



The Federation of Telangana Chambers of Commerce and Industry

(Formerly known as FTAPCCI)

Empowering Industry, Commerce & Trade

Registered under the Companies Act, 1956

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CIN U91110TG1964NPL001030

Karunendra S.Jasti
President

Ramakanth Inani
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K. Bhaskar Reddy
Vice President

FTCCI/Memo/2019-20/469

March 23, 2020

Sri Shaktikanta Das,
Governor
Reserve Bank of India
Central Office Building, 18th floor,
Shahid Bhagat Singh Road,
Mumbai

Dear Sri Shaktikanta Das Ji,

Sub: Covid-19 Pandemic impact-request for measures to mitigate the financial crisis- reg

In the light of Corona virus impact on the trade and economy, to limit the disruption caused to industry and more particularly to micro, small, and medium enterprises (MSME), the Federation of Telangana Chambers of Commerce and Industry, apex chamber of Telangana State suggests and recommend taking following measures:

FTCCI request the Reserve Bank of India to relax the following rules and regulations to mitigate the financial crisis likely to be faced by industry and businesses in the country

- a) Extension of due date for payment of EMI's including EMIs related to various Credit Facilities availed by the Businesses from the Banks by 90 days without any penal interest or late payment charges and also without any negative impact on the credit rating of the borrower;
- b) Issue of instructions to the banks and financial institutions to relax the conditions related to maintenance of margin balance against working capital limits for at least 90 days;
- c) Extension of payment of Letters of Credit (LC) by at least 90 days without any penal interest (a letter of assurance from the beneficiaries may be asked for from the Indian businessman.)
- d) Extension of time bound commitments under FEMA such as collections from the foreign debtors, export commitments, payment to foreign creditors, etc. Falling due between March 15, 2020 and April 30, 2020 from the date of it becoming due.
- e) Concessional working capital loans for MSMEs "equivalent to one to three month's (based upon the extent of disruption) average turnover of last year."

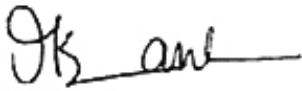
f) Impermissibility of any defaults committed during this period to be a ground for initiation of the proceedings under IBC.

On behalf of members of Trade and Industry, FTCCI request the RBI to intervene to cushion the businesses in the wake of disruptions to businesses caused by COVID-19

Looking forward for your timely intervention to help mitigate the financial losses occurred due to pandemic disease

Thanking you

Yours sincerely,

A handwritten signature in black ink, appearing to read 'JK an', followed by a horizontal line.

Karunendra S. Jasti
President, FTCCI
M: 9849032244