

RBI/2008-2009/119

RPCD.SP. BC. No. 19 / 09.07.01/2008-09

August 5, 2008

The Chairman / Managing Director
Indian Scheduled Commercial Banks
(excluding RRBs)

Dear Sir,

Differential Rate of Interest Scheme- Revision of income limits- Clarification regarding semi-urban areas

Please refer to our circular ref. RPCD. SP. BC.No.55/ 09.07.01/ 2007-08 dated April 10, 2008 intimating the revised income limits of the captioned scheme being presently implemented by all scheduled commercial banks. In this connection, it has been clarified by the Ministry of Finance that the revised eligibility income criteria of Rs. 24000/- for urban areas under the DRI scheme is applicable to semi-urban areas also.

You are, therefore advised to take necessary steps to ensure that the revised guidelines regarding the borrowers' eligibility criteria are being properly implemented by all your controlling offices/ branch offices so as to fulfill the target of 1 percent of the previous years' advances under the DRI scheme.

Please acknowledge receipt.

Yours faithfully,

(G.Srinivasan)
Chief General Manager