

Kolkata



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PART I—Orders and Notifications by the Governor of West Bengal, the High Court, Government Treasury etc.

Government of West Bengal  
Department of Self Help Group & Self Employment  
Writers' Buildings, Kolkata-700001.

Date 23.05.2007.

No.222-SH/2P-49/07

**NOTIFICATION**

It has been under the consideration of the State Government to introduce changes in the Bangla Swanirbhar Karmasansthan Prakalpa in respect of eligibility criteria of applicants, maximum project cost and subsidy etc. as well as the guidelines for implementation. Now I am directed, by order of the Governor, to set down the revised BSKP along with revised guidelines for its implementation.

9. 1. **Short Title :** This scheme shall be called 'Bangla Swanirbhar Karmasanasthan Prakalpa' and for individual youth it shall be called 'Atma Maryada' and for group of entrepreneurs it shall be called 'Atma Samman' and is hereinafter referred to as the Scheme.
2. **Objective :** The objective of the scheme is to generate self-employment in the Urban and Rural areas of the State through promotion of tiny scale units of production, manufacturing, trade, service or any other sector including agro-based industries, floriculture, horticulture, animal husbandry other than direct agriculture.
3. **Commencement :** The scheme came into effect on and from the financial year 2000-2001. It was extended to Rural areas in 2006 - 2007. It shall be a continuous scheme.
4. **Applicability :**
  - i) The scheme shall be applicable to all eligible entrepreneurs, individually or in groups (subject to a minimum of five members and all of them belonging to the same area), who want to generate income by setting up viable tiny scale units or to run, revive or improve any existing unit. The project cost for an individual applicant will be subjected to a maximum limit of Rs.10 (Ten) lakhs and for groups of 5 (five) or more the maximum project cost will be limited to Rs.25 (Twenty Five) lakhs. Application for individual scheme can be made singly or jointly upto four persons.
  - ii) More than 1 (one) member from the same family shall not be eligible for constituting a group and shall not be eligible for subsidy under the scheme for group of entrepreneurs (Atma Samman).
  - iii) Employees of Central/State Govt./Govt. Undertakings and their families will not be eligible for subsidy under the scheme.
5. **Definitions :**
  - i) 'State Government' means the Govt. of West Bengal.
  - ii) 'Tiny Scale Unit' for this Scheme means a unit having Project cost upto Rs.25 lakhs.
  - iii) The project cost means costs of the following items :-
    - a) Fixed capital assets i.e. costs of plant and machinery and/or cost of land.

- b) Cost of civil works required for the project.
- c) Hiring charge of any building required for the project;
- d) Initial working capital required at the stage of commencement of proposed scheme, whether manufacturing, trade, service or any sector including agro-based industries, floriculture, horticulture and animal husbandry etc. and not working capital cost which may be required subsequently after the project is operationalised
- iv) 'Family' for the purpose of the scheme shall be deemed to consist of spouse, dependent parents and dependent minor children.
- v) 'Motivator' means a person or a group of persons or an organization not being prospective entrepreneur under the schemes and is engaged as such to motivate and assist the prospective entrepreneurs to avail of the Scheme, provide guidance for appropriate implementation of the project and play decisive role in motivating the beneficiaries to repay the loan.
- vi) 'Unemployed youth' means any person who is not gainfully employed and is within the age of 18 to 45 years as on the date on which he or she makes an application for assistance under the scheme and registered with any employment exchange. The State Govt. in the Department of Self-Help Group & Self Employment ~~shall have the power to~~ limit for a maximum period of two years (i.e. upto 47 years of age) on consideration of merit as a special case under exceptional circumstances.
- vii) 'Bank Branch Concerned' or 'WBFC Branch' means the branch or the branches of the Nationalised bank / Co-operative Bank / Gramin Bank or of West Bengal Financial Corporation or any other financial corporation under the State/Central Government, as the case may be, to whose areas of operation the sponsored application of the prospective entrepreneur or group of entrepreneurs pertain.
- viii) 'Sponsored' means the loan applications which are considered eligible by the PIC and submitted to the bank WBFC or other financial corporation as the case may be for sanction.
- ix) 'Sanctioned' means the cases sanctioned by the bank or WBFC or any other financial corporation as the case may be for disbursement of loan amount.
- x) 'Disbursed' means the cases disbursed by bank or WBFC or any other Financial Corporation as the case may be and shall consist of loan, subsidy and owner's share in right proportion.

F. 6. **Eligibility** : An individual entrepreneur or a group of entrepreneurs preferably registered with any employment exchange of the State and whose family income (respective family income of individual member in case of a group) does not exceed Rs.15,000/- per month and who intend(s) to generate income by setting up any viable unit of industry, trade, services etc. or reviving or improving an existing unit, will be eligible under this scheme.

