



TAMILNADU CORPORATION FOR DEVELOPMENT OF WOMEN LTD.,

(A GOVERNMENT OF TAMILNADU UNDERTAKING)
Anna Teresa Malagam, 1st Floor, Valluvarkottam High Road,
Nungambakkam, Chennai - 600 034.

கலைஞர்
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1924 - 2023

Proceedings of the Chief Executive Officer, TNSRLM, Chennai -34
Present: Tmt.S.Divyadharshini, I.A.S.

Roc.No. 968/MC-I/2024

Date:14.03.2024

Sub: TNCDW - TNSRLM - Budget Speech by Hon'ble Finance Minister of Tamil Nadu in the Legislative Assembly regarding SHG - BLP 2024 -25 - Executive Order - Reg.

Ref: Budget Speech by Hon'ble Finance Minister of Tamil Nadu in the Legislative Assembly on 19.02.2024.

Order:

In the reference cited, during the Budget speech, the Hon'ble Finance Minister of Tamil Nadu has made the following announcement in the floor of assembly on 19.02.2024

மகளிர் சுய உதவிக் குழுக்களுக்கு வரும் நிதியாண்டில் 35,000 கோடி ரூபாய் அளவிற்கு வங்கிக்கடன் வழங்க இலக்கு நிர்ணயிக்கப்பட்டுள்ளது.

Based on the announcement made by the Hon'ble Minister, the following executive order is issued.

The District wise target for Rs.35,000 crore under SHG - BL Programme has been arrived and is enclosed as Annexure - I.

The Districts are instructed to achieve the assigned target for the year 2024 - 25 as per the Annexure - I on or before 31.03.2025 strictly adhering to the below RBI guidelines on SHG - Bank Linkage Programme.

As per RBI guidelines Master Circular dated: 26.04.2023 on SHG Bank Linkage program, the SHGs can avail either Term Loan (TL) or Cash Credit Limit (CCL) loan or both based on need. DMMUs are instructed to take necessary measures to ensure that eligible SHGs are provided with Term Loans and Cash Credit Loans (as the case may be) from the banks.

Term Loan:

Under term loans, Banks have been advised to sanction loan amount in doses as mentioned below:

- First dose: 6 times of the existing corpus or minimum of Rs.1.5 lakh, whichever is higher
- Second dose: 8 times of the existing corpus or minimum of Rs.3 lakh, whichever is higher

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- c) Third dose: Minimum of Rs.6 lakh, based on the MCP prepared by the SHGs and appraised by the federations/support agency and the previous credit history.
- d) Fourth dose onwards: Above Rs.6 lakh, based on the MCP prepared by the SHGs and appraised by the federations/support agency and the previous credit history

Cash Credit Limit(CCL):

For the loans under Cash Credit Limit category, Banks have been advised to sanction minimum loan of Rs.6 lakhs to each eligible SHG for a period of 3 years with a yearly Drawing Power (DP).

Bulk Loan to Panchayat Level Federations:

In order to prevent the SHGs falling prey to private money lenders or other institutions which provide loans at exorbitant interest rates, PLF Bulk Loan Scheme has been introduced. PLFs can obtain bulk loan from the banks ranging from Rs.10 lakh to Rs.1.50 Crore and more to ensure adequate credit flow to SHGs with them.

A target of Rs.400 Crore is fixed for the current year to credit link the PLFs. The district wise target is given in Annexure-II. DMMUs are instructed to take necessary measures to ensure that eligible Panchayat Level Federations are provided with bulk loans from the banks.

Credit Guarantee Fund for Micro Units (CGFMU)

To encourage the matured SHGs to avail higher quantum of credit from Banks, the Department of Financial Services, Ministry of Finance has notified on 16th April 2020 that Banks have to grant collateral free loans more than Rs.10.00 Lakh and upto Rs.20.00 Lakh to enable SHGs to undertake enterprise activities and the loans granted will have to be covered under the Credit Guarantee Fund for Micro Units (CGFMU).

- ❖ The quantum of loan shall be more than Rs.10 lakh and up to Rs.20 lakh.
- ❖ The Guarantee Fee would be charged at 0.25% pa during the first year and 0.50% pa in subsequent years.
- ❖ Banks can claim the defaulted amount, if any, from The Credit Guarantee Fund for Micro Units (CGFMU).

- ❖ A target of Rs.2000 Crore is fixed for 13320 SHGs under CGFMU for the current year 2024-25.

