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Policy on RBI (Trade Relief Measures) Direction 2025



Policy Note: RBI Trade Relief Measures, 2025

This policy note outlines the Reserve Bank of India (“RBI”)(Trade Relief Measures) Directions, 2025 (as amended/supplemented from time to time), bearing reference number RBI/2025-26/96, DOR. STR.REC.60/21.04,048/2025-26 (“Directions”), issued on November 14, 2025, to mitigate debt servicing burdens due to trade disruptions from global headwinds and ensure the continuity of viable businesses. As directed by RBI, this policy will be displayed on DBS Bank India Limited (“DBIL”) website.

1. Eligibility Criteria for Borrowers

The reliefs as stated in the Directions and this policy note shall be granted to eligible borrowers where DBIL has satisfied itself that the concerned borrower’s business has indeed been impacted by trade disruptions caused by global headwinds.

In order to be eligible for relief, a borrower must:

- a) be engaged in exports related to any of the sectors specified in the Annex A (listed below);
- b) have an outstanding export credit facility from DBIL as of August 31, 2025.
- e) have been classified “as standard” account (as of August 31, 2025) by DBIL as well as other lenders (as defined under these directions), if any.

For availing such reliefs, the eligible borrower (including existing borrowers of DBIL) may submit an Application cum Undertaking in the format as attached to under Annex B.

In cases where export facilities have been sanctioned by other Regulated Entities [RE(s)], DBIL may satisfy itself that the borrower qualifies under the criteria stipulated at paragraph 1(b) above, basis a certification received from the RE(s) which evidences the extended export credit granted to the borrower.

For the purposes of the Directions, RE shall include:

- Commercial Banks,
- Primary (Urban) Co-operative Banks, State Co-operative Banks and Central Co-operative Banks,
- Non-Banking Financial Companies (including Housing Finance Companies),
- All-India Financial Institutions, and
- Credit Information Companies (only with reference to paragraph 16 of these Directions).

2. Relief Measures

Upon receipt of request by an eligible borrower, DBIL will perform an assessment to satisfy itself that the borrower’s business is impacted by trade disruptions caused by global headwinds. If satisfied, DBIL may extend the following relief measures to such borrowers:

A. Moratorium/Deferment



- i. **Term Loans:** A moratorium on payment of all instalments (principal and/or interest) falling due between September 1, 2025, and December 31, 2025 ("Effective Period").
- ii. **Working Capital Loans (WCDL / Pre shipment loan):** A moratorium on payment of principal and/or interest falling due between September 1, 2025, and December 31, 2025 ("Effective Period").
- iii. **Working Capital Facilities (Cash Credit/Overdraft):** Deferment of interest recovery may be applied during the Effective Period.

Interest Accrual: Interest shall continue to accrue during the moratorium/deferment period on a simple interest basis (no compounding/interest on interest).

Funded Interest Term Loan: Accumulated accrued interest during this period may be converted into a funded interest term loan, repayable in one or more instalments after March 31, 2026, but not later than September 30, 2026. Pricing of such loan will be as per DBIL's board approved policy.

Working Capital Limits: DBIL may, at its discretion, on a case-to-case basis, recalculate 'drawing power' by reducing margins and/or reassess working capital limits during the Effective Period. Post the expiry of the Effective Period, reviews will be based on regular assessments.

B. Extension of Tenor for Export Credit

- DBIL may permit an enhanced credit period of up to 450 days for pre-shipment and post-shipment export credit loans disbursed till March 31, 2026.
- For packing credit facilities availed by exporters on or before August 31, 2025, where goods could not be dispatched, DBIL may allow liquidation from legitimate alternate sources, including domestic sale proceeds or substitution with another export order's proceeds.

3. Asset Classification and Provisioning

A. Asset Classification:

- The granted moratorium/deferment period will be excluded by the DBIL when calculating the number of days past-due for asset classification under extant IRACP norms.
- Granting moratorium/deferment of instalments and recalculating 'drawing power' as per these Directions will not be treated as a restructuring event and will not, by itself, lead to an asset classification downgrade.
- After the moratorium/deferment period expires, asset classification will revert to extant IRACP norms.
- DBIL must report to Credit Information Companies (CICs) as per existing instructions, duly taking into account these provisions.
- CICs must ensure that actions taken by DBIL under these Directions do not negatively impact borrowers' credit history.



B. Provisioning

- For eligible borrower accounts classified as 'Standard' but in default as of August 31, 2025, where relief measures have been extended, DBIL must make a general provision of at least 5% of the total outstanding in such accounts by December 31, 2025.
- This general provision can be adjusted against actual specific provisioning requirements for slippages from these accounts. Any residual general provisions at the end of the financial year 2025-26 shall be either written back or adjusted against provisions required for all other borrower accounts by June 30, 2026.
- These general provisions will not be reckoned for arriving at net NPAs until adjusted as stated above. They should not be netted from gross advances but shown separately in the balance sheet.

4. Disclosure Requirements

DBIL will develop a Management Information System (MIS) on the reliefs provided, including borrower-wise and credit-facility-wise information on the nature and amount of relief granted. A fortnightly report (as on the 15th and end of each month) shall be submitted, in a format which shall be hosted by the RBI on its DAKSH platform.

