

K-12012(8)/2/2018-UPA-I-UD/EFTS-9037786
Government of India
Ministry of Housing and Urban Affairs
NULM Division

Nirman Bhawan, New Delhi
20th February, 2018

To,

Chairman and Managing Directors
All Scheduled Commercial Banks

Sir/Madam,

Subject: Web Portal for release of interest subvention under Self Employment Programme (SEP) component of DAY-NULM- Information Requirement from Banks

The Ministry of Housing and Urban Affairs is implementing Deendayal Antyodaya Yojana - National Urban Livelihoods Mission (DAY-NULM) for reducing the poverty and vulnerability of urban poor households. Under the Self Employment Programme (SEP) component of the Mission, financial assistance is provided to beneficiaries by way of interest subvention on bank loans, for interest rate over and above 7% charged by the banks. The Mission is operational in 35 States / UTs, across 4041 statutory towns and cities.

The Ministry has recently entered into an MOU with Allahabad Bank (copy enclosed) for design and development of a Web Portal, for streamlining the release of interest subvention to beneficiaries under the SEP component. In order to implement the portal, the activities required to be done and support required from your end is detailed below:

1. As per the proposed system, banks will upload the beneficiary data centrally on the portal. This information would need to be segregated state wise, Urban Local Body (ULB) wise for verification by concerned ULBs. This requires mapping of bank branches with ULBs. You are requested to furnish **details of bank branches (IFSC code, branch name, address etc.) and corresponding ULBs** in Table 1 of the attached format. A ULB Code list along with district and States in which the ULBs is located, as maintained by the Mission, is enclosed for reference.
2. Each bank would be provided **user ids for 'maker' and 'checker' for uploading beneficiary data**. Each user id will be mapped through a mobile number and an email id which will be used for OTP verification and notification. The details of personnel nominated for the roles may be furnished as per Table 2 given in the attached format.

3. **Contact details of nodal person** from the bank Head office, identified for regular coordination on the matter as per Table 3.
4. As per RBI Circular dated 1st July, 2017, RBI/2017-18/5 FIDD.GSSD.CO.BC.No.03/09.16.03/2017-18, banks have been advised to identify NULM loans through unique codes in their database. This is critical to ensure quality of data submitted by banks. The **unique codes and sub-codes** defined by your Bank for **DAY-NULM** may be shared with the Ministry.

The information requested above is urgent and may be furnished to the Ministry by Feb 23, 2018. A soft copy may also be shared in Excel sheet by email at nulmwebportal@gmail.com with a copy to dupa-mhupa@gov.in. Any inputs and suggestions to enable the web portal to offer greater value to the banks are most welcome.

Yours sincerely,



(Archana Mittal)
Director (NULM-I)
Tel: 011 23062127

Enclosures:

1. MOU between MOHUA and Allahabad Bank
2. ULB Code List
3. Format for Submission of Information

Copy to/-

Shri Anurag Deep, AGM/IT, Allahabad Bank, 2, Netaji Subhash Marg, Kolkata is requested to further pursue the matter with the Banks through IBA

Data Format for Submission of Information

Table 1: Bank Branch- ULB Mapping

| Sr. No | Bank Name | IFSC Code | Branch Name & Address | Branch Pin Code | ULB Code | Remarks |
|--------|-----------|-----------|-----------------------|-----------------|----------|---------|
| | | | | | | |

Table 2: Details for User ids

| Sr. No | Bank Name | Maker Name | Maker Designation | Maker Email | Maker Mobile No | Checker Name | Checker Designation | Checker Email | Checker Mobile | Remarks |
|--------|-----------|------------|-------------------|-------------|-----------------|--------------|---------------------|---------------|----------------|---------|
| | | | | | | | | | | |

Table 3: Details of Nodal Person

| Bank Name | Nodal Person Name | Designation | Email | Mobile | Office Address | Remarks |
|-----------|-------------------|-------------|-------|--------|----------------|---------|
| | | | | | | |

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MoU) is executed at New Delhi on this 9th day of January 2018.

