

Master Circular

SCHEME FOR REFINANCE FACILITIES TO PRIMARY (URBAN) CO-OPERATIVE BANKS UNDER SECTION 17 OF THE RBI ACT, 1934 - SMALL/TINY COTTAGE INDUSTRIAL UNITS

(Updated up to June 30, 2004)

**The Master Circular is also available at
RBI website www.mastercirculars.rbi.org.in
and may be downloaded from there)**



RESERVE BANK OF INDIA

**Urban Banks Department,
Central Office,
Mumbai.**

RBI/2004-05/ 161

UBD.BPD(PCB).MC.No.10 /10.01.00/2004-2005

September 3 ,2004

Chief Executive Officers of
All Primary (Urban) Co-op. Banks

Dear Sir,

Master Circular

**Scheme for Refinance Facilities to Primary (Urban)
Co-operative Banks under Section 17 of the RBI Act, 1934 -
Small/Tiny Cottage Industrial Units**

Please refer to our Master Circular UBD.BPD.Cir.No.2/10.01.00/2003-04 dated October 3, 2003, on the captioned subject (available at RBI website www.mastercirculars.rbi.org.in). The enclosed Master Circular consolidated and updates all the instructions/guidelines on the subject upto June 30, 2004.

2. Please acknowledge receipt of this Master Circular to the Regional Office concerned of this Department.

Yours faithfully,

(S.Karuppasamy)
Chief General Manager-in-Charge

Encl: As above

Master Circular

Scheme for Refinance Facilities to Primary (Urban) Co-operative Banks under Section 17 of the RBI Act, 1934 - Small/Tiny Cottage Industrial Units

Contents

1.Introduction	1
2. Approved Groups of Industries	1
3.Eligible Lending for Refinance	2
4.Type of Finance to Eligible Units	3
5. Terms and Conditions	4
5.1 Eligible Banks	4
5.2 Fixation of Refinance Limits	5
5.3 Interest Rate	5
5.4 Guarantee	6
5.5 Application for Refinance	6
5.6 Documentation	7
5.7 Availing of Refinance	8
5.8 Reporting Requirements	8
5.9 Records to be Maintained	9
6. Other Instructions for Primary (Urban) Co-operative Banks	9
7. Instructions for Central District Co-operative Banks	10
8. Instructions for State Co-operative Banks	10
9. Instructions for the Registrar of Co-operative Societies	12
o Annexure 1	13
o Annexure 2	14
o Annexure 3	15
o Appendix	16

Master Circular
Scheme for Refinance Facilities to Primary (Urban)
Co-operative Banks under Section 17 of the RBI Act, 1934 -
Small/Tiny Cottage Industrial Units

1. INTRODUCTION

- 1.1 In order to ensure adequate flow of funds for industrial financing through co-operative banks, the Reserve Bank of India have approved 22 broad groups of cottage and small scale industries as eligible for accommodation under section 17(2)(bb) of the Reserve Bank of India Act, 1934.
- 1.2 A scheme has been formulated by RBI, to make loans and advances to state co-operative banks under section 17(2)(bb) read with section 17(4)(c) of the Reserve Bank of India (RBI) Act, 1934 for financing production and marketing activities of these industries. The salient features of the scheme are detailed in the following paragraphs.

2. APPROVED GROUPS OF INDUSTRIES

- 2.1 A list of 22 approved broad groups of cottage and small scale industries is given in the *Annexure 1*. The list of these 22 cottage and small scale industries is not, by any means exhaustive, but is only illustrative of the broad groups of industries which may include one or more sub-groups or units falling under the purview of the individual broad group. It may, however, be stressed that the most important factor determining the eligibility of any cottage or small scale industry or unit for financial accommodation would be the financial soundness of the individual unit and not the mere fact that it belongs to a particular category or group.
- 2.2 The above referred list, also includes small-scale industrial units engaged in the manufacture and use of the equipment for development and utilisation of renewable sources of energy which have been included under item 22 of the broad groups of cottage and small scale industries as "manufacture and use of equipment/systems for development of new and renewable sources of energy". An illustrative list of such equipment/systems based on new and renewable sources of energy is given in *Annexure 2*.
- 2.3 The approved list also includes such of the small scale and cottage industries where the raw material does not belong to constituent borrower. Such type of industries may be broadly termed as service type of industries.

3. ELIGIBLE LENDING FOR REFINANCE

- 3.1 Concessional refinance from the Reserve Bank shall be available to primary (urban) co-operative banks (PCBs) through the concerned state co-operative bank (SCB) or district central cooperative bank (DCCB) in respect of finance made available by them only to small and tiny units outside the co-operative sector covered by the 22 broad groups of industries as indicated in paragraph 2.1 above.
- 3.2 For the purpose of this scheme, the eligible small and tiny units have been defined as those units outside the co-operative sector whose investment in plant & machinery (fixed assets excluding land & building) does not exceed Rs. 25 lakh.
- 3.3 The bank finance should be made available to -
- (i) new small and tiny units, and
 - (ii) those in existence/operation for not more than 7 years.

- 3.4 The concessional finance is meant to provide incentive to new small scale industrial units only during their *gestation* period of 7 years.
- 3.5 In order to circumvent the above instructions, some of the industrial units/firms get them-selves dissolved on completion of 7 years of their existence and form new units/firms with the same partners or one of the partners of old units/firms. PCBs should not claim refinance under the scheme on account of such units.
- 3.6 The finance provided by the banks, to the small and tiny units belonging to directors and their relatives or to concerns in which their directors or their relatives are interested directly or indirectly, should not exceed 5% of the refinance limit sanctioned by the Reserve Bank of India under the scheme. However, such finance will be subject to RBI directives/ instructions on loans and advances to directors, their relatives and the firms and concerns in which they are interested. Presently banks are prohibited from granting any loans & advances (both secured and unsecured) to the directors, their relatives and the firms/companies in which they are interested.
- 3.7 The bank finance may be provided to the manufacturers and users of equipment/ system in the industrial sector based on new and renewable sources of energy detailed in *Annexure 2*.
- 3.8 As mentioned in Para. 2.3 the bank finance may also be provided to service type of industries. In such cases, although the borrower may not require finance for the purpose of his day-to-day working i.e. purchasing raw material etc., he may have to incur expenditure on account of rent, electricity and labour charges, etc. The Reserve Bank will extend refinance to the extent of rent, electricity and labour charges for two months.

4. TYPE OF FINANCE TO ELIGIBLE UNITS

- 4.1 Under the scheme, only the working capital advances made by the PCBs for production and marketing activities of eligible units would be eligible for refinance.
- 4.2 Banks may also provide term finance from their own resources within the overall limit for such block capital loans. However, no refinance will be available for such loans.
- 4.3 As regards eligibility in respect of working capital requirements, banks are free to assess the same, based on their commercial judgement.
- 4.4 The accommodation granted for working capital purposes should be in the nature of secured advances i.e. the advances should be backed by adequate stocks-in-trade, subject to appropriate margins. The margin may be reduced in special circumstances such as the advances guaranteed by the Government.
- 4.4.1 **Bill Discounting**
- (i) Banks may purchase/discount bills up to the extent of 100% i.e. without any margin, drawn only on parties of good standing and repute as approved by the Board of the banks at the time of granting the bills purchase/ discounting limits.
- (ii) The facility should be limited to only genuine trade bills which evidence sale and/or despatch of goods.
- (iii) Clean bills (accommodation bills) and bills covering hire purchase transactions and sale of service should not be purchased/ discounted under the facility.
- (iv) The types of bills that may be purchased/discounted should be further limited to -
- (a) bills accepted by the purchaser's bank,

- (b) bills drawn on the buyer and the buyer's bank jointly, and accepted by them jointly
- (c) bills drawn on and accepted by the buyer under irrecoverable letter of credit and certified by the buyer's bank to that effect,
- (d) bills drawn on and accepted by the buyer and endorsed by the seller in favour of his bank and bearing a certificate signed by the buyer's bank to the effect that payment would be made by that bank 3 days before the date of maturity.
- (v) The bills should be of a usance not exceeding 90 days.
- (vi) The bills of exchange arising out of sale of commodities notified under selective credit control measures should not be purchased/discounted.
- (vii) The bills should specifically exclude the usual grace period.
- (viii) The bills discounted and outstanding for more than 90 days from the due date (excluding the usual days of grace) should be removed from the bills discounted account by debit to the current account of parties concerned.

At the time of applying for refinance facilities, the bank concerned should give a certificate to the effect that while discounting bills the bank has duly complied with above stipulations.

4.4.2 Other Book Debts

- (i) The book debts of the parties having an established and satisfactory business relationship should only be approved by the banks. In approving the parties, the banks should take into account the past performance of the parties in honouring their debts to the constituent borrowers. Only parties having an established and satisfactory business relationship should be approved.
- (ii) The book debts outstanding for a period not exceeding 90 days should only be reckoned as cover. The book debts outstanding for over 90 days should be excluded from the cover and the constituents asked to make good the shortfall in the cover immediately.
- (iii) The limit against book debts should not exceed 30 per cent of the aggregate working capital limit and 15 per cent of the annual turnover of the borrower.

5. TERMS AND CONDITIONS

5.1 Eligible Banks

- 5.1.1 Refinance facilities will be available only in respect of financially sound and well-managed banks, i.e. other than those classified in Grades II, III and IV.
- 5.1.2 Banks should have achieved specified targets towards lending to priority sector including weaker sections. While sanctioning the refinance facilities, due weightage will be given to the performance in this regard.
- 5.1.3 Banks will not be considered eligible for sanction of refinance if their working is unsatisfactory as revealed by -
 - (i) *high overdues (exceeding 20% of outstanding loans and advances)*,
 - (ii) contravention of directives issued by Reserve Bank,
 - (iii) failure to submit statutory and other returns,
 - (iv) failure to submit satisfactory compliance in respect of inspection reports

- (v) irregularities in the operations on the short-term credit limits sanctioned for the previous year and defaults in maintenance of non-overdue cover.

5.2 Fixation of Refinance Limits

- 5.2.1 Maximum credit limit fixed for a bank may not exceed four times its owned funds. The owned funds of the bank for the purpose of sanction of credit limit would include paid-up share capital, statutory reserve, dividend equalisation fund and building fund (if building was constructed and adequate provision made for its depreciation).
- 5.2.2 For working out the quantum of finance required, banks may take into account the average for the previous year and accordingly seek reimbursement from the Reserve Bank of India.
- 5.2.3 While fixing the credit limits for the banks, the Reserve Bank will take into account the surplus funds available on a continuing basis with the institutions concerned. Banks which keep large surplus funds on a continuing basis will not be eligible for refinance. For this purpose, the funds in excess of the optimum level of 35% of demand and time liabilities of the bank in India will be construed as surplus funds available with the bank.
- 5.2.4 The resources maintained by a bank in excess of 35% of its demand and time liabilities in India will be reckoned for the purpose of arriving at the eligible refinance.
- 5.2.5 In the case of newly organised banks, however, for a period up to 5 years from the date of their commencement of business, a liberal view will be taken and refinance assistance may be allowed in respect of all the eligible small-scale/cottage industrial units financed by them without above stipulation.

5.3 Interest Rate

- 5.3.1 The refinance by Reserve Bank of India will be made available at the Bank Rate, as announced from time to time.
- 5.3.2 Refinance shall be routed through SCBs directly to PCBs or through DCCBs. However, the margin available between the rate at which the refinance is made available and the rate at which the ultimate beneficiary (i.e. eligible cottage/tiny industrial units) is charged should be appropriately shared.
- 5.3.3 Banks are free to determine the interest rate to be charged to the ultimate borrower even if they avail of refinance from RBI. The banks should, however, ensure that the rate of interest to be charged to the ultimate borrower is reasonable and transparent.

5.4 Guarantee

- 5.4.1 The state government would have to guarantee fully the repayment of the principal and the payment of interest on the loans and advances granted to the state co-operative banks and execute a deed of guarantee in favour of the Reserve Bank in the prescribed form enclosed to our circulars No. ACD. OPR. 3101 and 3472/ M.1/ 69-70 dated 17 November 1969 and 16 December 1969, respectively.
- 5.4.2 Where the state government agrees to execute a continuing guarantee deed for three years, the same may be executed in the prescribed form.

5.5 Application for Refinance

5.5.1 The following Application Forms have been prescribed:

Part I	Application for Credit Limit from RBI (To be submitted by State Co-operative Bank through the Registrar of Co-operative Societies, State)
Part II	Application for Credit Limit from RBI (To be submitted by District Co-operative Bank through the State Co-operative Bank and the Registrar of Co-operative Societies, State) Note: <i>Part II to be filled in only if funds are to be channelled through the Central Co-operative Bank</i>
Part III	Application for Credit Limit from RBI (To be submitted by Primary (Urban) Co-operative Bank through District Co-operative Bank, the State Co-operative Bank and the Registrar of Co-operative Societies, State)
Statement No. 1	Showing certain basic data regarding the financial position and advances to small/tiny units
Statement No. 2	Statement of resources for the period April ____ to March ____
Statement No. 3	Statement of non-overdue cover maintained against Refinance sanctioned by Apex Bank/Reserve Bank during the Previous year (April-March or any other latest month for which data is available at the time of application)
Statement No. 4	Details relating to advances - actual/ estimated of small/tiny units belonging to the approved cottage and small scale industry as on 31st December ____
Statement No. 5	Details relating to advances to the small and tiny units belonging to directors and their relatives or to concerns in which their directors or their relatives are interested directly or indirectly - actual/estimated of small/tiny units belonging to the approved cottage and small scale industry as on 31st December ____

The formats of the above application forms and statements have been enclosed to our circular UBD.No. P&O. 161/HG.4/91-92 dated 16 September 1991.

5.5.2 Banks should submit their applications in the prescribed form (Part III) along with Statements 1 to 5 to the State Co-operative Bank directly or through the concerned District Central Co-operative Bank, as the case may be, *before 15th January each year.*

5.5.3 Banks should furnish a proforma balance sheet and trial balance as at the end of December or any later date.

5.5.4 Information in respect of service type of industries may be furnished in column 6 of the Statement No. 3, apart from the usual types of industries. Where an industry is undertaking production and marketing activities as also the service type of activities, the information need not be furnished in all the

columns of Statement No. 3, but the same may be furnished only in the relevant columns applicable to them.

- 5.5.5 The finance provided by banks to the small and tiny units belonging to directors and their relatives or to concerns in which their directors or their relatives are interested directly or indirectly should be indicated separately in the Statement No. 5 and enclosed to the application. Format of the statement is enclosed as Annexure. However, such finance would be subject to the directives/instructions for granting loans and advances to directors and their relatives, etc.

5.6 Documentation

- 5.6.1 The following documents will need to be executed before availing of the credit limit sanctioned to the state co-operative bank :

Form of Agreement to be signed by the State Co-operative Bank
Form of Demand Promissory Note to be executed by the State Co-operative Bank in favour of the Reserve Bank
Form of Time Promissory Note to be executed by the Primary (Urban) Co-operative Bank in favour of the State Co-operative Bank /Central Co-operative Bank
Form of Certificate to be obtained from State Co-operative Bank as to the Character of Bills/Promissory Notes offered by it as Security and of the Accommodation provided by it
Form of Certificate to be obtained from the Borrower by the State Co-operative Bank directly or through the Central Co-operative Bank, as the case may be.

The formats of the above documents/ certificates have been enclosed to our circular ACD.OPR. 3472/ M.1/ 69-70 dated 16 December 1969.

5.7 Availing of Refinance

- 5.7.1 Loans and advances granted to the state co-operative banks would be by way of refinance, that is to say, the working capital accommodation provided to approved eligible units by the banks and outstanding against them would be eligible for reimbursement from the Reserve Bank from the credit limit sanctioned to the state co-operative bank on their behalf. The outstanding referred to here would be the non-overdue outstanding and would exclude amounts outstanding under un-renewed cash credits.
- 5.7.2 The limit sanctioned for a financial year will be operative up to 31 March of the ensuing financial year.
- 5.7.3 The refinance limit sanctioned may be operated by the banks by drawing and repaying as often as necessary during the financial year.
- 5.7.4 Banks may finance the industrial units which are eligible for accommodation under the refinance scheme without regard to the point of time at which they approach the banks and the banks themselves avail of the facility through the Apex Bank.

5.8 Reporting Requirements

Banks are required to submit to the state co-operative banks or the central co-operative bank depending on whether the refinance is drawn directly from the former or through the latter, the monthly non-overdue cover statements A and B annexed to our circular No. DBOD. UBD. P&O. 523/HG 4/ 82-83

dated 12 January 1983. The statements for each month should be submitted so as to reach the state/central co-operative bank on or before 15th of the following month. In these statements, the banks should report figures of loans and advances outstanding and overdue only in respect of the eligible units.

5.9 Records to be Maintained

- 5.9.1 It would be necessary for the banks to maintain a separate record of transactions pertaining to the eligible units covered under the refinance facility for the latest completed accounting year of the unit proposed for financing. For this purpose, the banks should maintain necessary registers.
- 5.9.2 The banks are also required to introduce a separate heading in the general ledger for the loans and advances provided to the eligible units covered by the refinance facility.
- 5.9.3 The banks which fail to maintain separate records and/or are found to be availing refinance facility in respect of units not to be covered under the refinance scheme will be liable to be denied sanction of credit limits in future.
- 5.9.4 The records pertaining to the monthly non-overdue statements should be available with the banks for verification by the officers of Reserve Bank/Apex Bank at any point of time.

6. OTHER INSTRUCTIONS

- 6.1 Primary (Urban) Co-operative Banks should ensure that -
 - (i) the norms/standards adopted by the bank for assessing the viability/ potential viability are advised to the Reserve Bank as part of the loan application,
 - (ii) in assessing the credit eligibility of an industrial unit, apart from its financial soundness, level of its annual production, turnover in sales during the previous year etc. and the ability of the industrial unit to provide the required margin of cover for the borrowings from the bank, as represented by the resources with the industrial unit are also taken into account.
- 6.2 Where it is difficult to obtain the financial and operational particulars from the eligible borrowing units as on 31 December due to different accounting years followed by such units, the Reserve Bank will accept the financial and operational particulars of the units, required to be furnished in the loan application by the banks for the accounting year as adopted by the borrowing units.
- 6.3 In the case of eligible units which have also borrowed from commercial banks and other credit agencies besides the primary (urban) co-operative banks, the latter should satisfy that the units maintain adequate cover including margin for the aggregate working capital borrowed from different credit agencies. It must also be ensured that the aggregate of the borrowings are not in excess of the requirements of the unit.

7. INSTRUCTIONS FOR CENTRAL DISTRICT CO-OPERATIVE BANKS

- 7.1 The central district co-operative banks should submit the applications in the prescribed Form II duly completed by them along with the prescribed Application in Part III and other enclosures received from the banks. The applications should be routed through the concerned state co-operative bank to reach them by 20th January each year.

- 7.2 While submitting the refinance limit applications, the central district co-operative banks should, inter alia, -
- (i) ensure that the applications are complete in all respects, and
 - (ii) certify that the industrial units proposed to be financed by the banks are eligible for concessional finance under the Reserve Bank's Refinance Scheme.

8. INSTRUCTIONS FOR STATE CO-OPERATIVE BANKS

- 8.1 The state co-operative banks should submit the applications in the prescribed Form I along with the prescribed application, Form III and other enclosures received from the primary (urban) co-operative banks. One copy of the application should be sent direct to the Regional Office of this department so as to reach them before 31st January, each year, and the other copy should be forwarded to the Registrar of Co-operative Societies of the state concerned also to reach them by end January, each year.
- 8.2 Where the applications from banks are received through the district central co-operative banks, along with Form II received from the latter, the same should also be forwarded to RBI as well as the Registrar of Co-operative Societies of the state concerned as stated above.
- 8.3 While submitting the refinance limit applications, the state co-operative banks should, inter alia, -
- (i) ensure that the applications are complete in all respects,
 - (ii) certify that the industrial units proposed to be financed by the banks are eligible for concessional finance under the Reserve Bank's Refinance Scheme, and
 - (iii) furnish only the consolidated position and the lending programme of each bank, although the banks are required to submit details regarding each unit covered /proposed to be covered by the refinance facility in statement no. 4 to the state co-operative banks concerned.
- 8.4 It will be the responsibility of the state co-operative banks to evolve a suitable system for maintenance and verification of the data for SSI units by the banks. The information system evolved for this purpose would be subject to scrutiny by the Reserve Bank, both at the level of the state co-operative bank, and the primary (urban) co-operative banks.
- 8.5 The RBI sanction letter on short term credit limits to the state co-operative banks on behalf of banks for financing industrial units under the Scheme will be stipulating the following condition :
- "State co-operative bank should, at the time of every drawal on the credit limits sanctioned to it, furnish to the Reserve Bank of India a certificate, to the effect that, the drawals and the outstanding under previous drawals made on behalf of banks will not take the total outstanding against the banks beyond the level of the concerned banks' outstanding against industrial units. The outstanding under cash credit sanctioned by the banks will be non-overdue outstanding and will exclude the outstanding under un-renewed cash credits."
- 8.6 In order to ensure that the condition stipulated in the sanction letter is strictly adhered to, the state co-operative banks, should arrange to submit every month, a certificate to the effect that, its borrowings from the Reserve Bank of India in respect of every bank (when the latter borrows directly or through the central co-operative bank) for financing industrial units are fully covered by the latter's non-overdue loans outstanding with the industrial units affiliated to it for the same purpose. The monthly certificates should reach the Reserve Bank of India by 20th of each month succeeding that to which they relate.

- 8.7 A copy of each of such certificates should also be furnished to the concerned regional office for their information.
- 8.8 In addition to the above certificates, the Reserve Bank of India also requires information in regard to the operations on the limits sanctioned in respect of each primary co-operative bank's advances to industrial units covered by the 22 broad groups of cottage and small-scale industries. State co-operative banks should, therefore, submit to RBI, the monthly non-overdue cover statements in forms 'A' and 'B' as per the formats annexed to our circular DBOD.UBD. P&O. 523/HG 4/82-83 dated 12 January 1983 to reach by 20th of each month succeeding to that to which it relates.
- 8.9 In order that the state co-operative banks are in a position to furnish the certificate and the non-overdue statements to RBI in time, they should arrange to receive the statements A and B at least by the middle of each month from each bank directly or through the central co-operative bank through whom the finance is routed.

9. INSTRUCTIONS FOR THE REGISTRAR OF CO-OPERATIVE SOCIETIES

- 9.1 The applications in the prescribed form given in part I and II received from the state co-operative bank and the district central co-operative bank, where applicable, along with the prescribed application in Part III and other enclosures submitted by the primary (urban) co-operative banks, should be recommended by the Registrar of Co-operative Societies of the state concerned and forwarded to reach the Chief General Manager, Reserve Bank of India, Urban Banks Department, Central office, Garment House, Dr. Annie Besant Road, Worli, Mumbai 400 018 by 15th February each year.
- 9.2 It should also be ensured that a full set of application is forwarded to the concerned Regional Office of the Reserve Bank of India, to enable them to give their recommendations thereon so as to avoid delay in sanction of the credit limit.
- 9.3 In order, to ensure expeditious sanction of credit limits and facilitating drawal thereon, the state /central government may be persuaded to issue, a guarantee in the prescribed format on a continuing basis for a period of three years at a time for the advances proposed to be availed of by the state co-operative banks from Reserve Bank of India under section 17(2)(bb) read with section 17(4)(e) of Reserve Bank of India Act, 1934.
- 9.4 It is desirable that the maximum borrowing power of primary (urban) co-operative banks are fixed on a higher level so that they would be able to meet the increased demand for financing the needs of economy. For the purpose, appropriate steps may be taken to suitably amend the co-operative societies act or the rules within the state so as to provide for the maximum borrowing power at 25 times the paid up share capital and reserves of a bank.

