submit your applications accordingly.

14. How much time will it take for me to know the status of the restructuring application?

The bank will process and communicate the status of the application to the customers within 30 days.

15. How will I get the approval and communication for acceptance?

The bank will communicate the status of the restructuring request vide text message or email on the registered phone number or email address.

16. Will I need to do further documentation post restructuring?

For all loans, you would have to sign the restructuring agreement post approval for the bank to effect restructuring. In case there are two or more applicants on the loan structure, then all applicants will be required to accept the terms by putting physical signatures on the application and revised agreement, and this agreement will need to be submitted to your Relationship Manager.

In case of further queries:

Please contact your relationship manager or write to us at:

supportlacr@indusind.com or reachus@indusind.com