



RBI/2021-22/47

DOR.STR.REC.21/21.04.048/2021-22

June 4, 2021

All Commercial Banks (including Small Finance Banks, Local Area Banks and Regional Rural Banks)

All Primary (Urban) Co-operative Banks/State Co-operative Banks/ District Central Co-operative Banks

All All-India Financial Institutions

All Non-Banking Financial Companies (including Housing Finance Companies)

Madam / Dear Sir,

Resolution Framework - 2.0: Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) – Revision in the threshold for aggregate exposure

A reference is invited to the [circular DOR.STR.REC.12/21.04.048/2021-22](#) on “Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs)” dated May 5, 2021.

2. Clause 2 of the above circular specifies the eligibility conditions for MSME accounts to be considered for restructuring under the framework, which *inter alia* include sub-clause (iii) which states that the aggregate exposure, including non-fund based facilities, of all lending institutions to the MSME borrower should not exceed ₹25 crore as on March 31, 2021.

3. Based on a review, it has been decided to enhance the above limit from ₹25 crore to ₹50 crore.

4. Consequently, clause 2(v) would stand modified as under:

“(v) The borrower’s account was not restructured in terms of the [circulares DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6, 2020](#); [DOR.No.BP.BC.34/21.04.048/2019-20 dated February 11, 2020](#); or [DBR.No.BP.BC.18/21.04.048/2018-19 dated January 1, 2019](#) (collectively referred to as MSME restructuring circulars) or the circular [DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020](#) on “Resolution Framework for COVID-19-related Stress.”

5. All other provisions of the circular remain unchanged.

Yours faithfully,

(Manoranjan Mishra)
Chief General Manager