

June 2, 2008

The Chief Executive Officer,
All Primary (Urban) Co-operative Banks

Dear Sir,

Union Budget – 2008-09 – Agricultural Debt Waiver and Debt Relief Scheme, 2008-UCBs

Please refer to our circular UBD.PCB.Cir. No.43/13.05.000/2007-08 dated May 23, 2008, and the Agricultural Debt Waiver and Debt Relief Scheme, 2008, forwarded therewith. Your attention is also invited to our circular UBD.PCB.Cir.No.49/13.05.000/2007-08 dated June 2, 2008, and the supplementary explanatory instructions issued by Government of India, forwarded therewith.

In this connection, we advise that you may follow the operative instructions as given below for smooth implementation of the Scheme.

2. Procedure for reimbursement of claims:

One time consolidated claims for the bank as a whole may be submitted by Primary (Urban) Co-operative Banks through their Head Office by September 30, 2008, to Regional Office of Reserve Bank of India, under whose jurisdiction they operate. Separate consolidated claims may be lodged for waiver and OTS. Consolidated claims in respect of waiver and OTS may be made as per the formats given in ANNEX – I and ANNEX – II respectively. A branch-wise break-up of the claims may be maintained at the Head Office for future reference/check, if necessary.

3. Data Maintenance:

Banks are required to maintain additional data as under:

- a) Detailed borrower wise data along with additional information may be maintained by banks at the branch level in the formats given in Forms IA to VIB. This data is required to be kept ready for inspection/audit and reference, as and when required. The branch-wise data in summary form may also be maintained at the Regional Office/Zonal Office/Head Office levels.
- b) Banks are also required to maintain State-wise and district-wise data relating to the amounts waived and rebates given under OTS in the respective Head Offices and forward a copy of the same to the concerned Regional Offices of Reserve Bank of India under whose jurisdiction they operate who would, in turn, maintain a consolidated State-wise and district-wise position (Bank-wise) in soft form.

4. Monitoring of progress in implementation:

The following procedure may be adopted in respect of monitoring of progress in implementation and reporting thereof:

a) Banks are advised to form a dedicated cell for the purpose of monitoring of progress in implementation of the Scheme. A nodal officer may be nominated and his/her contact numbers and e-mail addresses should be furnished to the Regional Office of the Reserve Bank. The officer would be responsible for dissemination of the progress report to the Regional Office.

b) The formats for reporting position by banks and the Regional Offices of Reserve Bank of India are given in Annex- IIIA and IIIB.

5. Procedure for Audit of the claims:

Banks may prepare the claims duly audited as a part of internal audit exercise at the branch level. Branch-wise claims, thereafter, may be forwarded to the respective controlling offices accompanied by the necessary certificate from the internal auditors. These claims may be further consolidated at the Head-Office level on the basis of internal audit certificates. The consolidated claims may be subjected to suitable sample check by the Statutory Auditors, who may be entrusted this job as a special assignment by banks. For this purpose, the Statutory Auditors may cover a representative sample of branches and accounts, of at least 20 per cent, so as to certify the correctness of the claims. **The consolidated claims for the bank as a whole may be submitted for reimbursement duly certified by the Statutory Auditors.** The Central Government, if it is satisfied that it is necessary to do so, may also direct a special audit in the case of any lending institution or one or more branches of such lending institution.

6. Income Recognition and Asset Classification:

A separate circular would be issued in this regard.

7. Formats for Letter of Undertaking and Certificate of Debt Waiver/Relief (Paras 7 and 9 of the Scheme):

The formats for Letter of Undertaking to be given by 'other farmers' for OTS and Certificate of Debt Waiver/Relief, as stated in the Scheme, will follow.

8. Please acknowledge receipt to the Regional Office concerned.

Yours faithfully,

(A. K. Khound)
Chief General Manager-in-Charge

Agricultural Debt Waiver & Debt Relief Scheme 2008

NAME OF THE BANK:

Consolidated claim for the amount in respect of loan waiver

We hereby submit our claim for reimbursement of the amount of **loan waiver** in respect of direct agricultural loans disbursed between March 31, 1997 and March 31, 2007 and overdue as on December 31, 2007, which remained unpaid until February 29, 2008 to '*small and marginal farmers*' and for loans for allied activities upto Rs. 50,000/- under the above Scheme. State-wise and district –wise break-up in this format is retained at Head Office for check/reference.

