



Ref.No. NB.DoR-Policy(Weavers)/422/A-7(P)/2018-19

Circular No. 114/DoR-40/2018

16 May 2018

The Chairman
Scheduled Commercial Banks

Dear Sir

Provision of Short Term Refinance to Scheduled Commercial Banks for Financing the working capital requirements of State Handloom Development Corporation (SHDCs) – Policy for the year 2018-19

Please refer to our Policy Circular No. 77/DoR-27/2014 dated 23 April 2014. The same policy continued during subsequent years also. The policy has been reviewed in 2017-18 and it continued during 2017-18 with some changes in eligibility criteria, vide our Circular No. 203 / DoR-49 /2017 dated 25 July 2017.

2. It has been decided to broadly continue the same policy for 2018-19 also with change in CRAR norm. The eligibility criteria prescribed for the year 2018-19 are:

- (i) Complying with minimum CRAR norm of 10.25% (as per Basel III) as on 31.03.2017
- (ii) Net NPAs not exceeding 6% of net loans and advances outstanding as on 31.03.2017. Further, the NPA position will be reckoned for the Bank as a whole.
- (iii) The bank should be in Net profit in 2016-17.
- (iv) In case of improvement or deterioration in the above parameters as on 31.03.2018, the same will be reckoned for eligibility of refinance.

3. NABARD's refinance to Scheduled Commercial Banks will be at an interest rate of 8.65 % 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 and quantum of refinance as indicated in the aforementioned circular dated 23 April 2014 will undergo changes accordingly.

4. Kindly acknowledge receipt of the same

Yours faithfully

(G.R.Chintala)
Chief General Manager

राष्ट्रीय कृषि और ग्रामीण विकास बैंक

National Bank for Agriculture and Rural Development

विभाग नाम

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