BETWEEN

Ministry of Housing and Urban Affairs, Government of India, having its office at "Nirman Bhavan, New Delhi, 110011", (hereinafter referred to as "MoHUA)" which expression shall, unless it be repugnant to the subject or context thereof, mean and include its successors, affiliates and assigns) of the ONE PART

AND

Allahabad Bank, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act 1970 having its Head office at 2, Netaji Subhash Road, Kolkata (hereinafter referred to as 'the Bank / Allahabad Bank' which term shall include its successors and assigns) of the OTHER PART.

MoHUA and Allahabad Bank are hereinafter individually referred to herein as a 'Party' and collectively as 'Parties'

1. Background

- a. MoHUA through its Deendayal Antyodaya Yojana – National Urban Livelihoods Mission (DAY-NULM), under the Self Employment Programme (SEP) component of the Scheme provides financial assistance to individuals/groups of urban poor for setting up gainful self-employment ventures/ micro-enterprises.
- b. Enterprises financed under DAY-NULM by the Banks are eligible for interest subvention to avail credit up to Rs.2 lakhs for individuals and Rs 10 lakhs for SHGs / group loans at 7% per annum.
- c. Banks can lend to enterprises under DAY-NULM as per their prevailing rate of interest
- d. The beneficiary is subvented to the extent of difference between the rate of interest charged by the Bank and 7% rate of interest.
- e. Further, the Women SHGs are provided with an additional 3% subvention on prompt repayment of loan provided they satisfy the following conditions as specified by the RBI:



- b. The Bank has offered to MoHUA to provide a portal and to operate a current account for managing its Interest Subvention payment, payable by state governments for all the participating banks.
- c. Allahabad Bank will transfer the subsidy directly to the bank account of the Aadhaar-authenticated beneficiary by using the data available on the web portal, based on authorization received from state governments.
- d. The Parties wish to enter into this MoU to set out the general terms and conditions under which Allahabad Bank will maintain the portal on behalf of the MoHUA and will provide electronic payments services to state governments. The Parties hereto have agreed that their respective rights and obligations with regard to their business relationship between them inter se will be interpreted, acted upon and governed solely in accordance with the terms and conditions of this MoU.

NOW IN CONSIDERATION OF THE MUTUAL COVENANTS AND UNDERTAKINGS HEREIN AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES HEREBY AGREE AS FOLLOWS:

3. DEFINITIONS:

Participating Banks: All Scheduled Commercial Banks, All State Cooperative Banks, Regional Rural Banks and any other Bank as recognized by the MoHUA for the purpose of the scheme.

4. WEB PORTAL FUNCTIONALITY & PROCESS

- a. Allahabad Bank will design and develop the web portal in consultation with the Ministry based on the Timelines and Milestones as given in Annex.
- b. Allahabad Bank under the direction of the Ministry, will open and maintain a dedicated current account for each state government which will be used for maintaining advance funds for interest subvention released by the state. This amount will be equivalent to expected average amount of monthly interest subvention under DAY-NULM. This amount will be reviewed quarterly.



- n. The Bank will transfer the amount of subsidy in beneficiary account directly using digital platform supported by NPCI/RBI / PFMS This activity shall be performed state wise, by the Bank on monthly basis on a pre-defined date(s).
- o. The web portal will be compatible with the Aadhaar Payment Bridge System (APBS) of National Automated Clearing House (NACH) being implemented by National Payments Corporation of India (NPCI)
- p. For every DBT to a beneficiary, SMS intimation will be sent to the registered mobile number of the beneficiary with the concerned bank account by Allahabad Bank. Bulk SMS charges will be applicable at the rates provided in advance by Allahabad Bank. The SMS charges will be deducted from the concerned bank account of the respective state.
- q. All failed transactions on account of invalid account number, account closed or any other failure reason, shall be up-loaded on the web-portal for consumption of related stake-holder(s).
- r. Bank will provide subsidy flow status dash-board to the Ministry for monitoring purpose.
- s. Allahabad Bank will provide MIS report relevant for each user group namely, Ministry, state government, ULB and Banks for easy monitoring and reconciliation. The MIS reports will be customized from time to time.

