

RBI/2004-05/52

RPCD .SP .BC .No 6 /09.16.01/2004.05
July 17 , 2004

The Chairman / Managing Director,
All Indian Scheduled Commercial Banks
(Excluding RRBs)
-as per list-

Swarna Jayanti Shahari Rozgar Yojana (SJSRY)-
Administration/Adjustment of back-end subsidy
Payment of interest on Subsidy Portion.

Please refer to our circular RPCD.SP.BC. No.80/09.016.01/ 2003-04 dated May 8, 2004 wherein banks were advised about the procedure of adjustment of subsidy.

2. It has since been decided that the subsidy amount kept by the banks in "Subsidy Reserve Fund Account" should also earn interest as Savings Account, which may be adjusted against the last few instalments of the loan.
3. Please acknowledge receipt.

Yours faithfully,

Sd.
(G.Srinivasan)
Chief General Manager