

**MINUTES OF 25th SUB COMMITTEE MEETING OF SLBC ON SHG & RSETI HELD ON
24th JULY, 2015 AT SBI, LHO, PATNA**

The 25th meeting of Sub-Committee of SLBC on SHG & RSETI was held on 24rd July, 2015 at State Bank of India, Local Head office, Patna. The meeting was attended by Mrs Vijayalakshmi, CEO, BRLPS, GOB, officials from RBI, NABARD, Banks and representatives of JEEVIKA and UDHD. The list of participants is enclosed as Annexure-I.

The AGM, SLBC welcomed all the participants.

After confirmation of the Minutes and Action Taken Report of the 24th Steering Committee meeting of SLBC on SHG & RSETI held on 23.03.2015, the Agenda items were tabled and the following issues were discussed:

Urban Self Help Group:

The representative of UDHD apprised the House that under SAMVARDHAN promoted urban SHGs in the 45 Urban Local Bodies (ULB) of the state, about 3000 accounts have been opened by the Banks, but the credit linkage of the urban groups is happening at a very slow pace. So far, only 81 SHGs have been credit linked and that too with an average credit limit of approx Rs. 26 thousand. The UDHD Official expressed the problem faced by them in promoting of Urban SHGs and requested the bankers to guide their branches regarding NULM for extending credit to SAMVARDHAN promoted SHGs on the same lines as being done for rural SHGs. She also requested the controlling heads of banks to provide the UDHD a copy of the letter addressed to their respective branches, in this connection.

The UDHD representative also requested for inclusion of NULM agenda in the DLCC & BLBC for close monitoring of bank related performance under NULM.

Self Help Group (SHG)

Sri M.C. Saran, Programme coordinator of Jeevika, requested the banks to ensure availability of adequate stationery at the branch level to facilitate account opening and credit linkage of SHG accounts. He advised that till the forms are made available to branches, forms downloaded from Bank/SLBC site can be used for opening of accounts. He requested all Banks to use the common SHG account opening form and credit linkage (1st dose) form and get the same uploaded on their respective websites after putting their Bank seal on that to be downloaded and used by Jeevika in case of need. He also requested the Banks to issue suitable instruction to branches with a copy endorsed to Jeevika.

The CEO, Jeevika then made some specific proposals and requested the Bankers for its early implementation:

- i) Availability of adequate stationery i.e. uniform SB a/c opening and credit linkage forms at ZO/ RO/ Branch level.
- ii) Forms may be made available on the website of different Banks & SLBC so that they may be downloaded and printed for use in case of shortage.
- iii) Charges or fees debited in SHG a/cs to be reversed and no charges/ fees should be levied in SHG a/cs by Banks.
- iv) The credit limit sanctioned by Banks to SHGs should not be transferred to their SB a/cs and specific amount may be transferred as per requirement of the SHGs. Suitable communication in this regard should be sent by all Banks to their Branches and a copy thereof may also be endorsed to Jeevika.
- v) Clarity on quantum of loan, forms and processes involved of loaning for 2nd, 3rd, 4th dose to SHGs is urgently required.

- vi) With the progress in time and cost structure moving up, the quantum of first & second dose of loaning should be minimum Rs. 0.75 lacs and Rs. 1.50 lacs respectively after factoring into RBI Guidelines in this regard.
- vii) Exposure visit to SHG clusters of senior officials of Banks to be arranged by Jeevika for understanding community dynamics & providing suggestions for improvement.
- viii) List of JEEVIKA sponsored NPA accounts of SHG to be provided to Jeevika for follow up and make the accounts standard.
- ix) Banks to appoint Nodal officers of SHG and advise their names to SLBC and Jeevika for better coordination and follow up.
- x) Service Area approach in case of SHG financing promoted by Jeevika is not applicable. The guidelines in this connection to be sent by Banks to their respective Bank branches and a copy thereof may be endorsed to Jeevika also.

Rural Self Employment Training Institutes(RSETIs):

Shri Manoj Kumar, State Project Coordinator (SPC) of RSETIs, Bihar, highlighted the following points with respect to functioning of RSETIs in the state:

- i) 3 RSETIs namely Purnea, Aurangabad and Bhagalpur were awarded national prize during the RSETI Diwas at New Delhi by MORD, GOI for their overall performance during the Financial year 2013-14. The House applauded the achievement made by these RSETIs.
- i) Banks were requested to instruct their branches to sponsor at least 10 candidates for training and credit link minimum 10 RSETI trained candidates in a year for improving the settlement ratio of RSETIs.
- ii) SPC, RSETI also raised the issue of inadequate numbers of support staff in many RSETIs. All concerned Banks were requested to provide infrastructural support to all RSETIs as per the RSETI guidelines.
- iii) As per instruction from MORD, from 01.04.2015, GOI, NAR Bangalore may stop taking MPR from RSETIs and related data will be taken from MIS only. As such, the SPC requested the concerned banks to ask their RSETIs to reconcile MPR with MIS for each item.

Reimbursement Claim of RSETIs:

The SPC, Monitoring Cell of RSETIs, stated that Reimbursement by SRLM Deptt. to Banks in respect of BPL candidates was getting delayed due to submission of incomplete information by the Banks. All sponsoring Banks were requested to lay importance in this regard..

Land and Building Construction:

The SPC advised that allotment of land for construction of RSETI building has been completed in all districts of Bihar. But the process of construction of RSETI building is very slow. CEO, BRLPS advised all Banks to complete construction of RSETI building at the earliest. MORD, GOI has issued specific instruction regarding withdrawal of fund from the Banks where construction does commence at an early date.

The meeting ended with a vote of thanks to the chair.

**ACTION POINTS OF 25th SUB COMMITTEE MEETING OF SLBC ON SHG & RSETI
HELD ON 24th JULY, 2015**

Sr.No.	Action point	Action to be taken by
1	Banks to promote opening of accounts and credit linkage under Urban SHG 'Samvardhan'.	All Banks
2	Banks to use the common SHG account opening form and credit linkage (1st dose) form and get the same uploaded on their respective Bank & SLBC websites after putting their bank's seal for use by JEEVIKA, in case of shortage.	All Banks
3	Banks to issue suitable instructions to Branches to accept SHG account opening form and credit linkage (1 st dose) forms downloaded from respective Bank & SLBC websites with a copy endorsed to JEEVIKA.	All Banks
4	Banks to issue guidelines to branches to raise quantum of 1 st and 2 nd dose of loans to Rs. 0.75 lacs and Rs. 1.50 lacs respectively.	All Banks
5	Banks to appoint Nodal officers for SHG and advise their names to SLBC & JEEVIKA for better coordination and follow up subject to guidelines issued by RBI in this regard.	All Banks
6	List of JEEVIKA sponsored NPA accounts of SHG to be provided to JEEVIKA for follow up and make the accounts standard.	All Banks
7	Banks to ensure that all of their branches sponsor at least 10 candidates in their respective district's RSETI for training and credit link minimum 10 trainees of their respective district's RSETI in each financial year.	All Banks
8	All RSETIs to submit claim of training expenses of BPL candidates duly approved in LAC meeting for the FY 2013-14 in the prescribed format through their sponsoring Bank to SRLM at the earliest.	All concerned Banks & RSETIs
