



युनाइटेड बैंक ऑफ़ इंडिया : United Bank of India  
अग्रणी बैंक प्रभाग : LEAD BANK DIVISION

Ref : SLBC-WB/MSME/Minutes/ २५५ /2019

Dated, the 26<sup>th</sup> August, 2019

**Re : Minutes of the Sub-Committee Meeting on SHG on 20-08-2019**

The quarterly meeting on SLBC Sub-Committee on MSME was held on 20-08-2019 to review the progress in SHG credit (NRLM & NULM) and loans sponsored under SVSKP scheme along with related issues. The meeting was chaired by Sri A.K. Agarwal, Principal Secretary, SHG & SE, and was supplemented by Sri Manas Dhar, Advisor (Institutional Finance), Dr Archana, Secy, SHG & SE Deptt, Sri J Choudhury, Jt Secy, SUDA & Sri S Sengupta, Jt Secy, WBSRLM and Sri P Chakraborty, Asstt Gen Manager, RBI.

The point of discussion and the action points that have emerged are given hereunder,

- At the outset, SLBC briefed the House on the compliance of the banks for the Action Points that emerged during the previous meeting dated 28-05-2019. Sri M R Roy, Convenor of SLBC expressed concern at the sluggish growth of SHG credit in the 1<sup>st</sup> quarter which is below 10% of annual target and also expressed surprise that despite the efforts made by SLBC for extension of time for reconciliation and return of subsidy for undisbursed loans, status report in this regard has not been furnished by any banks. He exhorted the banks to complete the exercise in the current quarter positively and avoid further complication in this regard. ( Action Point 1 : Member banks )

Initiating discussion on the agenda items, Sri Agarwal, Principal Secretary dwelt on the initiatives taken by the Department for better implementation of the schemes under its fold with leveraging of technology, particularly through convergence of multiple intermediaries.

Sri Agarwal shared the information regarding the proposed onboarding of multiple Govt Departments under a single platform for ease of doing business. A project is being worked out in this regard, under which 120 villages have been identified in 10 districts covering 200(appr) beneficiaries per village with the object of facilitating proper linkages at all levels.

He also briefed the House on the recently launched a financial assistance scheme "Jaago" which will provide grant of Rs.5000/- to each SHGs with credit to the savings a/c of the SHGs. It may be used as Revolving Fund which will help SHGs in building up the Corpus Fund

Regarding the query on Interest Subvention under NRLM, Sri Dhar informed that it is allowed upto the maximum limit of Rs.3.00 lakh only, beyond which the groups will have to bear the extra interest burden.

- Regarding NRLM, it has been gathered that around 31000 proposals are pending for sanction at various bank branches. It is also been informed by WBSRLM that as per Ministry directive, all eligible proposals will be submitted to the banks by October, 2019. (Action Point 2 : The 31000 odd pending proposals are to be cleared in the current quarter. Controlling offices are to issue appropriate instructions to the branches)
- It was gathered that the undrawn amount in the Cash Credit accounts of the SHGs amount to around Rs.3900 crore (appr). It is suggested that the banks should encourage the groups for drawing to the maximum extent and the WBSRLM should also sensitize the groups in this regard.

- During the discussion it was gathered that enhancement of limit as per 2<sup>nd</sup>/3<sup>rd</sup> grading is taking place with re-sponsoring of full set of loan application & related documents by SRLM. It was informed that renewal of the limit with enhancement of limit can be made by the banks after completion of the grading exercise without the requirement of re-sponsoring of proposals by submitting the entire sets of documents by SRLM. Banks are to ensure completion of the grading exercise with due diligence in co-ordination with SRLM and execute fresh set of documents only for enhanced limits.  
( Action Point 3 : Controlling Heads are to inform the respective branches accordingly)
- Regarding recovery in NPA SHG a/c, it was informed by WBSRLM that system data regarding report for delinquency in repayment is shared on monthly basis to the Blocks/ Shanghas and banks are to resort to the Community Based Recovery Mechanism (CBRM) for timely repayment & regularisation of the accounts. Pockets are also to be identified.  
(Action Point 4 : Member banks & WBSRLM))
- Regarding NULM, Sri J Choudhury, Jt Secretary stated that about 1/3<sup>rd</sup> of the beneficiaries are to receive the benefit of interest subvention available under the Scheme.  
(Action Point 5 : Banks are to complete the process and ensure lodgement of claim in the designated portal by 30-09-2019 covering the period upto March, 2019. It was also decided that SUDA will forward the MIS data to SLBC for sharing with member banks)
- It was informed by SUDA that the banks have not intimated the Dept regarding the large numbers of pending NULM proposals despite series of mails by their end from June, 19 onwards. (Action Point 6 : Member banks are to dispose of the pending proposals and intimate the sponsoring agencies regarding the updated position by 30-09-2019. The banks may enlist the support of district level functionaries in the matter)
- It was informed that for the issues regarding opening of accounts persisting in some pockets, SUDA will take up the matter with the concerned banks under intimation to SLBC. Also the common loan application form (as per IBA approved format) will be used by the Deptt from September, 19 onwards. It was also decided that District Magistrates would also write to the ULBs for ensuring their presence in DCC/DLRC meetings.
- Regarding pending SVSKP loans, the banks are again requested to expedite the process of disposal of the proposals. The status regarding SVSKP subsidy claimed/received but not disbursed must be intimated to WBSCL followed by return of subsidy for ineligible loan proposals by 30-09-2019 without fail. ( Action Point 7 : Member banks )
- SLBC informed that BC related information has been received from 4 banks covering 10295 Bank Mitras. Remaining banks are to furnish the Bank Mitra list with details at the earliest for onward submission to the Department. ( Action Point 8 : Member banks )
- Sri D Ghosal, OSD-Banking, WBSCL informed that a number of banks are yet to claim WBSSP Subsidy since long and repeated discrepancies are observed in lodgement of claim by banks. It is decided that WBSCL will furnish the latest position of interest subsidy claim along with the check-list for removal of discrepancies by banks.  
(Action Point 9 : Banks are to ensure error-free claim lodgement upto March, 2019 by Sept, 2019 positively)

The meeting ended with vote of thanks to and from the Chair.

General Manager  
Prisec-Agri & Convener of SLBC.