Master Circular
Scheme for Refinance Facilities to Primary (Urban)
Co-operative Banks under Section 17 of the RBI Act, 1934 -
Small/Tiny Cottage Industrial Units

List of Eligible Cottage and Small Scale Industries

[Vide paragraph 2.1]

- | | |
|---|--|
| 1. Flaying and tanning | 12. Handicraft Industries |
| 2. Leather goods | 13. General Engineering |
| 3. Pottery | 14. Chemical Engineering and Chemical Industries |
| 4. Hand pounding of paddy and cereals | 15. Construction Material |
| 5. Rice Mills, including flour mills and bakeries | 16. Sericulture |
| 6. Oil crushing | 17. Coir |
| 7. Palm gur | 18. Spinners Societies |
| 8. Cane gur and khandsari | 19. Cotton Textiles and other textiles |
| 9. Canning of fruits and vegetables | 20. Printing, book binding and lithography |
| 10. Manufacturing and processing of agricultural and Marine products and forest produce including beverage industries | 21. Saw mills, wood work and furniture and fixtures, and |
| 11. Other village industries such as carpentry and black-smithy, bee-keeping and honey and honey products | 22. Miscellaneous industries such as manufacture of sports goods, bidis, buttons, card-boards and other paper products, cutting and polishing of real and artificial gems and stones, manufacture and use of equipment/ systems for development of new and renewable sources of energy |

Master Circular
Scheme for Refinance Facilities to Primary (Urban)
Co-operative Banks under Section 17 of the RBI Act, 1934 -
Small/Tiny Cottage Industrial Units

Illustrative List of Equipments/Systems based on
New and Renewable Sources of Energy

[Vide paragraph 2.2 & 3.7]

- | | |
|---|---|
| 1. Flat plate solar collectors | 10. Solar power generating systems |
| 2. Concentrating and pipe type solar collectors | 11. Solar photo voltatic modules and panels, for water pumping and other applications |
| 3. Solar cookers | 12. Wind mills and any specially designed devices which run on wind mills |
| 4. Solar water heaters and systems | 13. Any special devices including electric generators and pumps running on wind energy |
| 5. Air/Gas/Fluid Heating Systems | 14. Bio gas plants and bio gas engines |
| 6. Solar refrigeration, cold storages and air-conditioning systems | 15. Electrically operated vehicles including battery operated or fuel-cell powered vehicles |
| 7. Solar crop driers and systems | 16. Agricultural and municipal waste conversion devices producing energy |
| 8. Solar stills and desalination systems | 17. Equipment for utilising ocean waves and thermal energy |
| 9. Solar pumps based on solar thermal and solar photo voltatic conversion | 18. Machinery and plant used in the manufacture of any of the above sub-items |

Master Circular
Scheme for Refinance Facilities to Primary (Urban)
Co-operative Banks under Section 17 of the RBI Act, 1934 -
Small/Tiny Cottage Industrial Units

Statement No. 5

**Details relating to the advances granted to directors and their relatives
or to concerns in which their directors and their relatives are interested out of the refinance limit
sanctioned during the last year**

[Vide paragraph 5.5.2, 5.5.3 & 5.5.6]

(Rs. in lakhs)

Sr. No.	Name of Director @	Limit sanctioned	Date of advance	Amount outstanding as on the date of application
1	2	3	4	5
Total				

@ Advances granted to the relatives of each of the director indicating relationship should be indicated

Master Circular
Scheme for Refinance Facilities to Primary (Urban)
Co-operative Banks under Section 17 of the RBI Act, 1934 -
Small/Tiny Cottage Industrial Units

A. List of Circulars consolidated in the Master Circular

No.	Circular No.	Date	Subject
1.	UBD.BPD.RCS.Cir.No.3/10.01.00/2002-03	28-06-2003	Refinance facilities to Primary (Urban) Co-op. Banks under section 17 of RBI Act, 1934 – Tiny/Cottage industrial units
2.	UBD.No.Plan.Cir.RCS.3/10.01.00/2000-2001	26-02-2001	Refinance facilities to Primary (Urban) Co-operative Banks under Section 17 of the RBI Act, 1934 - Tiny/Cottage Industrial Units
3.	UBD.No.Plan.Cir.RCS.2/10.01.00/1999-2000	16-03-2000	Refinance facilities to Primary (Urban) Co-operative Banks under Section 17 of the RBI Act, 1934 - Tiny/Cottage Industrial Units
4.	UBD.No.Plan.Cir.RCS.3/10.01.00/98-99	10-06-1999	Refinance facilities to Primary (Urban) co-operative Banks under Section 17 of the RBI
5.	UBD.No.P&O.CIR.RCS.7/10.01.00/97-98	19-05-1998	Refinance facilities to primary (urban) co-operative banks under Section 17 of the RBI Act, 1934 - Tiny/Cottage Industrial Units
6.	UBD.No.P&O.CIR.PCS.7/10.01.00/96-97	26-04-1997	Refinance facilities to Primary (urban) co-operative Banks under Section 17 of the RBI Act, 1934 - Tiny/Cottage Industrial Units
7.	UBD.No.P&O.CIR.RCS/16/10.01.00/95-96	16-04-1996	Refinance facilities to primary (urban) co-operative banks under Section 17 of the RBI Act, 1934 - Tiny/Cottage Industrial Units
8.	UBD.No.P&O.CIR.RCS/11/10.01.00/95-96	10-10-1995	Refinance facilities to primary (urban) co-operative banks under section 17 of the Reserve Bank of India Act, 1934 - Tiny/cottage industrial units
9.	UBD.No.(P&O)/CIR.RCS/7/10.01.00/94-95	07-01-1995	Refinance facilities to primary (urban) co-operative banks under Section 17 of the RBI Act, 1934 -Tiny/Cottage Industrial Units
10.	UBD.No.35/10.01.00/93-94	25-10-1993	Refinance facilities to primary (urban) co-operative banks under section 17 of the Reserve Bank of India Act, 1934 - Small/Tiny Industrial units
11.	UBD.No.P&O.18 /HG.4-92/93	08-06-1993	Refinance facilities to primary (urban) co-operative banks under section 17 of the RBI Act, 1934. Small/Tiny Industrial units
12.	UBD.No.P&O.71/HG.4-92/93	22-07-1992	Refinance facilities to primary (urban) co-operative banks under Section 17 of the Reserve Bank of India Act, 1934 - Small/tiny Industrial units

