

Name of Organization : Gandevi Peoples' Co-Operative Bank Limited
Address of Organization : Standerton House, Bazar,
 Gandevi ,
 Dist : Navsari -396 360
 Gujarat (INDIA).
Policy Name : COVID-19 Regulatory Package / Relaxations Policy
Policy No : GPCBANK-CRP-2021-1.1
Version No : 1.1
Effective Date : 25.05.2021
Date of Last Revision : 25.05.2021
ADMINISTRATOR RESPONSIBLE : General Manager
CONTACT INFORMATION : General Manager

VERSION HISTORY :

VERSION	APPROVED BY	REVISION DATE	DESCRIPTION OF CHANGE	AUTHOR
1.0	Board	18.05.2020	To comply with Reserve Bank of India Guidelines	Hemanshu Vaidya
1.1	Board	25.05.2021	To comply with Reserve Bank of India recent Guidelines	Hemanshu Vaidya

APPROVAL AND REVIEW : BOM and BOD

ADDITIONAL NOTES : The Policy is intended to replace, earlier policy dated 29.05.2020 regarding this of the Bank. If you find a conflict among the various policies, please bring it to the attention (or ask your Department Head to bring it to the attention) of the Administrative Office.

REFERENCE : RBI Circular No DOR.STR.REC.11/21.04.048/2021-22 RBI / 2021-22/31 and DOR.STR.REC.12/21.04.048/2021-22 RBI / 2021-22/32.

SCOPE

: This policy referenced herein, apply to all Members who had availed fiancé from the bank and eligible as per above stated RBI Circular.

- a. Individuals who have availed of personal loans (as defined in the Circular DBR.No.BP.BC.99/08.13.100/2017-18 dated January 4, 2018 on “XBRL Returns – Harmonization of Banking Statistics”), excluding the credit facilities provided by Bank to it’s own personnel/staff.
- b. Individuals who have availed of loans and advances for business purposes and to whom the Bank have aggregate exposure of not more than Rs.25 crore as on March 31, 2021.
- c. 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 Bank have aggregate exposure of not more than Rs.25 crore as on March 31, 2021.

Provided that the borrower accounts / credit facilities shall not belong to the categories listed in sub-clauses (a) to (e) of the Clause 2 of the Annex to the Resolution Framework 1.0, read with the response to Sl. No. 2 of FAQs on Resolution Framework for Covid-19 related stress (Revised on December 12, 2020).

Provided further that the credit facilities to the borrower were classified as Standard by the Bank as on March 31, 2021.

POLICY STATEMENT : Due to Covid – 19 since February 2020 there was a large damage to the Physical, Social and economical Health of People of India. Earlier policy was made to comply with the RBI guideline of giving some relaxation in granting moratorium period during the specific time. Time given in above circular was passed, thus earlier policy is now not applicable in current period.

The resurgence of Covid-19 pandemic in India in the recent weeks, now Reserve Bank India issued above sited circular to grant newer relaxation to the borrower of the bank. This policy provides the applicability and eligibility of borrower, procedures to be followed by Bank to implement above RBI Circulars, period for which this relaxation is applicable and other matters.

TERMS AND DEFINITIONS : A Common Document for Terms and Definitions needs to be referred to.

Applicability and Eligibility of borrower

Types of borrowers who are eligible to get benefit of this relaxation are as per stated in scope of policy.

Procedures

1. The effected borrower may apply to the Bank for some relaxation.
2. The relaxation may be grant, in case of term, loan change in repayment schedule and / or grant some moratorium period, conversion of any accrued interest or to be accrued in another credit facility and in case of working capital CC / OD it may be of reduction in margin and / or reassessment of working capital and sanctioned limits.
3. However, compromise settlements are not permitted in any case.
4. After getting application from borrowers Board may verify its eligibility criteria and real quantum of relaxation.
5. The moratorium period, if granted, may be for a maximum of two years, and shall come into force immediately upon implementation of the resolution.
6. The decision regarding application of borrowers shall be communicated in writing to the borrowers within 30 days date of received of such application.
7. The last date for invocation of resolution permitted under this window is September 30, 2021.

Asset Classification and Provisioning

1. The asset classification of borrowers' accounts classified as Standard may be retained as such upon implementation, whereas the borrowers' accounts which may have slipped into NPA between invocation and implementation may be upgraded as Standard, as on the date of implementation of the resolution plan.
2. The subsequent asset classification for such exposures will be governed by the criteria laid out in the Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated July 1, 2015 or other relevant instructions as applicable to specific category of lending institutions ("extant IRAC norms").

3. As per guidelines of this bank is permitted to sanction additional finance even before implementation of the plan in order to meet the interim liquidity requirements of the borrower. This facility of additional finance may be classified as 'Standard' till implementation of the plan regardless of the actual performance of the borrower in the interim.
4. The Bank shall keep provisions from the date of implementation, which are higher of the provisions held as per the extant IRAC norms immediately before implementation, or 10 percent of the renegotiated debt exposure of the lending institution post implementation (residual debt). Residual debt, for this purpose, will also include the portion of non-fund based facilities that may have devolved into fund based facilities after the date of implementation.
5. Half of the above provisions may be written back upon the borrower paying at least 20 per cent of the residual debt without slipping into NPA post implementation of the plan, and the remaining half may be written back upon the borrower paying another 10 per cent of the residual debt without slipping into NPA subsequently

Provided that in respect of exposures other than personal loans, the above provisions shall not be written back before one year from the commencement of the first payment of interest or principal (whichever is later) on the credit facility with longest period of moratorium.

6. The provisions required to be maintained under this window, to the extent not already reversed, shall be available for the provisioning requirements when any of the accounts, where a resolution plan had been implemented, is subsequently classified as NPA.

Disclosures and Credit Reporting

Lending institutions publishing quarterly financial statements shall, at the minimum, make disclosures as per the format prescribed in Format-X in their financial statements for the quarters ending September 30, 2021 and December 31, 2021.

REFERENCE DOCUMENTS : Refer to Common Reference Documents

<p>Sanction by Board of Management Vide Resolution No. Dated 11th May 2021</p>	<p>Sanction by Board of Directors Vide Resolution No. Dated 25th May 2021</p>
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