

K-12015(25)/1/2017-UPA I SECTION (EFS: 9031102)

Government of India
M/o Housing and Urban Affairs
(UPA Division)

Room No.324-C, Nirman Bhawan
New Delhi, dated the August 28, 2018

To,

The Mission Directors,


DAY-NULM All States / UTs

Subject: Guidelines for Processing of Interest Subvention through Web Portal - Series 1

Sir / Madam,

In continuation of this Ministry's letter of even number dated 18/19 June 2018 on the subject mentioned above, it is stated that a number of states and ULBs have requested clarifications as to the procedure to be followed for verification and approval of data for processing of Interest Subvention, through the centralized web portal.

2. In order to give a clarity on the subject, a set of guidelines on the matter are enclosed as Annexure 1 & 2. Further clarifications in the form of series of guidelines on the subject will be issued from time to time. States are also advised to refer to the User Manual available in the Download Section in the Portal.


28/8/18

(Niraj Kumar)

Director (NULM)

Tel No: 011 2306 2850

Enclosure:

1. Annexures - 1 & 2

Copy to:

1. Shri Anurag Deep, AGM-IT, Allahabad Bank
2. To all Public and Private Sector Banks

Guidelines for processing of Interest Subvention

1. Maximum loan size for interest subvention

- For SEP – I: up to Rs. 2 lakhs
- For SEP – G: up to Rs.10 lakhs
- For SHGs – Savings Linked Loan

2. Effective date of consideration as loan under DAY-NULM

Loans sanctioned on or after the Mission commencement date of September 23, 2013, will be eligible for interest subvention.

3. Payment of interest subvention amount

Subvention amount will only be paid for the month for which the beneficiary has promptly repaid the amount as per the loan repayment schedule. If a beneficiary is not maintaining prompt repayment and subsequently during the current month clears all dues and becomes a prompt payee, concerned beneficiary will be eligible to get interest subvention for that particular month only. The prompt repayment guidelines are given in Annexure 2.

4. Interest Subvention for SHGs formed during SJSRY

SHGs that availed capital subsidy under SJSRY having outstanding credit will not be eligible for benefit under this scheme. However, fresh loan taken by such SHGs under DAY-NULM, after successfully repaying their SJSRY loan will be eligible for benefit under the scheme.

5. Interest Subvention to Women SHGs (WSHGs) with less than 10 members

WSHGs with less than 10 members (hilly / tribal regions as per SEP guidelines amendment dated April 10, 2018) are also eligible for interest subvention.

6. **Loans Directly Sponsored under DAY-NULM by banks / Mudra**

Loans DAY-NULM / Mudra loans which are directly sponsored by banks and for whom there are no existing NULM MIS records, but bank data has been uploaded on portal, interest subvention benefit can be provided to the beneficiary, provided that he/she fulfills the eligibility criteria as per SEP guidelines. ULBs can initiate verification of beneficiary data with banks. Banks may collaborate with the ULBs to ensure that the beneficiary approaches the concerned ULB to verify his / her credentials with identification documents, such as BPL card / Aadhaar Card / Mobile number. If found eligible, ULB will certify the eligibility of beneficiary and inform the bank accordingly. ULBs may fix a definite period/day(s) in a month when these cases may be taken up.

With respect to Mudra loans which are approved by the ULB, Bank should update the record with the product code of DAY-NULM loans also (apart from Mudra) in the CBS.

7. **Role of ULB**

The ULB role is to perform following three Actions: Master Data Verification and Approval, ULB Bank Branch Mapping and Upload of Unclaimed Beneficiary data for banks.

- a. **Verification and Approval of Master Data:** There are two types of beneficiary data submitted by banks. First, **Master Data** which is basic details of beneficiary like name, gender, loan type, loan account number etc, which is static data. Second is **Claim Data**, which includes a field for interest subsidy claim amount, submitted with respect to each month and is a dynamic data.

ULBs need to do only one time verification and approval of the Master Data during the entire tenure of the loan. Once the Master data is approved, month wise claim data uploaded by banks, automatically gets forwarded to the state for verification and approval for payment purpose. **There is no process of approval of Claim data by ULBs.**

The ULB verifier does the initial check / verification of the Master Data, while the ULB Approver does the final Approval, validating / confirming the verified data. The ULB Verifier and Approver shall:

- reject any data in-case of not matching the eligibility criteria i.e. urban poor, effective date from 23rd September 2013, loan size etc. and
- ensure that the beneficiary details are maintained in the DAY-NULM MIS properly
- entry of data in DAY-NULM MIS with respect to Mudra loans approved in the portal

b. **Mapping of bank branches:** Mapping of bank branches with ULB has been done in the portal based on the information given by the States. This means that banks can upload data only with respect to those bank branches which are mapped in the system. The rights of mapping bank branches has been given only to ULBs, which can be done based on IFSC code of the branch. However, a facility has been provided to banks to submit list of their unmapped bank branches to States. But these get added only when the request is approved by the ULBs. Hence ULBs, are required to undertake periodical check on the portal if there are any requests pending for mapping of additional bank branches by banks. Following criteria may be considered for branch mapping:

- If the bank branch has been giving DAY-NULM loans as per ULB record, then these can be mapped in the portal with the respective ULB.
- With respect to branches, for whom there is no prior record with the ULB, but have directly given DAY-NULM loans, ULBs should include them if the loans given by them under DAY-NULM meet the criteria of Mission guidelines. States /ULBs should also ensure that for subsequent years these branches are included for target allocation by the SLBC. Similar action may be taken for mapping of rural bank branches.

c. **Upload Unclaimed Entry:** ULBs have been provided facility to upload beneficiary data for which claims have not been uploaded by the banks. A file format has been provided on the portal for the purpose. ULBs may use this feature to ensure that no beneficiary is left out from getting the interest subvention benefit, as per the SEP guidelines. Banks may then fetch loan records of such beneficiaries and upload on the portal.

