



NB.DoS.HO.POL/4 797/ J - 1 /2017-18

16 March 2018

(Circular No. 47/ DoS -14 / 2018)

**The Chairmen
All Regional Rural Banks**

Madam / Dear Sir,

Risk Weights for Calculation of CRAR

Please refer to RBI Circular No. RPCD.CO.RRB.BC.No.35 /03.05.33/2014-15 dated 21 October 2014 wherein RBI has prescribed the Risk weights to be allotted to various items of assets for arriving the net book value of the assets for computation of Risk Weighted Assets.

2. In this connection, we advise that, while reviewing the Inspection Reports of RRBs, RBI has observed that contrary to the guidelines some RRBs show the amounts under the interest subvention claims under the head "other assets - Accrued Interest on CRR balances and claims on RBI on account of Govt transactions" and assign "zero risk weight" to them while calculating the CRAR.
3. We, therefore, request you to take note of the RBI observation in the matter and ensure that the bank may assign proper risk weights and strictly adhering to the CRAR guidelines prescribed by RBI.
4. Please acknowledge the receipt of this circular to our Regional Office.

Yours faithfully

(K Venkateswara Rao)
Chief General Manager

राष्ट्रीय कृषि और ग्रामीण विकास बैंक

National Bank for Agriculture and Rural Development

पर्यवेक्षण विभाग

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