The district wise target is given in Annexure-III. DMMUs are instructed to take necessary measures to ensure that eligible SHGs are covered in the Credit Guarantee Fund for Micro Units scheme.

Bankers Orientation Training:

The training is aimed at motivating the Bankers towards the cause of SHGs and their socio-economic development and to update the latest guidelines on SHG-BLP issued by NRLM and RBI. This is aimed at sanctioning loans to eligible SHGs in a fast track manner. For the current year 2024-25, orientation to Bank Managers should be completed in the first Quarter.

DMMUs are instructed to take necessary measures to ensure that Bankers Orientation training is conducted as per schedule, which will be communicated separately.

Strategies to achieve the target under SHG Bank Linkage:

- ❖ SHGs are to be sensitized and arrive the SHG- BLP plan of action in a realistic manner. While arriving the plan of action for estimating the loan requirement for the group, the details such as date of previous loan availed, amount availed, whether I dose or II dose or III dose or IV dose, date of closure of the previous loan, savings of the group as on date, amount of loan eligible as per the current dosage are to be taken into account.
- ❖ PLFs, SHGs and Community Bank Coordinators should be geared up to reach out the banks in their command area to clear all the pending SHG loan applications lodged in 2023 – 24.
- ❖ Banks have to sanction adequate quantum of loan based on RBI Master Circular on DAY – NRLM for SHG – BLP.
- ❖ It should be ensured that loan applications are submitted online.
- ❖ The Status of all submitted loan applications are to be closely monitored by DMMUs and appropriate action has to be taken for sanction and disbursement of loans within 15 days.
- ❖ **Credit camps:**
 - At the District Level two credit camps should be organized during 2024-25. In all the Blocks, credit camps should be conducted on a monthly basis.
- ❖ It should be ensured that eligible SHGs are provided with repeat loans from the Banks.

- ❖ Awareness should be created among the SHGs that the Drawing Power gets enhanced annually based on the repayment performance of the SHGs and fresh CCL will be sanctioned after the expiry of 3 years period as per the eligibility.
- ❖ Identify those eligible SHGs having unutilized CCL portion if any, and direct them to draw the limit as per the drawing power available.
- ❖ One Community Bank Coordinator (CBC) engaged for every 50 SHGs should facilitate preparation of Micro Credit Plan, credit rating for SHGs / CBOs, documentation support for Bank credit, Submission of online loan applications and ensure disbursement of loans.
- ❖ Agenda on SHG Bank Linkage has to be necessarily placed in all the DLBC and BLBC meetings. District Collectors have to make a critical review of the performance of each Bank in the DLBC meeting.
- ❖ Block level Bankers Committee meetings will be conducted in each block once in a quarter. District Collectors have to issue suitable instructions to all banks in the District and ensure 100% attendance and effective functioning of the BLBC forum.
- ❖ Repayment of loans by SHGs should be monitored closely.

Observance of Focus Months for SHG-BL:

DMMUs are directed to ensure 100% credit linkage for all eligible SHGs. In order to achieve this, DMMUs are instructed to carry out special activities during the month as given below.

Sl. No	Focus month	Activity
1	July 2024 and January 2025	SHG – BLP
2	October 2024	PLF – Bulk loan

During the above mentioned months, DMMUs are directed to rate more number of eligible SHGs and submit loan applications to Banks

Role of DMMU

- ❖ Plan for SHG Credit rating in coordination with banks
- ❖ Follow up with banks to assess the status of SHG loan applications sanctioned/ Disbursed/Pending /Rejected
- ❖ Follow-up with banks to sensitize the updation of disbursement details in the portal periodically
- ❖ Attend DLBC and BLBC meetings to discuss upon the issues related to SHG Credit Linkage
- ❖ Report the progress under Credit Linkage to HO
- ❖ Organize Banker's Orientation program

- ❖ Distribute Banker's Award for the best performing Banks at District level.
- ❖ Organise monthly DLCC meeting and follow up on minutes.

