

**GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT**

**Self Employment Ventures for Ex-servicemen and Widows – Interest subsidy – Implementation of “ Pavala Vaddi Scheme” for Ex-servicemen and Widows in Andhra Pradesh – Orders – Issued.**

---

**HOME (GENL.C) DEPARTMENT**

**G.O.Ms.No.339**

**Dated: 25-07-2009**

**Read the following:**

- 1) From Director, Sainik Welfare, Andhra Pradesh, Hyderabad letter No. 4353/PVS/2008/S1 dated. 15 – 07 – 2008
- 2) From Director, Sainik Welfare, Andhra Pradesh, Hyderabad letter No. 4353/PVS/2008/S1 dated. 23 – 07 – 2009

\* \* \*

**ORDER:**

The Director Sainik Welfare, Hyderabad has forwarded a proposal to the Government, vide references read above to extend Pavala Vaddi Scheme to Ex-Servicemen and Widows on self employment ventures as a rehabilitation measure in recognition of services rendered by them to the Nation.

2. The Government having examined carefully the proposal of Director Sainik Welfare felt that it is expedient to assist the Ex-Servicemen and Widows in self employment for which Government will subsidise interest rate on loans taken from banks over and above 3%.

3. For effective implementation of the above scheme, Government hereby issues the following guidelines for operationalising the scheme in the entire state with effect: from financial year 2010-11:-

i) The scheme shall be applicable to all those Ex-Servicemen and Widows who have obtain fresh term loans form scheduled commercial banks, Co-operative and Regional Rural Banks in Andhra Pradesh for whom repayment of interest subsidy from the Government will commence from 01 – 04 – 2010.

ii) The maximum amount of loan is limited to Rs.5.00 Lakhs for each applicant.

iii) In this scheme, the interest charged by the banks, over and above 3% per annum shall be reimbursed to the loanee Ex-Servicemen and Widows.

iv) Only those Ex-Servicemen and Widows who repay the loan installments comprising of principle and interest as per the repayment schedule shall be eligible under this scheme with effect from 01 – 04 – 2010.

v) This reimbursement of interest to the Ex-servicemen and widows shall not include penal interest, liquidated damages etc. paid to the financial institutions/Banks.

vi) The Ex-Servicemen and Widows will submit a project report to Zilla Sainik Welfare Officer (ZSWO) containing details of self – employment venture such as type of venture, location, approximate capital cost and a certificate that he will repay loan in instalments including 3% interest.

vii) Zilla Sainik Welfare Officer will verify the feasibility of the self –employment venture on ground and recommend such cases to the District Collector who is also Chairman, Zilla Sainik Board.

viii) The District Collector will nominate Zilla Sainik Welfare Officer as a member of the District Level Review Committee (DLRC) to examine and recommend to the bankers for issue of loan.

ix) After the loan is sanctioned, Zilla Sainik Welfare Officer will maintain list of Ex-Servicemen and Widows loanees after receipt of certified statement from each bank branch in the District.

x) The Directorate of Sainik Welfare will forward requirement of interest subsidy for Ex-Servicemen and Widows in the State in the Budget Estimation for the year 2010-11.

xi) On receipt of budget, Directorate of Sainik Welfare will sub allot to the district as per their demands.

xii) Zilla Sainik Welfare Officers will collect certified statement from all the banks on repayment of loan instalment by the loanees. Zilla Sainik Welfare Officers will prepare Bank Branch wise cheques and get the incentive (interest subsidy) credited into the Savings Bank A/Cs of loanee Ex-Servicemen and Widows under proper instructions duly intimating individual loanee Ex-Servicemen and Widows and Branch Manager.

xiii) Zilla Sainik Welfare Officer shall maintain detailed accounts of payment of incentive and submit returns to the District Collector and Directorate of Sainik Welfare.

4. The Director, Sainik Welfare shall put in place appropriate MIS for Bank-linkage programme and update the same at quarterly intervals to monitor the repayment performance of the scheme.

5. All District Collectors and Director Sainik Welfare, Hyderabad will take action accordingly.

6. This order is issued with the concurrence of Finance (Exp.Home) Department, vide their U.O.No.7345/317/A1/Exp.Home/09, dated.24-07-2009.

7. This GO is available on the internet and can be accessed at the address <http://www.aponline.gov.in/>.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**AJAY MISRA**  
**PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Director, Sainik Welfare, Andhra Pradesh, Hyderabad

All District Collectors in the State

All Zilla Sainik Welfare Officers in the State

The Director of Treasuries and Accounts, Andhra Pradesh, Hyderabad

Copy to:

PS to Principal Secretary to CM

PS to Minister (Home)

PS to Principal Secretary (Home)

PS to Minister (Finance)

PS to Principal Secretary (Finance)

The Accountant General, Andhra Pradesh, Hyderabad

The Pay and Accounts Officer, Andhra Pradesh, Hyderabad

The Convenor, State Level Bankers Committee, Head Office, Andhra Bank,

Dr. Pattabhi Building, Saifabad, Hyderabad

The Publicity cell, D-Block, A.P. Secretariat, Hyderabad

//FORWARDED:: BY ORDER//

Sd/-  
SECTION OFFICER

//true copy//