



भारतीय रिजर्व बैंक
RESERVE BANK OF INDIA

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RBI/2021-22/80

DOR.STR.REC.38/21.04.048/2021-22

August 6, 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 for COVID-19-related Stress – Financial Parameters – Revised timelines for compliance

Please refer to the [circular DOR.No.BP.BC/13/21.04.048/2020-21 dated September 7, 2020](#) *inter alia* advising the key ratios and their sector specific thresholds to be considered by lending institutions while finalising the resolution plans in respect of eligible borrowers under Part B of the Annex to the [Resolution Framework for Covid-19 related stress issued on August 6, 2020](#).

2. The key ratios consisted of four operational ratios, viz., Total Debt / EBITDA, Current Ratio, Debt Service Coverage Ratio (DSCR) and Average Debt Service Coverage Ratio (ADSCR), along with the ratio Total Outside Liabilities / Adjusted Tangible Net Worth (TOL/ATNW) representing the debt-equity mix of the borrower post implementation of the resolution plan.

3. In view of the resurgence of the Covid-19 pandemic in 2021 and recognising the difficulties it may pose for the borrowers in meeting the operational parameters, it has been decided to defer the target date for meeting the specified thresholds in respect of the four operational parameters, viz. Total Debt / EBIDTA, Current Ratio, DSCR and ADSCR, to October 1, 2022.

4. The target date for achieving the ratio TOL/ATNW, as crystallised in terms of the resolution plan, shall remain unchanged as March 31, 2022.

Yours faithfully,

(Manoranjan Mishra)
Chief General Manager