

## **MINUTES OF 22<sup>nd</sup> SUB COMMITTEE MEETING OF SLBC ON SHG & RSETI**

**HELD ON 25<sup>th</sup> JUNE, 2014**

The 22<sup>nd</sup> meeting of Sub- Committee of SLBC on RSETI & SHG was held on 25<sup>th</sup> June, 2014 at State Bank of India, Local Head Office, Patna. The meeting was attended by officials from RBI, NABARD, DIF, Banks and representatives of Jeevika. The AGM, SLBC welcomed all the participants.

After confirmation of the Minutes and Action Taken Report of the 21<sup>st</sup> Steering Committee meeting of SLBC on SHG & RSETI held on 28<sup>th</sup> March, 2014 the Agenda items were tabled and the following issues were discussed:

### **1. National Rural Livelihood Mission (NRLM):**

The AGM SLBC apprised the House that the target for financing 1.00 lac SHGs had been fixed for 2014-15 which was 33% more than last year's target. He also advised the House that common format for savings and credit linkage of SHGs (1<sup>st</sup> dose) had been adopted by the House in the 48<sup>th</sup> SLBC review meeting held on 27<sup>th</sup> May 2014. All Banks were requested to go for printing of only new formats after exhaustion of the current stock. The AGM SLBC also requested the banks to see that interest subvention becomes available to all eligible SHG accounts. In this connection he stressed on proper feeding of product code etc. of the SHG accounts in the system so that no eligible SHG accounts is left out in the exercise of payment of Interest subvention by the Govt. Availability of sufficient stationery should be ensured by Banks. A copy of letter sent by banks to their branches with regard to SHGs credit linkage be also endorsed to Jeevika for their information.

NABARD representative also requested Jeevika to further spread its activities so that more Savings Bank and credit linkage of SHGs could be done during 2014-15.

The representative of Jeevika apprised the House about the activities that were likely to be undertaken by Jeevika during the year:

During 2014-15 Jeevika had planned to open Savings Bank account of 3.00 lac SHGs and provide credit linkage to 1.00 lac SHGs. District level camps would be organized on 23<sup>rd</sup> of July, August and September for financing SHGs all over the state. Banks should activate their branches to actively participate in the SHG camps. Jeevika had also recruited sufficient man power to take up the tasks of savings and credit linkage of SHGs in a big way.

### **2. Urban SHGs:-**

The AGM SLBC apprised the House that the list of 42 Urban Local Bodies (ULBs) has already been circulated among all LDMs and banks, during the 46<sup>th</sup> SLBC meeting. The banks having lead bank responsibility were requested to ensure distribution of wards among banks at these ULBs, through their LDMs and advise the

details of the distribution to SLBC so that distribution of target under NULM of financing urban SHGs takes place.

The Urban Development & Housing Department (UD&HD) had already advised the list of SHGs in order to expedite process of opening of their account and credit linkage thereafter. This list has already been sent to concerned banks by SLBC on 22.05.2014.

### **3. Rural Self Employment Training Institutes (RSETIs):**

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

A) On 18<sup>th</sup> June 2014 a meeting of State Level Steering Committee (SLSC) of RSETIs was held at Patna which was attended by the Secretary- Rural Development Dept., Govt. of Bihar and the Chief Executive Officer (CEO), BRLPS besides the senior officials of banks and all Directors of RSETIs. Detailed discussion on all aspects of functioning of RSETIs was done in the meeting.

B) PNB, UCO Bank, Bank of Baroda and Union Bank have committed in the SLSC meeting to start construction of RSETI building by 31<sup>st</sup> July, CBI by 15<sup>th</sup> Aug and SBI by 10<sup>th</sup> July at such centres where no fund or land related issues was pending. The SPC requested the banks to adhere to the above time line.

C) Grading of RSETIs will be done during July and name of nodal officer should be advised to SLBC by the lead responsibility banks as that would facilitate the conduct of grading exercise.

D) The grading exercise gives weightage to availability of adequate physical and manpower infrastructure, settlement ratio, feeding of data in MIS and overall maintenance of books by the RSETIs.

E) Requirement of vehicle was felt at RSETIs as in its absence EAP and follow up at only nearby villages was taking place and the needy youth of other parts of district were deprived of attending the EAP being conducted for generation of applications from unemployed youth for undergoing training at the RSETIs. He requested the banks to provide vehicle to the RSETIs for at least 10 days in a month. He reiterated that the same had also been highlighted by the CEO, BRLPS in the SLSC meeting.

F) Sponsorship of trainees to the RSETIs by the branches was at present not taking place. Through sponsorship branches can get skilled borrowers, which may reduce the chances of such loan accounts becoming NPA at a later date. He reiterated the decision taken in SLSC meeting that one trainee for each trade should be sponsored to the RSETIs by each bank branch in a year.

G) Full support staff must be provided at the RSETIs for their smooth functioning. In this connection RSETI at Katihar, West Champaran, Siwan and Bahora (Purnea)

were particularly pointed out for having inadequate no. of staff. Providing training to the faculties was also stressed by the SPC.

H) Regarding reimbursement of training cost it was apprised that the State Rural Livelihood Mission (SRLM) would be reimbursing RSETIs of B and above grade, the cost of training incurred by the RSETIs.

I) Govt of India has asked to adopt one village by each RSETI for providing required skill development to all its needy youth in order to increase employment in such village.

J) Monthly Progress Report (MPR) and MIS data should match so that all activities and up to date information of the RSETI becomes available on the website of Govt. of India.

Shri Manoj Kumar, OSD, Rural Development Dept, Govt of Bihar requested to include the District Project Manager (DPM) of JEEVIKA and Senior Deputy Collector (Banking) of the district as members of Local Advisory Committee of RSETIs.

**AGM, SLBC reiterated the following recent instructions issued by NAR with respect to functioning of RSETIs :**

1. Training equipments should be made available at the RSETIs in adequate quantity.
2. Focus of RSETIs should be on settlement of its trainees and so adequate follow-up mechanism should be in place at the RSETIs.
3. More co-ordination among the RSETIs and the PMEGP implementing agencies was required to increase synergy between the RSETIs and the PMEGP implementing agencies. RSETIS should not only provide EDP PMEGP training but should also generate applications from eligible trained persons for getting financial assistance under the PMEGP scheme. In this regard the District Task Force Committee, DIC and KVIC personnel should visit the RSETIs and identify prospective beneficiaries under the PMEGP scheme.

The meeting ended with vote of thanks to the chair.

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**ACTION POINTS OF 22<sup>nd</sup> SUB COMMITTEE MEETING OF SLBC ON SHG & RSETI  
HELD ON 25<sup>th</sup> JUNE, 2014**

Sr.No	Action Point	Action to be taken by
1	All banks to participate in the District level camps to be organized on 23 <sup>rd</sup> of July, August and September for financing SHGs all over the state.	Banks & LDMs
2	Common format for savings and credit linkage of SHGs (1 <sup>st</sup> dose) as adopted in the 48 <sup>th</sup> SLBC review meeting held on 27 <sup>th</sup> May 2014, to be printed and used by all banks after exhaustion of the current stock.	All Banks
3	For making interest subvention available in all eligible SHG accounts, banks to ensure proper feeding of product code etc. of the SHG accounts in the system.	All Banks
4	All lead responsibility banks to ensure that the distribution of wards among banks at the ULBs, is done by their LDMs and same is advised to SLBC.	All Lead responsibility banks & LDMs
5	PNB, UCO Bank, Bank of Baroda and Union Bank to start construction of RSETI building by 31 <sup>st</sup> July, CBI by 15 <sup>th</sup> Aug and SBI by 10 <sup>th</sup> July at such centers where land & fund has been received.	All Concerned Banks
6	All lead responsibility banks to provide vehicle to the RSETIs for at least 10 days in a month.	All Banks sponsoring RSETIs
7	All Banks to ensure that all of their branches sponsor at least one trainee in each trade to their respective district's RSETIs in a year.	All Banks
8	All lead responsibility banks to provide adequate staff at the RSETIs for their smooth functioning.	All Banks sponsoring RSETIs
9	All RSETIs should generate applications from eligible trained persons for getting financial assistance under the PMEGP scheme in collaboration with KVIC & DIC	KVIC, DIC & Directors, RSETIs

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