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## FRAME WORK FOR REVIVAL AND REHABILITATION OF MICRO, SMALL & MEDIUM ENTERPRISES

A frame work, as notified by Reserve bank of India, has been implemented to provide a simpler and faster mechanism to address the identified stress in the accounts of MSMEs by way of a Corrective Action Plan(CAP) suggested by the “Committee for Stressed Micro, Small and Medium Enterprises”.

Eligibility	Applicable to all Micro, Small and Medium Enterprises having loan limits up to Rs.25 crores including accounts under Consortium or MBA.
Ineligible	Accounts of Willful Defaulters and cases of Frauds and Malfeasance.
Identification	Any MSME borrower / Enterprise may approach the Bank of Committee for Stressed MSME, if the Enterprise reasonably apprehends failure of its business or its inability to pay the debts or there is erosion in Net worth due to accumulated losses to the extent of 50% of its Net worth, for a Corrective Action Plan under the Framework. Such Enterprise has to make an application in the prescribed format. On the basis of Early Warning Signals or accounts getting reported as SMA( Special Mentioned Account), Branch maintaining accounts may refer to committee for Corrective Action Plan.
Process	The committee on receipt of application, shall call for all relevant information, analyze the reasons for Stress and suggest corrective Action Plan within time frame stipulated. The implementation of Corrective Action Plan shall also be as per timeframe specified in the framework.
Corrective Action Plan	Rectification/Restructuring/Recovery.

**Conditions apply. The information provided above is only illustrative and not exhaustive.**

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