Guidelines for relief measures to farmers affected by natural calamities - Conversion of ST (SAO) loans into Medium Term loans - Refinance Policy for the year 2021-22

Please refer to our circular No. 193/DoR-67/2020 dated 16 July 2020 communicating the refinance policy for conversion of short-term agricultural loans into medium term loans and rephasing/re-scheduling of existing MT (conversion) loans for the year F.Y. 2020-21. This line of credit which envisages providing relief to farmers, whose crops have been damaged, due to natural calamities has since been reviewed and it has been decided to continue broadly, with the same policy for the year 2021-22.

2. The rate of interest on refinance on MT conversion / rephasing / rescheduling of loans for F.Y. 2021-22 will be 300 basis points below that charged by Banks to the ultimate beneficiaries subject to a minimum interest rate of 8.10% p.a. or as decided by NABARD from time to time. The rate

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2. वित्तीय वर्ष 2021-22 के लिए मध्यवर्ती परिवर्तन / पुनर्निर्धāरण / पूर्व अनुसूचीकरण ऋणों पर पूर्ववर्ती की ब्याज की दर बैंकों द्वारा निर्धारित अंतिम उधारकर्ताओं से लिए जाने वाले ब्याज से 300 बेसिस पॉइंट्स कम होगी, अथवा 8.10% प्रति वर्ष की न्यूनतम ब्याज दर के
<table>
<thead>
<tr>
<th>स्थानीय होगी या जो समय-समय पर नाबाड द्वारा तय की गयी होगी। बैंकों द्वारा लिया जाने वाला ब्याज भारतीय रिजर्व बैंक के दिशानिर्देशों के अनुसार होगा।</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. अन्य नियम और शर्तें अपरिवर्तित रहेंगी।</td>
</tr>
<tr>
<td>4. कृपया इस परिपत्र की प्राप्ति की सूचना हमारे क्षेत्रीय कार्यालय को दे।</td>
</tr>
<tr>
<td>of interest charged by the banks would be as per the RBI guidelines.</td>
</tr>
<tr>
<td>3. Other terms and conditions remain unchanged</td>
</tr>
<tr>
<td>4. Please acknowledge receipt of this circular to our Regional Office.</td>
</tr>
</tbody>
</table>

भवदीय

(एल आर रामचंद्रन)
मुख्य महाप्रबंधक

संलग्न: 2 पृष्ठ
अनुबंध I/ Annexure I

प्राकृतिक आपदाओं से प्रभावित किसानों को राहत उपायों पर दिशानिर्देश - अत्यावधि (मौसमी कृषि परिवार) ऋणों का मध्यावधि ऋणों में परिवर्तन – क्षेत्रीय ग्रामीण बैंकों के लिए वर्ष 2021-22 हेतु पुनर्वित्त नीति

Guidelines on relief measures to farmers affected by natural calamities - Conversion of ST (SAO) loans into Medium Term loans - Refinance Policy for the year 2021-22 for Regional Rural Banks

1. आरआरबी हेतु अलग-अलग सीमा स्वीकृत की जाएगी.

2. पात्रता मानदंड:

1. Individual limit will be sanctioned to RRB.

2. Eligibility norms:

वर्ष 2021-22 हेतु अतिरिक्त अत्यावधि (मौक़) सीमा की स्वीकृति के लिए निर्धारित पात्रता मानदंड मध्यावधि (परिवर्तन) की स्वीकृति के लिए निम्नानुसार लागू होंगें:

Eligibility norms as stipulated for sanction of Additional ST (SAO) limits for the year 2021-22 will be applicable for sanction of MT (conversion) as under:

(क) लेखा-परीक्षा: वर्ष 2019-20 हेतु क्षेत्र बैंकों की लेखा-परीक्षा पूरी होनी चाहिए और वित्तीय विवरण सहित संबंधित लेखा-परीक्षा रिपोर्ट नाबाद को प्राप्त हो जानी चाहिए. जहां 2021-22 के लिए लेखा-परीक्षा पूरी हो गई है और लेखा-परीक्षा रिपोर्ट जारी कर दी गई है, इसे वित्तीय विवरणों के साथ नाबाद को प्रस्तुत किया जा सकता है.