Review and Monitoring Mechanism at District Level

- ❖ Ensure that all eligible SHGs are credit linked and the disbursement details are uploaded in the portal on real time basis
- ❖ Monitor the submission of SHG loan applications in online
- ❖ Monitor the preparation and submission of MCPs.
- ❖ Field visits to monitor the functioning of CBCs/BC(FI)s
- ❖ Visits to Banks that are having large number of pending loan applications
- ❖ Weekly Review of BC(FI)s Block Coordinators

Role of BMMU

- ❖ Participate in grading exercise carried out by banks during the month
- ❖ Submit SHG loan applications in the NRLM portal
- ❖ Follow up pending loan applications with banks
- ❖ Enter the details of SHG credit linkage in the portal on real time basis
- ❖ Attend BLBC meeting in the respective block

Review and Monitoring Mechanism at Block Level

- ❖ Monitor the activities of CBCs
- ❖ Conduct weekly review of CBCs
- ❖ Weekly report to DMMU – SHG Credit Linkage, Pending loan application status, Bankwise
- ❖ Monitor the preparation of MCPs.

Role of Community Bank Coordinators

- ❖ Facilitate SHGs to prepare Micro Credit Plan.
- ❖ Facilitate for credit rating for SHGs /PLFs
- ❖ Support in documentation for bank credit and ensure disbursement of loans
- ❖ Report the progress under SHG-BLP to BMMU
- ❖ Participate CBRM committee meeting and extend support to banks NPA recovery

Reporting:

- ❖ Upload the details of SHG loan applications viz: sanction, disbursement, pending and rejected particulars in the online

application portal developed by TNCDW. It should be done on real time basis.

- ❖ Performance of the Districts under SHG – BLP will be assessed & reviewed based on the details updated in the online application portal developed by TNCDW.

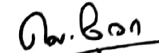
Project Directors of all the Districts are directed to implement and monitor the SHG - Bank Linkage Programme in their Districts on a weekly basis, by closely coordinating with the Lead Bank and other Bankers. It is also directed to render necessary support to the members of SHGs and PLF for accessing micro credit.

Encl :- Annexure I, II & III.


Managing Director & CEO
TNCDW/TNSRLM

To

The District Collector,
All Districts.


14/3/24

Copy to:

1. The Principal Secretary to Government,
Rural Development and Panchayat Raj Department,
Secretariat, Chennai-9
2. The Project Director,
District Mission Management Unit,
All districts.
3. The Convenor,
State Level Bankers Committee-TN
Indian Overseas Bank,
763, Annasalai, Annexe Building,
Chennai.

SHG - BLP Target Rural and Urban for the year 2024-25 (Rs. In Cr)

Annexure- I

S.N o.	District	Rural		Urban		Total	
		No.of SHGs	Amount	No.of SHGs	Amount		
1	ARIYALUR	5412	460.00	947	61.00	6359	521.00
2	CHENGALPATTU	9118	775.00	6257	406.00	15375	1181.00
3	Chennai	0	0.00	24943	1601.00	24943	1601.00
4	COIMBATORE	6118	520.00	11318	709.00	17436	1229.00
5	CUDDALORE	12000	1020.00	5533	354.00	17533	1374.00
6	DHARMAPURI	5706	485.00	2862	187.00	8568	672.00
7	DINDIGUL	8470	720.00	4974	323.00	13444	1043.00
8	ERODE	7177	610.00	7857	499.00	15034	1109.00
9	KALLAKURICHI	6294	535.00	1376	87.00	7670	622.00
10	KANCHIPURAM	6294	535.00	2429	159.00	8723	694.00
11	KANNIYAKUMARI	4353	370.00	8040	511.00	12393	881.00
12	KARUR	3882	330.00	2581	163.00	6463	493.00
13	KRISHNAGIRI	5059	430.00	1438	97.00	6497	527.00
14	MADURAI	7353	625.00	12733	815.00	20086	1440.00
15	MAYILADUTHURAI	5941	505.00	1543	97.00	7484	602.00
16	NAGAPATTINAM	5059	430.00	1990	126.00	7049	556.00
17	NAMAKKAL	6706	570.00	4996	316.00	11702	886.00
18	PERAMBALUR	2823	240.00	1097	70.00	3920	310.00
19	PUDUKKOTTAI	9647	820.00	2714	172.00	12361	992.00
20	RAMANATHAPURAM	5235	445.00	2714	173.00	7949	618.00
21	RANIPET	7059	600.00	3031	189.00	10090	789.00
22	SALEM	11647	990.00	9757	612.00	21404	1602.00
23	SIVAGANGAI	7530	640.00	3064	192.00	10594	832.00
24	TENKASI	4000	340.00	4464	277.00	8464	617.00
25	THANJAVUR	12000	1020.00	5762	363.00	17762	1383.00
26	THENI	4706	400.00	5012	315.00	9718	715.00
27	THE NILGIRIS	2823	240.00	3196	206.00	6019	446.00
28	THIRPPUR	4823	410.00	6179	385.00	11002	795.00
29	THOOTHUKKUDI	6235	530.00	6619	418.00	12854	948.00
30	TIRUCHIRAPPALLI	10647	905.00	7840	495.00	18487	1400.00
31	TIRUNELVELI	4235	360.00	5776	367.00	10011	727.00
32	TIRUPATTUR	5059	430.00	2829	183.00	7888	613.00
33	TIRUVALLUR	12470	1060.00	7524	476.00	19994	1536.00
34	TIRUVANNAMALAI	15765	1340.00	4496	286.00	20261	1626.00
35	TIRUVARUR	10177	865.00	2669	170.00	12846	1035.00
36	VELLORE	5882	500.00	3260	216.00	9142	716.00
37	VILLUPURAM	9765	830.00	2212	144.00	11977	974.00
38	VIRUDHUNAGAR	7235	615.00	4396	280.00	11631	895.00
Total		264705	22500.00	196428	12500.00	461133	35000.00