13.	UBD.P&O.224/HG.4-91/92	22-10-1991	Refinance facilities to primary (urban) co-operative banks under Section 17 of the Reserve Bank of India Act, 1934 - Small/tiny cottage Industries etc.
14.	UBD.No.P&O.161/HG.4-91-92	16-09-1991	Refinance facilities to primary (urban) co-operative banks under Section 17 of the RBI Act, 1934 - Small/tiny cottage Industries etc.
15.	UBD.No.P&O.21/HG.4.89/90	13-03-1990	Refinance facilities to primary (urban) co-operative banks under Section 17 of the Reserve Bank of India Act, 1934 - Small Scale Industries Sector
16.	UBD.No.P&O.790/HG.4-88/89	23-03-1989	Refinance facilities to primary (urban) co-operative banks under Section 17 of the Reserve Bank of India Act, 1934 - Small Scale Industries Sector
17.	UBD.P&O.94/HG.4-87/88	20-01-1988	Refinance facilities to primary (urban) co-operative banks under Section 17 of the Reserve Bank of India Act, 1934 - Small Scale Industries Sector
18.	UBD.No.P&O.79/HG.4-87/88	15-12-1987	Refinance facilities to primary (urban) co-operative banks under Section 17 of the Reserve Bank of India Act, 1934 - Small Scale Industries Sector
19.	UBD.No.P&O.109/HG.4.86/87	27-06-1987	Refinance facilities to primary (urban) co-operative banks under Section 17 of the Reserve Bank of India Act, 1934 - Surplus Funds
20.	UBD.P&O.55/HG-4-86/87	17-02-1987	Refinance facilities to primary (urban) co-operative banks under Section 17 of the Reserve Bank of India Act, 1934 - Small Scale Industries Sector
21.	UBD.P&O.96/HG.4-85/86	16-04-1986	Refinance under Section 17(2)(bb) read with Section 17(4)(c) of the Reserve Bank of India Act, 1934
22.	UBD.No.P&O.81/HG.4-85/86	11-03-1986	Refinance facilities to primary (urban) co-operative banks under Section 17 of the Reserve Bank of India Act, 1934 - Small Scale Industries Sector
23.	UBD.P&O.904/HG.4-84/85	17-01-1985	Refinance facilities to urban co-operative banks under section 17 of the Reserve Bank of India Act, 1934-small-scale industries sector
24.	UBD.P&O.658/HG.4-83/84	22-02-1984	Refinance facilities to urban co-operative banks under section 17 of Reserve Bank of India Act, 1934-small scale industries sector
25.	DBOD.UBD.P&O.552/HG.4-82-83	19-01-1983	Refinance Under Section 17(2)(bb) Read With Section 17(4)(c) of the Reserve Bank of India Act, 1934 Financing of Small-Scale Industries by Primary (Urban) Co-operative Banks
26.	DBOD.UBD.P&O.523/HG.4-82-83	12-01-1983	Short-term Credit Limit under Section 17(2)(bb) read with Section 17(4)(c) of the RBI Act, 1934 for Financing Industrial Units - Maintenance of Non-Overdue cover in respect of Borrowings