**Annex A: List of Eligible Sectors (by 2-Digit HS Code)**

2-Digit Code	HS	Description
03		Fish and crustaceans, molluscs, and other aquatic invertebrates.
29		Organic chemicals
38		Miscellaneous chemical products.
39		Plastic and articles thereof.
40		Rubber and articles thereof.
42		Articles of leather, saddlery and harness; travel goods, handbags and similar containers, articles of animal gut (other than silk-worm) gut.
57		Carpets and other textile floor coverings.
61		Articles of apparel and clothing accessories, knitted or crocheted.
62		Articles of apparel and clothing accessories, not knitted or crocheted.
63		Other made-up textile articles; sets; worn clothing and worn textile articles; rags
64		Footwear, gaiters and the like; parts of such articles.
68		Articles of stone, plaster, cement, asbestos, mica or similar materials.
71		Natural or cultured pearls, precious or semiprecious stones, precious metals, clad with precious metal and articles thereof; imitation jewellery; coin.
73		Articles of iron or steel
76		Aluminium and articles thereof.
84		Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof.
85		Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts.
87		Vehicles other than railway or tramway rolling stock, and parts and accessories thereof.
90		Optical, photographic cinematographic measuring, checking precision, medical or surgical inst. And apparatus parts and accessories thereof;
94		Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishing; lamps and lighting fittings not elsewhere specified or included



Annex-B

APPLICATION CUM UNDERTAKING
[To be submitted by borrower on its letterhead]

To,

The Branch Manager,
DBS Bank India Ltd,
Branch address:

Re: Reserve Bank of India (Trade Relief Measures) Directions, 2025 dated November 14, 2025 (“Directions”).

Sub: Application cum Undertaking for seeking trade relief measures.

Dear Sir/ Ma'am,

I/We, in the capacity of Proprietor/ Partner/ Director/authorised signatory of _____(Name of the entity) (“Entity”) have availed export credit facilities (in the nature of pre shipment and post shipment) from _____(Name of the lender) since _____ for INR _____ for _____(purpose) in name of the Entity.

OR¹

I/We, in the capacity of Proprietor/ Partner/ Director/authorised signatory of _____(Name of the entity) (“Entity”) have availed export credit facilities (in the nature of pre shipment and post shipment) from DBS Bank India Limited (“DBIL”) since _____ for INR _____ for _____(purpose) in name of the Entity. In addition to the aforementioned export credit facilities, we have availed a term loan to the extent of INR [] and working capital facilities in the nature of overdraft/cash credit facilities to the extent of INR [].

On account of the global macro scenario/trade disruptions caused by global headwinds, I / We am/are facing trade disruptions in exports to _____(Name/s of the export destination country/ies) on account of trade tariffs/taxes and or as a result of _____(reasons for disruptions).

In order to seek reliefs stated under the captioned Directions, I/We hereby unconditionally undertake that:

- a. The Entity is engaged in exports relating to _____(name of the sector) and its business falls within the scope of HS code no. [] as prescribed by RBI in the list of “Eligible Sectors” stated under the Directions;
- b. The entity has availed an outstanding export facility availed from DBIL and/or _____(name of the lender) as on August 31, 2025;
- c. That the Entity shall submit all export orders/bills and/or such other document as may be requested by DBIL from time to time; and
- d. The Entity’s account has been classified as “standard” as on August 31, 2025 as per Income recognition and asset classifications norms published by RBI from time to time.

¹ Applicable for existing borrowers of DBIL.



That subject to DBIL's internal credit assessment, us meeting of the eligibility criteria and execution of requisite documentation to DBIL's satisfaction, I/We on behalf of the Entity hereby wish to avail the relief measures available to us to ensure continuity of the business, as per the captioned Directions.

Pursuant to the above, I/We request you to please consider the following relief measures, based on my consent as provided below for each of the relief measures:

Sr. No.	Particulars / Relief Measure	Yes / No												
1	Moratorium on payment of all instalments [principal and/or interest] falling due between September 1, 2025, and December 31, 2025. ("Effective Period") with respect to our account _____ (Account Number)													
2	Defer the recovery of interest applied in respect of cash credit / overdraft facilities during the Effective Period with respect to our account number []													
3	Convert the accumulated/accrued interest in the form of a funded term loan which shall be repayable in either one or more instalments after March 31, 2026 but not later than September 30, 2026.													
4	Recalculation of 'drawing power' by reassessing the working capital limits, during the Effective Period.													
5	Enhanced credit period for export credit disbursed till March 31, 2026, as under: i) Pre-shipment credit period _____ (max. upto 450 days) ii) Post shipment credit period _____ (max. upto 450 days)													
6	Please allow liquidation/ substitution of following packing credit facilities as the dispatch of goods could not take place: <table border="1" data-bbox="248 1115 1321 1299"> <thead> <tr> <th>Sr. No.</th> <th>Details of Packing credit</th> <th>Disbursement date</th> <th>Liquidation/ substitution by</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Sr. No.	Details of Packing credit	Disbursement date	Liquidation/ substitution by									
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Note for 1 & 2 above: During the moratorium/ deferment period, interest application shall be on simple interest basis, without compounding effect, i.e., there shall be no interest on interest during moratorium / deferment period.

I/We request you to kindly consider this Application cum Undertaking at the earliest and extend support as requested.

(Signature of Borrower)

[DESIGNATION OF THE AUTHORISED SIGNATORY]

Date:

Place: