

March 30, 2007

The Chairman/Managing Director
All Scheduled Commercial Banks

Dear Sir

Returns on priority sector advances – Inconsistency in reporting data

We have been receiving periodical returns on priority sector advances from banks in different formats viz., half-yearly return on priority sector advances, special return I, II and III on priority sector advances, returns on DRI advances, SC/ST advances, advances to minority communities etc. It is, however, observed that the data reported on the same item in various returns often differ. A few illustrations are given below:

(i) Item **code No. 10** (Short-term loans (Holding-wise Total) –Col. No.4 – Amount Outstanding of **Special Return I** is not equal to **Item code No. 1** (Short Term Loans) i.e. Balance Outstanding of **Special Return II** .

(ii) Item **Code Nos. 20** -Term loans (Holding-wise) and **40** (Allied Activities) of **Special Return I** are not equal to Item **Code 2** (Term Loans) of **Special Return II**.

(iii) Item **Code 110** (Direct Agricultural Finance) of **Special Return III** is not equal to Col. Nos. 1 and 2 (Disbursements made during the year) of item **code 50** (Total Direct Finance to Agriculture and Allied Activities) of **Special Return I**.

(iv) **In the Differential Rate of Interest Scheme Return**, the first two columns (i.e. Outstanding as at the end of the previous year) of item **code 10** (Total DRI advances) are not tallying with the previous year's return

These inconsistencies cause undue embarrassment when comparison is made between the returns by user of our various publications. We shall, therefore, be glad if you please look into the matter and ensure that consistency is observed while reporting data to us in these returns.

Yours faithfully

(Molina Chowdhury)
Deputy General Manager