



Ref No.NB.DoR-Policy(Weavers)/1893/A-7(P)/2017-18

Circular No. 201/DoR - 49/2017

25 July 2017

The Chairman  
All Regional Rural Banks

The Chairman/Chairman-cum-Managing Director  
All Sponsor Bank of RRBs

Dear Sir

**Provision of Short term credit limits to RRBs under Section 21(1)(iv)&(v) read with Section 21(4) of NABARD Act,1981 for financing working capital and marketing requirements of Individual weavers / Handloom Weaver Groups (HWGs) / Master Weavers (MWs), weaver members of defunct/non working weaver societies, Mutually aided Cooperative Societies, Societies outside the Cooperative folds and Producer Group Companies by NABARD– Policy for the year 2017-18**

Please refer to our Policy Circular Nos. 75/DoR-25/2014 dated 23 April 2014. The same policy continued during 2015-16 and 2016-17 also. The policy has since been reviewed and it has been decided to continue broadly the same policy during 2017-18 except the changes in eligibility criteria and quantum of refinance as given in the Annexure .

2. NABARD's refinance to Regional Rural Banks (RRBs) will be at an interest rate of 7.5% p.a. minimum or such other rate as decided by NABARD from time to time. However, the period for reckoning on various parameters of terms and conditions indicated in the aforementioned circular dated 23 April 2014 will undergo changes accordingly.

3. Kindly acknowledge receipt of the same.

Yours faithfully

(Padma Raghunathan)  
Chief General Manager

Encl : Annexure

राष्ट्रीय कृषि और ग्रामीण विकास बैंक

National Bank for Agriculture and Rural Development

विभाग नाम

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## **Annexure**

### **Eligibility Criteria for RRBs**

#### **(A) Audit**

Audit of RRBs should have been completed for the year 2015-16 and the relative audit reports together with financial statements received by NABARD. Wherever, audit for 2015-16 is completed and report available, the same may be submitted together with financial statements. Further the audit of the RRBs as on 31.03.2017 should be completed by 30.06.2017.

#### **(B) CRAR**

Compliance of CRAR should be 9 % or more as on 31.03.2016. RRBs with CRAR less than 9% as on 31.03.2016 but more than 9% as on 31.03.2017 would also be eligible.

#### **(C) NPA norms**

RRBs having net NPAs upto 5% will be eligible for refinance. However, with a view to increasing the credit flow in the North Eastern Region, Jammu & Kashmir, Himachal Pradesh and Uttarakhand, the net NPA norms may be relaxed by 5% in these States.

#### **Quantum of Refinance**

RRBs fulfilling above criteria will be entitled to get refinance upto Normal Eligibility Limit as per the norms (as per para. 4 of the weavers' circulars under reference)