



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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RBI/2016-17/200

FIDD.MSME & NFS.BC.No.20/06.02.31/2016-17

December 29, 2016

All Scheduled Commercial Banks
(Excluding Regional Rural Banks)

Dear Sir / Madam,

Sanction of Additional Working Capital Limits to Micro and Small Enterprises (MSEs)

Please refer to our [circular FIDD.MSME & NFS.BC.No.60/06.02.31/2015-16 dated August 27, 2015](#) on 'Streamlining flow of credit to Micro and Small Enterprises (MSEs) for facilitating timely and adequate credit flow during their 'Life Cycle'. In terms of para 3 (ii) of the above circular, banks were advised, inter alia, to incorporate with their Boards' approval, in their lending policy to MSEs, a clause for fixing a separate additional limit, at the time of sanction / renewal of working capital limits, specifically for meeting the temporary increase in working capital requirements arising mainly due to unforeseen / seasonal increase in demand for products produced by them. Banks have since confirmed to us having put such a policy in place.

2. Consequent upon withdrawal of legal tender status of Specified Bank Notes (SBN) of ₹ 500 and ₹ 1000 denominations and based on feedback that some MSEs are facing temporary difficulties in carrying out their normal business due to cash flow mismatches, it has been decided to review the above instructions.

3. Accordingly, banks are hereby advised that they may use the facility of providing above 'additional working capital limit' (approved by their boards as above) to their MSE borrowers, to overcome the difficulties arising out of such cash flow mismatches also. This would be a onetime measure up to March 31, 2017 and should thereafter be normalised in fresh working capital assessment cycle.

4. Please acknowledge receipt.

Yours faithfully,

(A. Udgata)
Principal Chief General Manager

वित्तीय समावेशन और विकास विभाग, केन्द्रीय कार्यालय, 10 वी मंजिल, केन्द्रीय कार्यालय भवन, शहीद भगतसिंह मार्ग, पोस्ट बॉक्स सं. 10014, मुंबई-400001
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हिंदी आसान है, इसका प्रयोग बढ़ाइए।

“चेतावनी : मेल रिज़र्व बैंक द्वारा-डाक, एसएमएस या फोन कॉल के जरिए किसी की भी व्यक्तिगत जानकारी जैसे बैंक के खाते का न्यौरा, पासवर्ड आदि नहीं मांगी जाती है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके से जवाब मत दीजिए।”
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