NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT, MUMBAI

No.NB(CHG)NFS/NFS-15(RNFS)2003-04
Dated:04.02.2004.

Dear Sir,

Expansion of coverage of activities under
Rural Non-Farm Sector (RNFS) for refinance.

As you are aware the 'Special Group on Targeting 10 Million Employment Opportunities per year over the Tenth Plan Period' under the Chairmanship of Dr. S.P. Gupta, the then Member, Planning Commission, Govt. of India, has identified trade, tourism including restaurant and hotels, social sectors like education and health, transport, construction self employment and business, education, information technology and housing as critical sectors where growth could lead to high quality employment opportunities mainly in the Rural Non Farm Sector. With the service sector emerging as a predominant employment provider of the economy, it has been realised that there is a need to support projects/activities under this sector in rural areas. Further, refinance from NABARD is available to banks under Non-Farm Sector for all manufacturing, processing and approved service sector activities including transport vehicles, infrastructure, marketing and IT related activities.

2. With this background, the coverage of Non-Farm Sector activities under our refinance has been widened and it has been decided that all sectors/activities including the entire gamut of service sector activities that provide employment opportunities (directly or indirectly), generating income and improvement in the living conditions of the rural people are eligible for refinance support under the Investment Credit within Automatic Refinance Facility (ARF), subject to our usual refinance norms. The following table gives an illustrative list of activities.

S.No.	Sectors	Activities (as illustration
1.	Educational Services	Educational institutions such as schools, colleges set up privately. Educational loans to students.
2.	Health Services	Hospitals/clinics, health care units set up in rural areas, mobile hospital vans with necessary equipments etc.
3.	Construction Sector.	Building material.
4.		
4.	Marketing.	Shops/Marketing outlets for rural products.
5.	Tourism	Threatres, Eco-tourism, Fair/Exhibition complex etc.

....2.

6.	Vehicles/ Transport	Two wheelers, three wheelers and four wheelers.
7.	Information technology	All activities providing information and people like : - IT equipment manufacturing units like PCs, Servers etc. - Networking equipments. - Other IT or electronic components. - IT services like Business Process Out-sourcing (BPOs)/Call Centres or both. - Software services and products, embedded softwares. - IT infrastructure providing centres like telecom centres or IT connectivity providing centres - Computer education/training centres - All employment generating rural technologies.
8.	Infrastructure projects.	Rural Industries Centres, Growth Centres, Communication Networkds, Rural Safe Drinking Water etc.,

3. In this regard, necessary circular(No.27 DPD.NFS.01/2004 dated 21 January 2004) has already been issued by our Head Office, Mumbai and mailed to you directly. We feel that the expansion of coverage of activities under RNFS for refinance will certainly help the banks in broad basing the ground level credit(GLC)flow under RNFS.

4. We request you to take necessary steps for increasing the GLC under RNFS in your bank/district in the light of above instructions.

Sd/-
(G.R. Chintala)
Dy. General Manager

THE PUNJAB STATE COOPERATIVE AGRICULTURAL DEVELOPMENT BANK LIMITED:
NO. SADB/ 21359 CHANDIGARH Dated: 19/2/04

A copy of the above is forwarded to:

1. All the Managers of PADBs in the State for necessary action. They are directed to start financing for the RNFS activities stated above.
2. All the Regional Officers/Asstt. General Managers in the State for ensure compliance.
3. G.M. (Loans)/G.M. (D&I), SADB, Chandigarh.
4. Principal, ULT Cell, SADB, Chandigarh;
5. D.G.M. (D&I)/D.G.M. (A/cs), SADB, Chandigarh;

for their information.

Addl. Managing Director(B)
for Managing Director.
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THE PUNJAB STATE COOP. AGRICULTURAL DEVELOPMENT BANK LIMITED:
CHANDIGARH

NO.SADB/Dev/ 6877 Dated: 14/7/04

To

All the Managers of
PADBs in the State.

Subject: General Guidelines for advancement of Educational loans to students.

MEMO

This is in continuation of this Bank's letter No.SADB/21359 dated 19.2.2004 vide which NABARD sanction for Expansion of coverage of activities under Rural Non Farm Sector (RNFS), was conveyed to you for its implementation including advancement of Educational loans to students.

As regards, general guidelines for advancement of Educational loan to students, the procedure to be adopted is given in the enclosed Annexure-'A'. You are, therefore, directed to advance Educational loans to the students as per the guidelines enclosed herewith.

Addl.Managing Director(B)
for Managing Director.

