



పట్టణ పేదరిక నిర్మూలన సంస్థ
MISSION for Elimination of Poverty in Municipal Areas (MEPMA)
Department of Municipal Administration & Urban Development, Govt of Telangana



From
The Mission Director,
MEPMA,
Hyderabad.

To
All the Project Directors of MEPMA,
Addl. Commissioner, UCD, GHMC.
Telangana.

Sir/Madam, Lr.No .MEPMA-SEP/6/ENC/3/2018 Dtd 27.02.2020

Sub: MEPMA – SEP & SHG-Bank Linkage – Irregularities and other field issues
observed – Certain instructions – Reg.

I invite kind attention to the subject cited. It is to inform that, certain irregularities and malpractices observed in sanctioning the Bank Linkage and SEP loans to Self Help Groups. The Mission Director, MEPMA felt the necessity of careful attention of Project Directors and instructed to review the following points with field staff:

1. SHG-BANK LINKAGE

S.No	Observations	Action to be taken
1	Loans are being given to the group's members and groups who are not registered on line	The loans should be recommended only to those who are registered online. CO and TMC is responsible to check whether the group is on line and verify the hardcopies and other credentials. All the credentials should be in place for verifications. (May be forwarded the eligible SHGs to banks with covering letter from MC mentioning SHG Ids for each SHG-bank wise)
2	Bank linkages are not being used for income generating activity	The action plan should be checked by both COs and TMCs regarding this and encourage more businesses to be established. TMC should educate all RPs to understand the value of creating more businesses. RPs should ensure of establishing more businesses (at least 50%).
3	Lending is not happening as per MCP	Though MCP is in place the lending is given to all the members equally. The principal of using MCP is missing in the process. Ensure that lending happens based on MCP.
4	It is noticed that Bank Linkages are distributed equally not having any mechanism to understand the need and then support	After 2 nd dose of Bank Linkage the amount should not be used for domestic use but only for income generating activity. This needs to be tracked by the TMC and CO by attending meetings and seeing the status.
5	Repayments of Loan status of non-data sharing banks is not being updated online regularly	The TMC and CO should ensure that timely update is done on non-data sharing banks. If the data is not updated the repayment status would not be known and may end up in NPAs. To mitigate this challenge timely update is must.
6	In NULM portal all the SHGs data who received Bank Linkage should be updated since 2014 but it's still incomplete	DMC and TMC along with DEO should finish this task by having deadlines. If data is not uploaded, then our progress is not reflected despite doing work. So, fix the timelines to complete this task.

7	NPA & Recovery	The ratio of NPA should be zero percentage. The responsibility is on all the staff members like TMC, CO, RP and ADMC. PD /MC should be updated regularly on the strategies and action plan to ensure there is no NPA
8	CBRM committees are not active.	There should be CBRM for each bank and conduct meeting every month on the status and action plan for recovery. CO and TMC should ensure this activity to happen every month without fail. Record them without fail.
9	Cash Transactions	Ensure that there is no cash in hand with any of the staff including RP. The day the savings being collected the amount should be deposited in the bank and counterfoil to be shared with CO on the same day. Encourage transactions through cheque for transparency.
10	Utilization of TLF/ALF/SHG amount for personal consumption by CO/RP/Leaders/OBs	Ensure that staff should not handle or misuse the TLF/ALF/SHG amount for personal use. Action may be initiated against the concerned.
11	MIS	Entire team is responsible for maintaining updated data and maintain MIS with out fail. (in MEPMA & NULM portal)

2. SELF EMPLOYMENT PROGRAM

S.No	Observations	Action to be taken
1	Most of the loans are given to the existing enterprises	Check the rational why only existing enterprises are given lending, any growth in their economic status, records verified to support their growth in business etc.Promote 50% new enterprises.
2	Documentation of SEP loans	The applications submitted to bank are not having any record at offices for verification. This should be checked by TMC and ensure that these documents are maintained at office and available for checking of records.
2	No tracking of income being generated out of businesses scaled up.	Have data of enterprises supported and track their sustainability. Even check how the family benefited out of this intervention.
3	Entrepreneurs do not maintain any records pertaining to their business.	Encourage and guide the entrepreneurs to maintain records relevant to their businesses. For any support to be given records become the base. RP and CO should work on list of records to be maintained and check every month whether they are maintained or not.
4	Requirement of EDPs	Please make a calendar for a year share to have EDPs for budding and existing entrepreneurs. This helps them understand their preparation for new enterprises and facilities and schemes available for existing entrepreneurs.

