



ਪੰਜਾਬ ਨੈਸ਼ਨਲ ਬੈਂਕ
punjab national bank

राज्य स्तरीय बैंकर्स समिति , पश्चिम बंगाल : STATE LEVEL BANKERS' COMMITTEE , WEST BENGAL

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Ref : SLBC/WB/ SHG / 95 /2020

Dated, the 6th June,2020

- 1) Member banks under SLBC, West Bengal
- 2) LDMs in West Bengal

Re : Minutes of the SLBC Sub Committee meeting on SHG held on 04-06-2020

The SLBC Sub Committee meeting on SHG for the June, 20 quarter was held on 04-06-2020 at United Tower. The meeting was chaired by Ms. C D Lama, CEO & State Mission Director of WBSRLM and participated by Mr N K Sarkar, MD of WBSCL, Ms. S Sen, Addl Director of SUDA, Mr.R K Das, DGM of RBI, Mr. A Kumar, DGM of NABARD among others.

The points of discussion and the action points emerging thereof are appended below,

- Initiating the discussion, Ms Lama opined that the progress made under NRLM in FY 19-20 was satisfactory with disbursement of Rs.9191 crore as against Rs.7030 crore disbursed in FY 18-19. As to the physical target, disbursement was made in 5.38 lakh groups against the target of 5.78 lakh during the year.
- Ms Lama referred to the pendency of 67000 odd proposals with various banks branches as on 31-03-2020 and requested for disposal of the same by 30-06-2020 as already agreed by the banks during the special SLBC meeting held on 04-05-2020. (Action Point 1. Member Banks)
- Mr M R Ray observed that the rate of NPA has increased to 2.50% on March,20 as against 2.10% on March,19. He requested the banks and WBSRLM to focus on this matter and initiate steps for containing the slippages. Assuring support from WBSRLM, Ms Lama highlighted the CBRM mechanism and exhorted the banks to participate actively in the forum for effective monitoring of the groups. (Action Point 2. Members Banks & WBSRLM)
- It was also requested by Ms Lama that with the easing of the Lockdown norms, the services of the CSP-Bank Linkages may be fully utilised by the branches by allowing access to the CSP-BLs/Bank Sakhis for credit linkage works in the branches as was done in the pre-COVID period. (Action Point 3. Member Banks)
- Ms Lama also referred to the following shortcomings/irregularities still persisting in some of the bank branches for immediate resolution by way of compliance to the laid-down guidelines.
 - a) Banks are to allow & encourage SHGs for availing working capital finance only .Cash credit facility also increases credit absorption power of the SHGs.
 - b) Banks should not insist on deposit by the SHGs while opening accounts which are BSBD type in nature.
 - c) Banks are not to reject/return proposals already sponsored to the amalgamated banks as the same can be disposed off under the name of the anchor banks.
 - d) Banks are to avoid levy of processing charges/services charges for SHGs as per IBA norms. (Action Point 4. Controlling Heads are to instruct the branches for full compliance)
- Ms Lama also informed that 438 members of various SHGs have passed the IIBF certified course but are yet to be engaged by banks as bank correspondents/bank mitras Mr M R Ray clarified that the engagement of BCs/ bank mitras are conducted through Corporate BCs centrally by the banks' Corporate Offices.



As such, the nodal officers of the member banks in West Bengal should take up the matter with their Head Offices for making necessary arrangement for engagement of the said group of IIBF certified SHG members in locations where new banking outlets are being opened or replacement of existing bank mitras is taking place. WBSRLM has been requested to share the latest list of the IIBF certified trainees. Member banks are to take up the issue with their Corporate Offices accordingly. (Action Point 5. Members Banks & WBSRLM)

- Ms S Sen spoke on the initiatives taken by SUDA in promoting the self-employment scope for vendors, retailers in the urban localities and requested the banks to dispose of the pending proposals for the SHGs and the individuals under NULM on an urgent basis.

It was also informed that claim of interest subsidy is pending in 4700 odd NULM loans. The House agreed that all arrear claims upto Sept, 19 should be completed by 30-06-2020.

(Action Point 6. Member Banks)

- It was requested by SUDA for utilising Common Loan Application for NULM loans. SLBC informs that resolution in this regard was already taken by SLBC under Action Point no.6 of the Sub-Committee meeting dated 28-05-2019. Accordingly the Application Form, in line with NRLM scheme, is to be used by all the participating banks. The copy of the format was sent to the banks vide SLBC/NULM/1038/2019 dt 06-06-2019. (Action Point 7. Member Banks)

- Mr N K Sarkar informed that around Rs.97 crore of undisbursed amount of SVSKP Subsidy is lying pending with the banks since long, with SBI and e-Allahabad Bank accounting for more than Rs.20 crore each. He requested the banks to immediately arrange for disbursement of the loans along with subsidy. Otherwise, it is to be returned to WBSCL with valid reason for rejection. (Action Point 8. Member Banks)

- It was also informed by WBSCL that the SVSKP portal registration work by the State and RO/ZO level Nodal Officers has yet to pick up and only 774 branches have been registered till date in the State. As the online loan applications cannot be assigned to the designated branches without portal registration of the branches by State & RO/ZO officials, it was decided that the State level officials of the participating banks would attend to the task with priority and complete the registration process by 30-06-2020. (Action Point 9. Member Banks)

N.B. SLBC already shared the SOP for portal registration with the member banks on 05-03-2020. It has been re-forwarded yesterday on 05-06-2020.

- It was informed that claim of subsidy under WBSSP scheme for SHGs have been submitted upto March, 19 except UCO Bank. The banks are requested to lodge the online claim for the period upto Sept,19 immediately. It was also informed that in a number of cases the remitted subsidy has bounced back as the accounts have been reportedly closed by the branches on renewal.

The House opined that the under the cash credit arrangement, the original account should not be closed at the time of renewal/review of the account with opening of fresh accounts. Only modification details need to be incorporated so as to enable the SHGs to operate the same account after renewal and receive the interest subsidy component accordingly.

(Action Point 10. Member Banks)

- Mr R K Das of Mr A Kumar of NABARD also spoke about the role played by the SHGs during the COVID pandemic and opined that the due to diversification of risk as associated with vulnerable MSME & other sectors, the SHGs are proving to be a better risk mitigating sector for the banks. It is also expected that in the coming days, the base of number of migratory workers returning from other States during the pandemic, will also provide the banks/stakeholders with opportunity for bringing the eligible workers under the fold of SHG.

The meeting ended with vote of thanks to the Chair and the participants by Mr M R Ray.

Mukti Ranjan Ray
General Manager &
Convener of SLBC