27.	DBOD No.UBD.P&O.420/HG.4-82/86	17-12-1982	Financial assistance for development and utilisation of renewable sources of energy under section 17(2)(bb) read with section 17(4)(c) of the Reserve Bank of India Act, 1934
28.	DBOD.UBD.P&O.403/HG.4-82/83	13-12-1982	Financial Accommodation Under Section 17(2)(bb) Read With Section 17(4)(c) of the Reserve Bank of India Act, 1934 -Approved Industrial Units Outside the Co-operative Sector - 1983-84
29.	ACD.Plan.(IFS)715/HG.4-81/82	08-02-1982	Financial accommodation under section 17(2)(bb) read with section 17(4)(c) of the Reserve Bank of India Act, 1934 - Approved industrial units outside the co-operative sector - 1982-83
30.	ACD.Plan.(IFS)312/HG.4-81/82	07-10-1981	Financial, accommodation under Section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act, 1934 to primary (urban) co-operative banks
31.	ACD.Plan.(IFS)229/HG.4-81/82	10-09-1981	Short-term Credit Limit under Section 17(2)(bb) read with Section 17(4)(c) of the RBI Act, 1934 for Financing Industrial Units - Maintenance of Non-Overdue cover in respect of Borrowings
32.	ACD.Plan.(IFS)1113/HG.4-80/81	16-06-1981	Financial accommodation under section 17(2)(bb) read with section 17(4)(c) of the Reserve Bank of India Act, 1934 - Approved industrial units outside the co-operative sector - 1981-82
33.	ACD.Plan.(IFS)193/HG.4-80/81	02-09-1980	Financial, accommodation under Section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act, 1934 for financing the approved industrial units - Rate of interest
34.	ACD.Plan.(IFS)6/FIG.4-80/81	02-07-1980	Financial accommodation under section 17(2)(bb) read with section 17(4)(c) of the Reserve Bank of India Act, 1934 - Approved industrial units outside the co-operative sector - 1980-81
35.	ACD.Plan.(IFS)199/HG.4-78/9	14-07-1978	Financial, accommodation under Section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act, 1934 to primary (urban) co-operative banks
36.	ACD.Plan.(IFS)113/HG.4-78/9	11-07-1978	Financial, accommodation under Section 17(2)(bb) read with Section 17(4)(c) of the Reserve Bank of India Act, 1934 - Penal rate of interest
37.	ACD.Plan.(IFS)3815/HG.4-77/8	23-03-1978	Financial, accommodation under Section 17(2)(bb) read with Section 17(4)(c) of the Reserve Bank of India Act, 1934 - Rate of interest
38.	ACD.Plan.(IFS)722/HG.4/77-8	17-08-1977	Financial accommodation under section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act, 1934 for financing cottage and small scale industries - Rate of interest

39.	ACD.Plan.(IFS)167/HG.4-77/78	12-07-1977	Financial accommodation under section 17(2)(bb) read with section 17(4)(c) of the Reserve Bank of India Act, 1934 - Approved industrial units outside the co-operative sector - 1977-8
40.	ACD.Plan.(IFS)1504/HG.4-76/7	12-10-1976	Financial, accommodation under Section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act, 1934 to primary (urban) co-operative banks
41.	ACD.Plan.(IFS)5517/HG.4-75-6	24-06-1976	Financial, accommodation under Section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act, 1934 to primary (urban) co-operative banks
42.	ACD.Plan(IFS)3125/PR.413/72-3	18-04-1973	Financial accommodation under section 17(2)(bb) read with section 17(4)(c) of the Reserve Bank of India Act, 1934 - Approved industrial units outside the co-operative sector - 1973-4
43.	ACD.Plan.3417/PR.413/71-2	11-04-1972	Financial accommodation under Section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act - approved industrial units outside co-operative sector
44.	ACD.Plan.849/PR.36/72-73	28-09-1972	Financial accommodation under section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act 1934 to primary (urban) co-operative banks-submission of financial particular of the small-scale industrial units
45.	ACD.Plan.BR.3919/PR.413-70/71	22-06-1971	Financial Accommodation Under Section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act Approved Industrial Units Outside the Co-operative Sector
46.	ACD.Plan.946/PR.413/70-71	17-09-1970	Financial accommodation under Section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act, 1934 - Industrial units
47.	ACD.Plan.2383/PR.414(9)/69-70	27-01-1970	Financial assistance under Section 17(2)(bb) of the Reserve Bank of India Act to institutions registered under the Societies Registration Act, 1860
48.	ACD.OPR.3472/M.1/69-70	16-12-1969	Financial accommodation under section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act to primary co-operative banks
49.	ACD.OPR.3101/A.2/69-70	17-11-1969	Financial accommodation under section 17(2)(bb) read with Section 17(4)(c) of the RBI Act, 1934 - Form of Deed of Guarantee
50.	ACD.OPR.7377/M.1/68-9	28-06-1969	Financial accommodation under section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act, 1934
51.	ACD.Plan.699/PR.413/68-9	10-10-1968	Financial accommodation under section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act, for financing cottage and small scale industries – Policy

B. List of Other Circulars from which instructions relating to Scheme for Refinance Facilities to Primary (Urban) Co-operative Banks under Section 17 of the RBI Act, 1934 - Small/Tiny Cottage Industrial Units have also been consolidated in the Master Circular

No.	Circular No.	Date	Subject
1.	UBD.No.BR.PCB.CIR.33A/16.1 1.00/ 2000-2001	01-03-2001	Change in Bank Rate
2.	UBD.No.BR.PCB.CIR.32A/16.1 1.00/ 2000-2001	16-02-2001	Change in Bank Rate
3.	UBD.No.BR.PCB.CIR.2/16.11.0 0/ 2000-2001	21-07-2000	Change in Bank Rate
4.	UBD.No.BR.PCB.CIR.28/16.11. 00/ 1999-2000	01-04-2000	Change in Bank Rate
5.	ACD.Plan.358/UB.1-78/9	20-04-1979	Report on the committee on urban co-operative banks
6.	ACD.Plan.348/UB.1-78/9	20-04-1979	Report of the committee on urban co-operative banks