5	No record of case studies	Every year make at least 10 case studies of the women we supported. CO should collect the details. TMC & DMC will help in this task.
6	Capacity lack of RPs in Enterprise promotion is observed	PD and DMC should give orientation to the RPs on promoting more enterprises. Support may be taken from SMC.
7	On line data updating in both MEPMA and NULM portal is not happening on time	DMC and TMC along with DEO should finish this task by having deadlines. If data is not uploaded, then our progress is not reflected despite doing work. So, fix the timelines to complete this task. TMC please monitor this and ensure completing the work.
8	Have the calendar of events happening relevant to enterprise development	SHG women should be provided different platforms where her business is exposed, and more business opportunities are created. One such platform is exhibitions and team should have list of events both district, state, national and international platforms and prepare on the requirements mentioned. So that many women are given opportunity to participate and get benefitted.
9	Nominations for exhibitions is very poor	It is observed that few districts haven't send any nominations for exhibitions, often the same participant is given opportunity to participate than encouraging new SHG women, data is not in place. TMC and DMC are responsible to look into this and keep the track of SHG women with their product details so that nominations could become easy and more SHG women are given opportunity to participate.
10	MIS	Entire team is responsible for maintaining updated data and maintain MIS without fail. MIS includes data of SHG women supported, income generated out of business, bank details issued the loan etc

Note: The entire team is responsible to ensure all the above tasks are periodically reviewed and checked. TMC and CO are accountable for delay in completing the tasks. DMC should review them every fortnight and inform to the concerned SMC on the progress. For any support they may reach out to team.

ALF wise Records to be maintained by the Resource person:

1. **Register – Bank Linkages** – This register should have all the details of bank linkages provided to SHGs. Always it should be updated and provided for verification to CO. CO should verify once in a month and sign the register with date being mentioned.

Register should have the following data:

- Bank wise
- SHG wise
- Dose wise
- Repayments along with interest paid details
- VLR released details
- NULM Interest subvention released details
- Loan amount utilization details- member wise

2. **SEP – Register** should have the following:

- Bank wise - Application details
- Task force approved minutes and details
- Loan disbursed details
- Repayment details Repayments along with interest paid details
- Interest subvention released details
- Unit photograph

3. **Register – Entrepreneur details** (Format attached)

In view of the above, directions are hereby given to ensure the field staff to follow the above instructions. Any deviation of above instructions on action taken points, the concerned person will be held responsible and serious action will be initiated against the persons responsible

The project Directors are hereby directed to circulate the same to all the field staff and RPs and to instruct the DMCs & TMCs to monitor the field activities regularly and report to Project Director if any issues noticed.

Yours faithfully,

Sd/- Dr. N. Satyanarayana, IAS,
Mission Director, MEPMA

Copy to all the Municipal Commissioners for necessary action.



Addl. Mission Director,
MEPMA



Business & Exhibition Data Collection Sheet						
I. Entrepreneur Information						
	Entrepreneur Name:		SHG Name			
	SHG code		ALF Name			
	Aadhaar Number		Address of the residence			
	Contact Number		Alternate contact number			
	ULB		District			
II. Bank Linkage						
	No of Dose she availed till date		During which Dose SHG women started the business			
	Group Corpus (Rs)		Any Internal Lending from Corpus has been taken (Rs)			
	Out standing amount if any		NPA (Yes/No) if yes mention due amount			
	Any other business loans taken (Yes/No) If Yes give details	Name of the bank:	Purpose:	Amount:	Any outstanding (Rs):	
III. Business Details						
	Business Started on		Type of Business (Production/trading/service)			
	Name of the unit		What business do they do			
	Business Address		Email Id along with Website address if any			
	Turnover - last 6 months (Rs)		Average Monthly Income from the business (Rs)			
	No of employees working (Including family members excluding SHG women)		Stock Value as on date (Rs) and Number of products (Quantum)			
	Upload Pictures (4 pictures)	Yes	How many	No	Reason	
IV. Legal Compliances						
	Ugyod Adhaar (Yes/No)		Registration Number			
	Income tax returns files (Yes/No)		Year of filing			
	Bank Current Account (Yes/No)		Pancard			
	GST		Passport			
V. Exhibitions						
	Did they ever attended exhibition (Yes/No)					
	No of times they attended exhibitions					
	Dates	1	2	3		
	If Yes where	District	State	National	International	
	Name of the place					
	Venue details					
	Duration of the exhibition (No.of Days)					
	Any concession provided (if yes by which organisation)	Yes/No:	Organisation Name:	Concession:		
	Range of products put for exhibitions	1				
		2				
		3				
		4				
		5				
		6				
	Over all income out of sales at exhibitions(Rs)					
	Could they get any orders from exhibitions	Yes/No:	No.of Orders		Value of Order:	
	Further Support they may need	Branding Yes/No	Packaging Yes/No:	Patent Yes/No:	Any other:	
	If No (Specify Reason and ask if they are willing if given opportunity)					