



7.2 The banks should ensure that their branches extend all co-operation to the applicant beneficiaries and not ask for documents, guarantees etc. not envisaged in the scheme.

7.3 The banks should not insist for deposit amount in the fixed deposit from the beneficiary.

7.4 The banks should adopt simple and transparent procedure to eliminate middlemen operating between the beneficiaries and the banks and expedite disposal of applications timely.

7.5 All loan applications up to a credit limit of Rs.25,000/- should be disposed of within a fortnight and those for over Rs.25,000/- within 8 to 9 weeks.

7.6 Proper record of receipt and disposal of applications as required should be maintained.

7.7 Branch Managers may reject applications (except in respect of SC / ST) provided the cases of rejections are verified subsequently by the Divisional / Regional Manager. Applications should not be rejected on flimsy grounds. In case of rejection of application reasons for rejection of application should invariably be recorded.

7.8 All loan applications pending beyond prescribed time limit should be disposed of on priority basis.

7.9 The performance of banks under the scheme may be periodically reviewed at different for a under the Lead Bank Scheme, at SLBC meetings etc.

7.10 To encourage lending to the beneficiaries efforts should be made to educate and reorient the attitude of the banks' staff for an attitudinal shift.

7.11 To meet the target banks should improve their pre-sanction scrutiny and tighten post disbursement follow up.