(No. of accounts in thousands and **amounts in Rs. actuals**)

CATEGORY OF LOANS	Short term production loans		Investment Credit (Direct Agriculture) (Overdue instalments)		Investment Credit for Allied Activities (Overdue instalments)		Total	
	No. of a/c	Amt.	No. of a/c	Amt.	No. of a/c	Amt.	No. of a/c	Amt.
1. Overdue on 31.12.07								
2. Restructured in 2004								
3. Restructured in 2006								
4. Restructured under RBI Guidelines (Natural Calamities)								
TOTAL								

We certify having waived the amounts as stated above strictly as per the circular UBD.PCB.Cir.No. 43/13.05.000/07-08 dated May 23 , 2008. We also certify that the above claim as true and correct and declare that the **loan waivers** have been accompanied by fresh finance, wherever sought.

Date:

Authorised Signatory.

This claim should be certified by the Statutory Auditor

Agricultural Debt Waiver & Debt Relief Scheme 2008

NAME OF THE BANK:

Consolidated Claim for the amount in respect of one time settlement (OTS)

We hereby submit our claim for reimbursement of the amount of **rebate under OTS** allowed to 'other farmers' for direct agricultural loans including loans for allied activities above Rs.50,000/-, disbursed between March 31, 1997 and March 31, 2007 and overdue as on December 31, 2007, which remained unpaid until February 29, 2008. State-wise and district-wise break-up in this format is retained at Head Office for check/reference.

(No. of accounts in thousands and amounts in Rs. actuals)

CATEGORY OF LOANS	Short term production loans		Investment Credit (Direct Agriculture) (Overdue instalments)		Investment Credit for Allied Activities (Overdue instalments)		Total	
	No. of a/c	Amt.	No. of a/c	Amt.	No. of a/c	Amt.	No. of a/c	Amt.
1. Overdue on 31.12.07								
2. Restructured in 2004								
3. Restructured in 2006								
4. Restructured under RBI Guidelines (Natural Calamities)								
TOTAL								

We certify having waived the amounts as stated above strictly as per the circular UBD.PCB.Cir.No. 43/13.05.000/07-08 dated May 23, 2008. We also certify that the above claim as true and correct and the **rebate under the OTS** have been accompanied by fresh finance, wherever sought.

Date:

Authorised Signatory.

This claim should be certified by the Statutory Auditor

Format for reporting progress in implementation
(Banks are required to send information State-wise in the following format to the Regional Office of the Reserve Bank)

Name of the Bank:

Name of the State:

Date of Reporting:

Date	Claims received. on the day				Claims received upto the day under report				Crystallization of claims upto the day under report			
Bank	Number of A/cs.		Amt. claimed under OTS		Number of A/cs.		Amt. claimed under OTS		Number of A/cs.		Amt. claimed under OTS	
	Waiver (SF/MF)	OTS (OF)	Waiver (SF/MF)	OTS (OF)	Waiver (SF/MF)	OTS (OF)	Waiver (SF/MF)	OTS (OF)	Waiver (SF/MF)	OTS (OF)	Waiver (SF/MF)	OTS (OF)

(Authorised signatory)

Name and Designation:

Contact Number:

E-mail:

ANNEX – III B

(Regional Offices of Reserve Bank are required to send information State-wise Bank-wise in the following to the Central Office of RBI)

Name of the State:

Name of the Regional Office:

Date of Reporting (for the week ended):

Date	Claims received during the week				Claims received upto the day under report				Crystallization of claims upto the day under report			
Bank **	Number of A/cs.		Amt. claimed under OTS		Number of A/cs.		Amt. claimed under OTS		Number of A/cs.		Amt. claimed under OTS	
	Waiver (SF/MF)	OTS (OF)	Waiver (SF/MF)	OTS (OF)	Waiver (SF/MF)	OTS (OF)	Waiver (SF/MF)	OTS (OF)	Waiver (SF/MF)	OTS (OF)	Waiver (SF/MF)	OTS (OF)

(Authorised signatory)

Name:

Designation:

Contact Number:

E-mail:

