**MINUTES OF 29th SUB COMMITTEE MEETING OF SLBC ON SHG & RSETI HELD ON 28th December, 2016 AT SBI, LHO, PATNA**

The 29th meeting of Sub-Committee of SLBC on SHG & RSETI was held on 28th December 2016 at State Bank of India, Local Head office, Patna under the Chairmanship of General Manager (NW-1), State Bank of India, Patna. The meeting was attended by Sri Balamurugan D, IAS and CEO, Jeevika, officials from GOB, RBI, NABARD, Banks and representatives of JEEVIKA & NULM. 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 28th Sub Committee meeting of SLBC on SHG & RSETI held on 21.09.2016, the Agenda items were tabled and the following issues were discussed:

**Self Help Group (SHG)**

CEO, JEEVIKA, in his address expressed happiness over the support extended by most of the Banks in achieving more than 85000 credit linkage under SHGs during current fiscal and hoped to cross 2.00 lacs by March 2017 end. The performance can be treated as satisfactory as the Banks were grossly engaged in demonetisation related works.

Representative of JEEVIKA recalled the 27th SLBC sub-committee meeting on SHG & RSETI wherein the house had passed a resolution to increase the quantum of loan of 1st dose and 2nd dose under credit linkage to Rs. 1.50 lac & Rs. 3.00 lacs respectively after factoring into RBI guidelines. He requested the Banks to issue instructions to all their branches about the increase as many branches of the banks in the state are unaware about the changes and a copy of which may also be forwarded to them for circulating it to their representatives for guiding the branches for speedy disposal of SHG applications. He also requested the Banks to issue instructions in this regard and ensure availability of adequate stationery at the branch level to facilitate account opening and credit linkage of SHG accounts. He further advised the 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.

It was requested by the JEEVIKA that from next Sub Committee meeting, the heads of all zones of banks situated in Bihar needs to be invited as it becomes difficult for JEEVIKA in conveying the message to different layers of controlling unit of banks and as a result SHG financing is affected adversely.

Shri Balamurugan further added that in order to achieve the yearly target of 2.00 lacs credit linkage under SHG, JEEVIKA has proposed to conduct SHG Camps on 21st Jan/Feb/March 2017 across all districts preferably at Block level in the State. The house uniformly accepted the proposal. He also requested the Banks to appoint a nodal officer at Regional/Zonal office level, who will coordinate the SHG portfolio with JEEVIKA for better monitoring and follow up. He advocated holding monthly meetings between Banks and JEEVIKA on recovery of bad loans under SHG sourced by JEEVIKA. He urged all the Banks under Public as well as Private sector to focus on SHG financing as RRBs cannot alone do it.

The representative of JEEVIKA highlighted the instruction about Interest Subvention in SHG Financing in 17 districts. Banks are required to recover interest @7% upfront in case of SHG financing in these 17 districts. In remaining 21districts interest subvention is back ended.

General Manager, SBI Convener of the SLBC said that we can’t push/compel any banks for financing although it is opportunity to grow for each bank. If Pvt banks will also undertake SHG financing, target of the state will be achieved easily. He also said that zero achievement should not be there henceforth..

**NATIONAL URBAN LIVLIHOOD MISSION (NULM)**

The representative from UDHD in his address apprised the house that urban SHG accounts which comprises street vendors, rickshaw pullers etc, are opened in 140 urban local bodies in the state and many more such a/cs are to be opened. He requested the Banks to expedite the process of their credit linkage and a specific communication for urban SHGs may be issued to the relevant branches by state headquarter of the Banks as there still remains a lot of hesitation at the branch level.

He elaborated that NULM has planned to open 15000 individual accounts and credit link 1000 SHG accounts under Self Employment Programme (SEP-I) and SEP(G) during this financial year.

He informed the house regarding selection of Allahabad Bank as Nodal Bank in the State, where subsidy amount will be parked for distribution among member banks. The house anonymously passed the proposal of Allahbad Bank as nodal bank for these purposes.

AGM, SLBC advised the representative of NULM to provide bank’s branch wise list of sourced/pending loan applications for effective follow up. NULM has provided number of sourced /pending application Bank wise only. This will not serve the purpose.

**Rural Self Employment Training Institutes(RSETIs):**

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

**Land allotment:**

The SPC raised the issue of non allotment of land at Patna and requested the State Govt to issue suitable instructions to district authorities for resolution at the earliest.

**Land and Building Construction:**

The SPC advised that where allotment of land for construction of RSETI building has been done, construction of building has started in some of the districts. However, he expressed concern over slow pace in construction. AGM, SLBC 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 not commence at an early date.

**Reimbursement Claim of RSETIs:**

The SPC, Monitoring Cell of RSETIs, stated that an updated data of reimbursement by SRLM Deptt. to Banks in respect of BPL candidates is available now on it’s site with the reason of non payment like non submission of Annexure/ Minutes of DLCC etc. All sponsoring Banks were requested to lay importance in this regard.

**Miscellaneous:**

i) SPC, RSETI, Bihar expressed concern over decrease in performance of RSETIs h during the current financial year. During the FY 2016-17 up till November 2016, RSETIs have provided training to 19447 youths in the State, out of which 3903 trainees have been credit linked, percentage being only 20%. He said that as per guidelines issued by MORD, at least 50% of the trained candidates should be settled through Bank Finance. He advised the Banks to provide MUDRA/ PMEGP loans to RSETI trained candidates to improve the Credit Linkage of the RSETIs.

ii) SPC, RSETI also expressed concern over the low number of candidates trained under Project LIFE MGNREGA through RSETIs. Against the target of training 3885 candidates up to August 2016 in the State, training has been conducted to only about 1000 candidates up till August 2016.

iii) 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.

iv) 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.

GM, SBI in his address called for clear a time line in sorting out the problems faced by RSETIs. He requested the Bankers to provide basic infrastructure facilities in all RSETIs to achieve the optimum result in training to unemployed youth and performance of RSETIs should be reviewed periodically.

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

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**ACTION POINTS OF 29th SUB COMMITTEE MEETING OF SLBC**

**ON SHG & RSETI**

**HELD ON 28th December 2016**

|  |  |  |
| --- | --- | --- |
| **Sr.No.** | **Action point** | **Action to be taken by** |
| **1** | Banks to use common SHG account opening form and credit linkage (Ist dose) form already uploaded on SLBC website. All Banks are advised to get the same uploaded on their respective Bank websites after putting their bank’s seal for use by JEEVIKA, in case of shortage. Banks will give soft copy of their stationery to JEEVIKA related to SHG fiancé. | **All Banks** |
| **2** | Banks to issue suitable instructions to branches to participate in SHG Mega Camps to be held on 21st Jan/Feb/March 2017 respectively. Banks to give Name of their Nodal officers for these camps to JEEVIKA. | **All Banks** |
| **3** | Banks to issue guidelines to their branches to raise quantum of 1st and 2nd dose of loans to Rs. 1.50 lacs and Rs. 3.00 lacs respectively after factoring RBI guidelines and forward a copy to JEEVIKA for speedy disposal of SHG applications. | **All Banks** |
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| **4** | Bank’s branch wise list of sourced/ pending loan applications details to be given by NULM to all concerned banks, with a copy to SLBC. | **UD&HD Deptt, GOB** |
| **5** | Banks to initiate necessary steps to complete construction of RSETI building at the earliest. | **All concerned Banks** |
| **6** | 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** |
| **7** | All RSETIs to submit and update its status of claim of training expenses of BPL candidates duly approved in DLRAC meeting in the prescribed format through their sponsoring Bank to SRLM at the earliest. | **All concerned Banks & RSETIs** |
| **8** | All RSETIs to submit claims to NULM regarding training to beneficiaries under DAY-NULM. | **All concerned Banks & RSETIs** |
| **8** | All RSETIs to improve the percentage of settlement of trainees through credit linkage from Banks | **All concerned Banks & RSETIs** |

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**LIST OF PARTICIPANTS FOR 29TH SUB-COMMITTEE MEETING OF SLBC ON BRANCH OPENING & IT ENABLED FINANCIAL INCLUSION & SHG-RSETIs ON 28.12.2016**

Annexure-I

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| --- | --- | --- |
| Sl. No | Name of the Participant | Designation/Name of the Office |
| Govt. Of Bihar:- | | |
|  | Shri Balamurugan D. | Chief Executive officer (IAS), Jeevika |
|  | Ms. Rupam | DC, Finance Deptt., Govt. Of Bihar |
| Banks:- | | |
|  | Shri Abhijit dutta | General Manager, State Bank of India |
|  | Shri Amitabh Pandey | Dy. General Manager (Agri), State Bank of India |
|  | Shri C Raj | Dy. General Manager (Outreach) State Bank of India |
|  | Shri Pravin Kumar | Asstt. General Manager, Reserve Bank of India |
|  | Shri D K Das | Dy. General Manager, NABARD |
|  | Shri Sanjay Kumar | Manager NABARD |
|  | Shri Rajiv Kumar Das | Asstt. General Manager, SLBC, SBI, LHO, Patna |
|  | Shri D. K. Chaudhary | Sr. Manager, Oriental Bank of Commerce |
|  | Shri Iftikhar Ahmed | Asstt. General Manager United Bank of India |
|  | Shri V.K. Yadav | Divisional Manager, Canara Bank |
|  | Shri Harsh Chopra | General Manager, Madhya Bihar Gramin Bank |
|  | Shri G. Pradhan | Chief Manager, Punjab National Bank |
|  | Shri Purushottam Kumar Sinha | Chief Manager, Allahabad Bank |
|  | Shri R.S. Sharma | Chief Manager, Central Bank of India |
|  | Shri Gopal Narayan | Chief Manager, Uttar Bihar Gramin Bank |
|  | Shri Vidyut kant Mukherjee | Manager, HDFC Bank |
|  | Shri Rashid Iqbal | AVP & Circle Nodal Manager, Axis Bank |
|  | Shri Rohanesh Narain | Chief Manager, Indusind Bank |
|  | Shri Pankaj Kumar | Sr. Manager, Punjab National Bank |
|  | Shri Shiv Shankar Singh | Chief Manager, Bank of Baroda |
|  | Shri M D Verma | Chief Manager, Indian overseas Bank |
|  | Shri Ajey Kumar Jha | Sr. Manager, United Bank of India |
|  | Shri Kunj Bihari Singh | Sr. Manager, Bank of India |
|  | Shri Sapan Kumar Choudhary | Manager, Union Bank of India |
|  | Shri S K Chattaraj | LDM (CM) Union Bank of India |
|  | Shri S. Satyanarayan | Chief Manager, Andhra Bank |
|  | Shri Shekhar Prasad Singh | Head (P&D), Bihar Gramin Bank |
| Others:- |  |  |
|  | Shri Madan Pathak | State Mission Manager, PMC-NULM |
|  | Shri Manoj Kumar | SDR, RSETI, NACER |
|  | Shri Arvind Kumar | SDR, NW |
|  | Shri V P Pal | Director RSETI Khagaria |
|  | Shri Mukesh Chandra Sharan | PC-FI, Jeevika |
|  | Shri Pushpendra Tiwari | SPM BL-FI Jeevika |
|  | Shri Rajeev Kumar | PM-CF Jeevika |
|  | Ms. Kajal Kumari | YP-FI, Jeevika |
|  | Shri Ravikant Bharti | YP-Jobs Jeevika |

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