

May 23, 2006

The Chairman/Managing Director/ Chief Executive Officer
All Scheduled Commercial Banks

Dear Sir,

Guidelines for Relief Measures by Banks to Poultry Industry

Please refer to paragraph 2 of our circular RPCD.PLFS.BC. No 73/05.04.02/ 2005-06 dated April 04, 2006 indicating that Instructions would be issued separately on the scope of the subvention and its calculation as well as disbursement to the banks. Accordingly the following guidelines are issued in this regard.

- (i) The interest subvention will be calculated at four percentage points on the term loans and working capital loans outstanding as on 31.3.06. This will not include any part of the principal amount that has become overdue before notification of the first occurrence of the bird flu, which was on 18-2-2006.
- (ii) All categories of borrowers such as individuals, partnerships, private limited companies, public limited companies, self-help groups and cooperatives are eligible for relief by way of interest subvention.
- (iii) The interest subvention will cover term loans and working capital loans sanctioned for all activities relating to the chicken, turkey, Japanese quail, guinea fowls, ducks, ostrich and emu, including:: -
 - a) Commercial layer farming.
 - b) Commercial broiler farming.
 - c) Breeding/farming of parent birds, both layer and broiler
 - d) Breeding/farming of grand parents, both layer and broiler.
 - e) Pure line breeding.
 - f) Loans advanced to units for farming of low input technology birds, including backyard poultry.
 - g) Loans advanced to poultry hatcheries.
 - h) Such of those feed mixing units, which have been sanctioned loan as part of the composite loan for a poultry unit.
 - i) Poultry processing plants.

j) Poultry components of any composite loans such as homestead loans sanctioned by banks.

2. Please let us know the amount likely to be claimed by your bank immediately by Fax / Email.

3. Banks may submit their claims in the format given in Annex I to the Chief General Manager-in-Charge, Rural Planning and Credit Department, Reserve Bank of India, Central Office, Mumbai. Information with respect to subvention claimed (branch-wise) may be maintained in the format given in Annex II at the Head Office for the purpose of audit and RBI inspection. The format for the branches to provide information on relief to their Controlling Office/Head Office is given in Annex III.

4. For audit purposes all claims may be certified by the statutory auditors and certificates submitted before 31st July 2006 to the Chief General Manager-in-Charge, Rural Planning and Credit Department, Reserve Bank of India, Central Office, Mumbai.

5. For State/District Co-operative banks and RRBs, NABARD will issue circular on the similar lines. For Urban Co-operative Banks similar instructions will be issued by our Urban Banks Department.

6. Please acknowledge receipt.

Yours faithfully,

Sd/

(G. Srinivasan)

Chief General Manager

Certificate for claiming reimbursement towards subvention-Poultry units

Name of the bank:

(Amount in Rupees)

Number of Units	Principal amount outstanding as on March 31, 2006.*	Amount of interest subvention claimed
(1)	(2)	(3)

*** Note: The bank may ensure that overdue instalments, if any are excluded for the purpose of claiming subvention.**

We hereby certify that the amount of interest subvention @4% to poultry units, being claimed as shown above, have been correctly calculated in conformity with the Reserve Bank of India Circular letter RPCD. No. PLFS.BC. 84 /05.04.02 (Poultry)/ 2005-06 dated May 23, 2006. We undertake that in the event of any inaccuracy detected later during audit or otherwise, we shall immediately refund to the Reserve Bank any excess amount received by us.

(Authorised Signatory)

Place

Date

Annex II

Data to be kept with the Bank's Head Office for verification/scrutiny by Auditors/RBI inspectors

(Amount in Rupees)

Sr..No .	Branch name and code	Amount outstanding with Poultry Units as on march 31, 2006		Amount credited towards 4% subvention	Amount of reimbursement sought
		Numbe r of Units	Amount	Total	Total
(1)	(2)	(3)	(4)	(5))	(6)

**Format for Branches to provide
Information on 4% interest subvention,
to their Controlling Office/Head Office**

(Amount in

Rupees)

Sr.No	A/c No.	Name of the Unit/borrower	Loans to Poultry unit outstanding as on March 31, 2006*	Amount eligible for subvention	Amount of 4% interest subvention claimed
			Total	Total	Total
(1)	(2)	(3)	(4)	(5)	(6)

*** Note: The bank may ensure that overdue instalments, if any are excluded for the purpose of claiming subvention.**