(a) Audit: Audit of RRB should have been completed for the year 2019-20 and the relative audit reports together with financial statements should have been received by NABARD. Wherever audit for 2021-22 is completed and audit report issued, the same may be submitted to NABARD together with financial statements.

(ख) सीआरएआर का अनुपालन

दिनांक 31.03.2020 की स्थिति में सीआरएआर 9% या उससे अधिक होनी चाहिए, दिनांक 31.03.2020 की स्थिति में 9% से कम लेकिन दिनांक 31.03.2020 की स्थिति में 9% से अधिक सीआरएआर वाले क्षेत्रीय ग्रामीण बैंक भी पात्र होंगे.
(b) Compliance of CRAR

CRAR should be 9% or more as on 31.03.2020. RRBs with CRAR less than 9% as on 31.03.2020 but more than 9% as on 31.03.2021 would also be eligible.

3. Only current short term crop loans are eligible for conversion for maximum period upto 5 years for SF/MF/OF.

4. Refinance support from NABARD will be available in respect of such conversion/rephasement/reschedulement of loans subject to fulfillment of certain prescribed conditions as given in Annexure II and other instructions issued from time to time. The sharing pattern for MT (Conversion) would be as under:

   NABARD refinance - 70%, RRB share - 5% and Sponsor Bank share - 25%

The proportionate share of NABARD in the crop insurance claims, if any, subsequently settled by the insurance companies will have to be passed on to NABARD immediately.

Further, the MT (Conversion) assistance from NABARD will be restricted to 2 years in case crop loss is between 33% and 50% and a maximum of 5 years in case of crop loss of 50% or more (including period of one year moratorium, reschedulement, rephasement etc. if any), in accordance with the provisions contained in Sec. 22 of the NABARD Act, 1981.

5. The other terms and conditions for extension of refinance to banks against MT (conversion/rephasement/reschedulement) loans will be as under:
क) वित्तीय वर्ष 2021-22 के लिए अत्याधिक (परिवर्तन / पुनक्षेत्रीकरण / पुन:)

अनुसूचीकरण) ऋणों के पुनर्वित्त पर ब्याज की दर, बैंकों द्वारा अंतिम लाभार्थियों से प्रभारित ब्याज दर से 300 बेसिस पॉइंट कम, लेकिन न्यूनतम 8.10 % वार्षिक या नाबार्ड द्वारा समय-समय पर निर्धारित दर के अनुसार होगी. बैंकों द्वारा प्रभारित ब्याज दर आरबीआई के दिशानिर्देशानुसार होगी.

a) The rate of interest on refinance on MT conversion/ rephasing/ rescheduling of loans for F.Y. 2021-22 will be 300 basis points below that charged by Banks to the ultimate beneficiaries subject to a minimum interest rate of 8.10% p.a. or as decided by NABARD from time to time. The rate of interest charged by the banks would be as per the RBI guidelines.

ख) मूलधन की चूकोत्ती और ब्याज के भुगतान में चूक होने की स्थिति में, आरआरबी को चूक की अवधि के लिए चूक की राशि पर 10.25% वार्षिक दर से नाबार्ड को ब्याज देना होगा. दंडात्मक ब्याज दर समय-समय पर संशोधन के अधीन हैं.

b) In the event of default in repayment of principal and payment of interest, the RRB will be liable to pay to NABARD, interest on the amount of default at 10.25% p.a. for the period for which the default persists. The penal interest rates are subject to revision from time to time.

g) बैंकों को आवश्यक औपचारिकताएं पूरी करने हेतु नाबार्ड से पुनर्वित्त आहरण के लिए स्थीति की तारीख से समाप्ति: एक से तीन माह का समय प्रदान किया जाता है और प्रत्येक मामले की महत्ता के आधार पर समय-सीमा में वृद्धि की जा सकती है. रिपोर्टिंग के उद्देश्य के लिए इस अवधि को 01.04.2021 से 31.03.2022 तक माना जाता है.