8. Role of State Users: The role of state is to verify and approve the Claim Data. The State verifier does the initial check / verification, while the State Approver does the final Approval, validating / confirming the verified data. States may check for each bank, the accuracy of subsidy claims calculation made by banks. The interest subsidy amount claimed by banks should not be more than the difference between the Rate of Interest charged by the banks and the rate of 7% allowed under the scheme. An additional 3% interest subvention is allowed to Women SHGs as per mission guidelines. In case there is discrepancy in any bank's claim data, this should be brought formally to the attention of concerned bank, Allahabad Bank and the Ministry for rectification of data.

9. Manual Processing of Interest Subvention Claims: States can continue manual processing of subvention claims with respect to the following: RRBs and Cooperative Banks - till the time they are on-boarded on to the portal. Subvention cases of banks (other than RRBs and Cooperative Banks) where manual processing was mid-way and internal approvals have been taken. However, states should take ensure that there is no approval of duplicate claim of subsidy data for a beneficiary for any month in the portal.

10. Calendar for Web Portal Activities

The interest subvention data will be uploaded by Banks on a monthly basis. the monthly calendar with timelines for each user is given here under:

Type of User	1st-15th of month	1st to 25th of month	26th to 30th/31st of month	Remarks
Data Submission (Banks)	✓	×	×	Banks can submit data only during first 10 days of the month
Verify and approve Master Data (ULBs)	✓	✓	×	All ULB actions, including verification and approval of Master Data.
Verify /Approve Claim Data (States)	×	×	✓	State can verify and approve the claim data for subvention payment

11. Update of Mobile Number of Beneficiary: As the banks had been facing difficulty in uploading beneficiary records due to mandatory field of mobile number, the Ministry had given a relaxation of 6 months (with effect from August 1, 2018 to January 31, 2019) for banks and the field has been made optional. Since it is critical that the beneficiaries are intimated about crediting of interest subvention through SMS, banks should make all efforts for mobile seeding of all DAY-NULM loan accounts. ULBs on their part may create necessary awareness amongst the beneficiaries that the mobile number may be updated with the concerned branch by the beneficiaries. The matter may be taken up in the agenda item of SLBC and DLRC as well.

12. Correct Input in CBS for Unique Codes for DAY-NULM: Wrong input of product codes for DAY-NULM by banks has been one of the factors for inaccurate beneficiary data. The Ministry will be sharing a directory of

Product Codes for DAY-NULM of Banks which will be circulated with the states and ULBs. With respect to RRBs and Cooperatives Banks, states may coordinate with them locally for facilitating creation of these codes. Information regarding correct product codes may be also discussed in the SLBC and DLRC meetings as well by the States and ULBs respectively.

13. Onboarding of RRBs and Cooperative Banks: Since RRBs and Cooperatives Banks are state specific, states may make the necessary efforts to get “Basic Data”, (in terms of Ministry’s letter K-12012(8)/2/2018-UPA-1-EFTS 9037786 dated March 5, .2018, to all RRBs and Cooperative Banks) from these banks at the state level, so that, these can be onboarded on the portal.

14. Assistance for Using the Portal: In case of requirement of any technical assistance relating to the usage of web portal, States and ULBs can reach out to Allahabad Bank on the following.

Helpdesk Number: 011 - 011-41106131

Toll Free Number: 18001025026

During Operational Hours: 10:00 am to 6:00 pm on Bank working days.

Email: nulmwebportal@allahabadbank.in

In case of any other clarifications relating to these guidelines, States and ULBs can reach out to the Members to the following persons in the Ministry:

- Mr. Vijay Singh : 8889995867
- Mr. Ashwini Dubey : 8130554804

Emails to Ministry can be sent on nulmwebportal@gmail.com

RBI Guidelines for prompt Repayment

RBI guidelines for prompt repayment are as follows:

i. For Cash Credit Limit (CCL):

- Outstanding balance should not have remained in excess of the limit/ drawing power continuously for more than 30 days.
- There should be regular debits and credits in the account. In any case there shall be at least one customer induced credit during the month.
- Customer induced credit should be sufficient to cover the interest debited during the month.

Explanation: 'Customer induced credit' - For CCL, beneficiary should repay at least the interest charged by bank at 7% every month to be considered prompt payee.

ii. For Term loan (TL): Interest and principal i.e. monthly instalments fixed by bank is paid within 30 days of the due date.

Explanation: Beneficiary should pay their Equated Monthly Instalments (EMI) as per the repayment schedule. The EMI should be paid within 30 days of the due date to be considered prompt payee for the period.

The prompt payment guidelines will continue to be guided by RBI guidelines on the subject in future.