Encl:As above.

Endst.No.SADB/Dev/ 6880 Dated: 14/7/04

A copy of the above is forwarded to:

1. All the Regional Officers in the State;
2. All the Assistant General Managers in the State;
3. All the Branch Incharges of SADB;
4. The Principal, JLT Cell, SADB;

for their information and necessary action.

Encl:As above.

Addl.Managing Director(B)
for Managing Director.

ANNEXURE 'A'

General Guidelines for advancement of loans to students.

1.	Purpose & Eligibility	: For attaining higher education of all types in the Country and abroad. The amount of loan shall consist of meeting out the expenses of Tution fee, Hostel Fee, Books and other Misc. exp. etc. However, the borrower shall submit proof for Admission to the Course alongwith duration of Course for working out the amount of loan. In cases of undertaking studies Abroad, copy of passport shall be submitted by the student.
2.	Max. amount of loan	: i) Max. amount of loan for students in India Rs.10.00 lacs. ii) Max. amount of loan for students abroad Rs.15.00 lacs.
3.	Security	: The security of loan shall be accepted only of Agricultural land, however, may be arranged from 3rd party.
4.	Margin Money	i) 5% for studies in India. ii) 15% for studies in Abroad.
5.	Repayment period	5 years. The instalment shall commence after the Course period + One year, whichever may be earlier in case he gets a job. Loan shall be repaid in 10 half yearly instalments.
6.	Rate of Interest	: As per Bank's existing norms.

The Punjab State Co-operative Agricultural Development Bank Ltd.

no. 5070 dated 04/10/2016

To

The Managers,
PADBs in the State of,
Punjab.

Subject :- **Educational Loan and its repayment period.**

Memo:

This is in continuation of S.A.D.B's letter No: 6879 dated 14/07/2004 and letter No: 9386 dated 14/09/2006 wherein general guidelines for advancement of Educational Loans to students with Annexure A were issued; The repayment period of Loan is amended as under:

1. Education Loans upto **Rs. 5.00 Lacs** will have a repayment period of **5 Years** plus grace period of **1Year** after the completion of course. Loan should be repaid in half yearly equated installments.
2. Education Loan above 5 Lacs will have repayment period of **7 Years** plus grace period of **1Year** after the completion of course. Loan should be repaid in half yearly equated installments.

In both cases the grace period will be **1 Year** or getting of job by the applicant, which ever is earlier.

Besides this, the Manager must specify in the loan application the Name of course and duration of course for which the Educational loan is granted.

The other terms and conditions as circulated vide letter No. 6879 dated 14/07/2004 will remain the same.

Managing Director

Endst. No. SADB/Dev/ 5071 Dated : 04/10/2016

A copy of the above is forwarded to

1. All Regional Officers in the State.
2. Asstt. General Managers in the State.
3. All the branch incharges of SADB.
4. The Principal, JLT Cell, SADB.
5. System Analyst for modifying the software.

Managing Director

THE PUNJAB STATE COOPERATIVE AGRICULTURAL DEVELOPMENT BANK
CHANDIGARH.

NO.SADB/DEV/ 1788 Dt. 21/2/19

To

The Managers,
PADBs in the State of Punjab.

Sub Education Loan.

Memo:

This is in continuation of SADBs letter No.6879 dated 14/07/2004, 9386/14/09/2006 and letter No.5070/04/10/2016 wherein general guidelines for advancement of education loans to students were issued.

From now onward education loan scheme shall be prepared term wise in CCBS depending upon the duration of the course. A fixed gestation period of one year after completion of term of the course shall be taken. No interest shall be demanded during the gestation period.

Example 1:- If loan amount < 5 lac and duration of the course is one year, then repayment period of 5 years shall start after the completion of the course plus gestation period (2 years).

Example 2:- If loan amount > 5 lac and duration of the course is one year, then repayment period of 7 years shall start after the completion of the course plus gestation period (2 years).

The other terms and conditions as circulated vide letter No.6879 dt.14/07/2004 will remain the same.

Rajinder 21.2.19
General Manager(Operations)

Endst. No.SADB/Dev/ 1789 Dated:- 21/2/19

A copy of the above is forwarded to the following for information and n/action:-

1. All Regional Officers in the State.
2. Asstt. General Managers in the State.
3. All the branch Incharge of SADB Chandigarh.
4. The Principal, JLT cell, SADB, Chandigarh.
5. System Analyst for modifying the software.

Rajinder 21.2.19
General Manager(Operations)