c) Normally one to three months’ time is provided for drawal of NABARD refinance from the date of sanction for enabling the banks to complete the necessary formalities and extension is provided on merits of each case. For reporting purpose, the period is taken as 01.04.2021 to 31.03.2022.

g) राजस्व प्राधिकरण/राज्य सरकार द्वारा भू-राजस्व का स्थगन/ की माफी

d) Suspension/remission of land revenue by revenue authority/State Government

6. प्रभावित उधारकर्ता जिनके अत्याधिक (मौक़प) ऋणों को अत्याधिक (परिवर्तन) ऋणों में परिवर्तित किया गया है, उन्हें नए फसल उगाने के लिए उनकी पात्रता, वित्तमान, चूकौती क्षमता आदि के आधार पर नए फसल ऋण दिए जाने चाहिए.
6. The affected borrowers whose ST (SAO) loans have been converted into MT (Conversion) loans have to be extended fresh crop loans as per their eligibility, scale of finance, repaying capacity etc. for raising fresh crops.

7. On the treatment of agricultural loans affected by natural calamities for the purpose of prudential norms and NPA classification, norms fixed by RBI should be followed.

8. Proposal for the conversion should be submitted to NABARD Regional office within one year from the date of actual conversion at farmer’s level.

***************
Formalities / Pre-requisites for permitting conversion of ST (SAO) loans

The following formalities / pre-requisites are suggested for providing conversion facilities:

1.(a) In the event of a natural calamity, the Central/State Government may decide on the declaration of natural calamities by conducting crop cutting experiments to determine the loss in crop yield and issue declarations/certificates. The crop loss in the particular area/taluka/mandal/block (as the case may be) should be 33% or more to trigger rescheduling of loans from banks.

1.(b) In case of extreme situations such as wide-spread floods, etc. when it is largely clear that most of the standing crops have been damaged and/or land and other assets have suffered a wide-spread damage, the matter be deliberated by State Government/District Authorities in the especially convened SLBC/DCC meetings where the concerned Government functionary/District Collector shall explain the reasons for not estimating ‘Annewari’ (percentage of crop loss – by whatever name called) through crop cutting experiments and that the decision to provide relief for the affected populace needs to be taken based on the eye estimate/visual impressions.

हालांकि, दोनों ही मामलों में डीसीसी/एसएलबीसी को इस प्रकार की घोषणाएँ करने से पहले स्वयं संबंधित कर लेना होगा कि फसल नुकसान 33% या इससे अधिक हुआ है.
2. Ordinarily, banks may convert / re-phase / reschedule only the principal amount of crop loans / instalments of MT (Conversion) loans due in the year of occurrence of natural calamity from the affected farmer-borrowers. However, in case of severe damage to crops as declared by the State Governments and accepted by SLBC / Task Force / Steering Committee constituted for the purpose, the amount of interest due from Small Farmers / Marginal Farmers in respect of the loans eligible for conversion/ rephasing/reschedulement could be deferred for one year. The individual banks concerned will have to exercise their discretion in regard to the need for deferment of interest in respect of other farmers. Further, interest deferment could be allowed by banks only if, their resource base permits the same, without resorting to any financial assistance from higher financing agencies.

3. The repayment period of restructured loans may vary depending on the severity of calamity and its recurrence, the extent of loss of economic assets and distress caused. Banks may allow a maximum period of repayment of upto 2 years (including the moratorium period of 1 year) if the loss is between 33% and 50%. If the crop loss is 50% or more, the restructured period for repayment may be extended to a maximum of 5 years (including the moratorium period of 1 year).

4. The repayment period of restructured loans may vary depending on the severity of calamity and its recurrence, the extent of loss of economic assets and distress caused. Banks may allow a maximum period of repayment of upto 2 years (including the moratorium period of 1 year) if the loss is between 33% and 50%. If the crop loss is 50% or more, the restructured period for repayment may be extended to a maximum of 5 years (including the moratorium period of 1 year).
4. In all cases of restructuring, moratorium period of at least one year should be considered. Further, the banks should not insist for additional collateral security for such restructured loans.

5. Banks may not levy any additional interest and consider waiving such interest if already charged, in respect of loans converted / rephased / rescheduled by them.