5. OBLIGATION OF THE PARTIES:

- a. Allahabad Bank will develop and commission the proposed portal within two months of signing of this MoU.
- b. The design and development of web portal will follow the Timelines and Milestones as attached in Annexure.
- c. Allahabad Bank would engage with the Office of MoHUA – DAY-NULM on a concurrent basis during the development of the portal, inter-alia, including through the process of trials and iterations.
- d. Allahabad Bank will set up a dedicated management cell located at Delhi for smooth operations of the scheme and to act as an interface with the Ministry or on matters connected therewith.
- e. Allahabad Bank will carry out necessary modification / recalibration in the portal based on real time necessities and requirements as well as upgradation in the NPCI or other external system even after development and modification of the online portal.



7. INDEMNITY

MoHUA shall, at its own expense, indemnify, defend and hold the Bank and/or its officers, directors, employees, representatives, agents respective directors, and assigns harmless from and against any and all liability (including but not limited to liabilities, judgments, proceedings, damages, losses, penalties, claims) any other loss that may occur, howsoever arising directly or indirectly as a result of:

- a. any breach or non-performance by MoHUA of any of their undertaking, warranty or obligation under this MoU or
- b. any act, neglect, or default of MoHUA, or its agent, employees or
- c. any other claim by any other party against the Allahabad Bank in respect of providing services or performance of this MoU.

Allahabad Bank will, at its own expense, indemnify, defend and hold harmless MoHUA and its officers, employees, representative, agents and assigns from and against any and all liability (including but not limited to liabilities, judgments, proceedings, damages, losses, penalties, claims) and any other loss that may occur, howsoever arising directly or indirectly as a result of:

- a. any breach or non-performance by Allahabad Bank of any of their undertaking, warranty or obligation under this MoU or
- b. any act, neglect, or default of Allahabad Bank, or its agent, employees or
- c. any other claim by any other party against MoHUA in respect of providing services or performance of this MoU.

8. SERVICE CHARGES

The Bank will be entitled for service charges from MoHUA @ 1.05% of interest subsidy amount reimbursed to the participating bank+ GST (applicable from time to time) for maintaining the portal. Service charges will be automatically deducted along with the payment to be made from the dedicated account maintained for this purpose.

iii. disclosed pursuant to any law or order of any court or regulatory authority having jurisdiction over the receiving Party.

d. The Receiving Party for the purpose of this Clause would be the Party to whom any such Confidential Information, including all documents, data papers and statements etc., has been disclosed by the other Party.

11. FORCE MAJEURE

a. Notwithstanding anything contained in this MoU, the Parties shall not be liable for any failure to perform any of its obligations under this MoU if the performance is prevented, hindered or delayed by a Force Majeure event (defined below) and in such case its obligations shall be suspended for so long as the Force Majeure Event continues). Each Party shall promptly inform the other of the existence of a Force Majeure Event and shall consult together to find a mutually acceptable solution.

b. "Force Majeure Event" means any event due to any cause beyond the reasonable control of the Party, including, without limitation, unavailability of any communication system, sabotage, fire, flood, explosion, Act of God, civil commotion, strikes or industrial action of any kind, riots, insurrection, war, acts of government.

12. TERM AND TERMINATION

a. This MoU shall be in force for a period of Three (3) years from the date of execution of the MoU, subject to automatic renewal for successive terms of Three (3) years each unless either party gives the other party notice in writing of non-renewal at least one month prior to termination date.

b. The Parties shall be entitled to terminate this MoU without assigning any reason by giving 30 days notice.

c. The termination of this MoU shall be without prejudice to the accrued rights and obligations of the Parties and all such accrued rights and obligations shall remain in full force and effect and be enforceable notwithstanding such expiry or termination.

d. Upon the termination or expiration of this MoU for any reason whatsoever, either party shall:

i. Immediately refrain from any action that would or may indicate any relationship between it and either party.