PLF Bulk Loan Target for the year 2024-25 Annexure-II

Sl. No	Name of the district	(Rs. In Cr)	
		No of PLF	Amount in Cr
1	Ariyalur	6	6.00
2	Chengalpattu	10	10.00
3	Chennai	0	0.00
4	Coimbatore	12	12.00
5	Cuddalore	14	14.00
6	Dharmapuri	12	12.00
7	Dindigul	14	14.00
8	Erode	14	14.00
9	Kallakurichi	10	10.00
10	Kancheepuram	5	5.00
11	Kanniyakumari	9	9.00
12	Karur	8	8.00
13	Krishnagiri	12	12.00
14	Madurai	13	13.00
15	Mayiladuthurai	5	5.00
16	Nagapattinam	6	6.00
17	Namakkal	15	15.00
18	Perambalur	5	5.00
19	Pudukkottai	13	13.00
20	Ramanathapuram	11	11.00
21	Ranipet	7	7.00
22	Salem	20	20.00
23	Sivagangai	12	12.00
24	Tenkasi	10	10.00
25	Thanjavur	14	14.00
26	The Nilgiris	4	4.00
27	Theni	8	8.00
28	Thoothukkudi	12	12.00
29	Tiruchirappalli	16	16.00
30	Tirunelveli	9	9.00
31	Tirupathur	6	6.00
31	Tiruppur	13	13.00
33	Tiruvallur	14	14.00
34	Tiruvannamalai	18	18.00
35	Tiruvarur	10	10.00
36	Vellore	9	9.00
37	Vilupuram	13	13.00
38	Virudhunagar	11	11.00
	Grand Total	400	400.0

Credit Guarantee Fund for Micro Unit Target for the year 2024-25

Annexure - II

(Rs. In Crore)

Sl. No.	Name of the District	Target SHGs for CGFMU	Amount @15 lakhs per SHG
1	Ariyalur	232	34.00
2	Chengalpattu	464	70.00
3	Chennai	0	0.00
4	Coimbatore	160	24.00
5	Cuddalore	1346	202.00
6	Dharmapuri	96	14.00
7	Dindigul	400	60.00
8	Erode	194	30.00
9	Kallakurichi	76	12.00
10	Kancheepuram	464	70.00
11	Kanniyakumari	270	40.00
12	Karur	304	46.00
13	Krishnagiri	206	30.00
14	Madurai	992	150.00
15	Mayiladuthurai	196	30.00
16	Nagapattinam	198	30.00
17	Namakkal	258	38.00
18	Perambalur	58	8.00
19	Pudukkottai	552	82.00
20	Ramanathapuram	62	10.00
21	Ranipet	258	38.00
22	Salem	766	114.00
23	Sivagangai	348	52.00
24	Tenkasi	8	2.00
25	Thanjavur	728	110.00
26	The Nilgiris	118	18.00
27	Theni	170	26.00
28	Thoothukkudi	524	78.00
29	Tiruchirappalli	284	42.00
30	Tirunelveli	232	34.00
31	Tirupathur	182	28.00
31	Tiruppur	100	16.00
33	Tiruvallur	960	144.00
34	Tiruvannamalai	786	118.00
35	Tiruvarur	140	22.00
36	Vellore	278	42.00
37	Vilupuram	452	68.00
38	Virudhunagar	458	68.00
	Grand Total	13320	2000.00