अनुंबंद II का परिशिष्ट/APPENDIX TO ANNEXURE II

This is to certify that the Standing Crops for the Kharif / Rabi* season for the year in the following villages were damaged due to (state the type of natural calamity) and the yield in terms of "annewari" was less than 6 annas i.e. less than 50% / is between 33% to 50% (i.e. - ---% ) of the normal yield (whichever is applicable).

<table>
<thead>
<tr>
<th>क्रम सं.</th>
<th>गाँव का नाम</th>
<th>क्षतिग्रस्त फसल का नाम</th>
<th>प्रतिशत या आना के रूप में क्षति की सीमा</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sr. No.</td>
<td>Name of the village</td>
<td>Name of crop damaged</td>
<td>Extent of damage in terms of percentage or annas</td>
</tr>
<tr>
<td>1</td>
<td>(क)</td>
<td>(ख)</td>
<td>(ग)</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
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</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* जो लागू न हो उसे काट दे।
* Strike out whichever is not applicable.

यह भी प्रमाणित किया जाता है कि प्राकृतिक आपदाओं की स्थिति में ‘अल्पावर्षीय उपस्तर ऊष्ण का मध्यावधि और दीपावर्षीय ऊष्ण ऊष्ण वर्ष के ब्रह्मावधि में बदलने के लिए किसी भी दौड़ने का आकलन करने की वैज्ञानिक विधि पर भारत सरकार, कृषि मंत्रालय द्वारा जनवरी 1980 में नियुक्त कार्य समूह की विभिन्न सिफारिशों के आधार पर अन्वेषण
It is also certified that the procedure for annewari assessment has been streamlined on the basis of the various recommendations of the Working Group on ‘Scientific Method of Assessing Crop Yield in the Event of Natural Calamities for Conversion of Short term Production Loans into Medium Term and Long Term’ appointed by the Government of India, Ministry of Agriculture in January 1980 and the following concept / basis in particular have been followed while declaring "annewari".

क) क्षेत्र अवधारणा: उपजों के मूल्यांकन हेतु फसलों का निर्धारण करने में क्षेत्र अवधारणा का उपयोग किया गया है अर्थात जिले में सामान्य फसल क्षेत्रफल के 70% को कवर करने वाली फसलों को हिसाब में लिया गया है.

a) Area concept: In determining the crops for assessment of yields, the area concept has been followed i.e. the crops which covered 70% of the normal cropped area in the district have been taken into account.

ख) उपजों की तुलना: प्रभावित वर्ष के उपज की तुलना पिछले पांच वर्षों की औसत उपज से की गई है.

b) Comparison of yields: The yields for the affected year have been compared with the average of yields of the preceding five years.

g) वैज्ञानिक पद्धति: वैज्ञानिक पद्धति को अपनाकर अर्थात क्रॉप कटिंग प्रयोगों द्वारा औसत फसल के उपज का अनुमान लगाया गया है.

c) Scientific methodology: The average crop yield has been estimated by adopting scientific methodology i.e. by crop cutting experiments.

g) अन्नेवारी: प्रभावित क्षेत्र हेतु फसल/ फसलों के प्रति हेक्टेअर उपज की तुलना के आधार पर, जिला स्तरीय समिति ने प्रमाणित किया है कि प्रभावित क्षेत्रों में उपज में 50% या अधिक/ 33% से 50% के बीच (जो भी लागू हो) की कमी हुई है और तदनुसार, राजस्व विभाग द्वारा ऐसे क्षेत्रों के लिए ‘अन्नेवारी’ घोषित किया गया है.

d) Annewari: On the basis of comparison of per hectare yield of crop /crops for the affected region, the District Level Committee has certified that the yield has gone down by 50% or more / between 33% to 50% (whichever is applicable) in the affected areas and accordingly, the Revenue Department has declared "annewari" for these areas.

जिला अधिकारी/ प्राधिकृत राजस्व अधिकारी के मोहर सहित हस्ताक्षर
Signature of the District Collector / Authorized Revenue Official and Seal
दिनांक/Date:
गााँि बढ़े
तो देश बढ़े
www.nabard.org
Taking Rural India >> Forward