7. **Funding pattern** : Subject to fulfilment of all other conditions

- i) a) The State Government shall provide a subsidy/grant of 20% of the project cost, subject to a maximum of Rs.1,00,000/- ( Rupees One lakh ) only in case of individual schemes ( **Atma Maryada** ) and a maximum of Rs.2,50,000.00 ( Rupees Two lakh Fifty thousand ) only in case of group scheme ( **Atma Samman** ).
- b) 10% of the project cost shall be provided by the entrepreneur as margin money.
- c) The balance 70% of the project cost or the amount as may be required after deducting the entrepreneur's contribution and Government subsidy from the total project cost will be provided by bank or West Bengal Financial Corporation or any Financial Corporation as term loan and or working capital loan.
- d) No Government subsidy/grant shall be provided on working capital, which may be required subsequent to the initial operationalization of the scheme whether in manufacture, trade or service sector. The banks, however, may extend loan for working capital etc. for subsequent requirement of the entrepreneur after the project has been operationalised.
- e) No Government subsidy/grant shall be provided for cash credit.
- ii) For SSI units of tiny scale, no collateral security other than hypothecation of plant and machinery or any other asset procured for the project will be required for the loan component upto Rs.5 lakhs of the project cost. For units of non-SSI sectors such as service, trade etc. no collateral security will be required for the loan component of upto Rs.1 lakh of the project cost.

- iii) Representative of Chairperson of Society for Employment of Unemployed Youth – Member.
- iv) District Self Help Group & Self Employment Officer – Member.
- v) General Manager, DIC. – Member.
- vi) Branch Manager of the Bank concerned – Member.
- vii) Designated Officer at Municipality level– Convenor.
- viii) Motivators concerned – Invitee.

**c-iii) PIC at Kolkata Municipal Corporation :**

- i) Joint Secretary, Department of Self Help Group & Self Employment – Chairman.
- ii) Joint Commissioner, K.M.C. – Vice Chairman.
- iii) Representative of chairperson of Society for Employment of Unemployed Youth – Member.
- iv) Mayor's representative ( Councillor ) – Member.
- v) Representatives of concerned Bank – Member.
- vi) Representative of Director of Cottage & Small Scale Industries – Member.
- vii) District Self Help Group and Self Employment Officer, Kolkata – Convenor.
- viii) Designated Officer at Borough Level - Invitee.
- ix) Motivators concerned – Invitee.

**c-iv) PIC at Other Municipal Corporation :**

- i) Chief Executive Officer / Commissioner of the Municipality – Chairman.
- ii) S.D.O. – Vice Chairman.
- iii) Representative of Chairperson of Society for Employment of Unemployed Youth – Member
- iv) Mayor's Representative ( Councillor ) – Member.
- v) Representatives of concerned Bank - Member.
- vi) General Manager, DIC – Member.
- vii) Designated officers at Municipality level-Convenor.
- viii) Motivators concerned – Invitee.

- d) There shall be a **District Level Monitoring Committee** to review the progress and smooth implementation of the scheme in each district except Kolkata which will have its own Monitoring Committee.

The Committee shall consist of the following members :

- i) Chairman of the District Planning Committee — Chairman.
- ii) District Magistrate – Vice Chairman.
- iii) M.P. – Member.
- iv) Chairman of Municipality/ Municipalities – Member.
- v) Karmadhakshya, Khudra Silpa, Vidyut O Achiracharit Sakti Sthayee Samity – Member.
- vi) Lead District Manager - Member.
- vii) District level Co-ordinators of Banks concerned – Member.
- viii) Representative of Chairperson of Society for Self Employment of Unemployed Youth, West Bengal – Member.
- ix) General Manager, DIC – Member.
- x) District Self Help Group & Self Employment Officer – Convenor.
- xi) Representative of Motivators - Invitee.

**d-ii) Monitoring Committee at Kolkata Municipal Corporation :**

- i) Mayor – Chairman.
- ii) Commissioner, K.M.C. – Vice Chairman.
- iii) Joint Secretary, Deptt. of SHG & SE – Member.
- iv) M.P.s' – Member.
- v) Lead Bank Officer, Kolkata – Member.
- vi) Representatives of SBI, Allahabad bank, U.Co. Bank, IOB, State Co-op. Bank – Member
- ix) Director, Cottage & Small Scale Industries – Member.
- x) Representative of Urban Development Department – Member.
- xi) Representative of Chairperson of Society for Self Employment of Unemployed Youth, West Bengal – Member.

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## Other conditions :

- i) The ownership of the project may be proprietorship, partnership, a cooperative society of a group of entrepreneurs, private company etc.
- ii) In cases wherever necessary, trade licence from the concerned Panchayat / Municipality / Municipal Corporation shall be obtained. The Self-Help Group & Self-Employment Offices in the District and Blocks and designated officers at Municipality/Corporation level will work to provide necessary assistance / guidance to the applicants. In cases where necessary clearance from the West Bengal Pollution Control Board and registration with the Directorate of Cottage and Small Scale Industries is to be obtained, assistance shall also be provided by such officers.
- iii) Entrepreneurs or the members of the groups thereof (i.e. every member of the group) who might have availed of loan under any other scheme will also be eligible to avail of this scheme provided that they have fully repaid their earlier loans or there is no demand for repayment pending against them if the earlier loan was under any programme or scheme linked with grant or subsidy from the Government and provided further that the total subsidy of all the schemes including the present one does not exceed the limit prescribed under the present scheme.
- iv) Once the project is sanctioned in favour of any entrepreneur as an individual or as a member of group, he/she will not be entitled to seek any employment during the period of operation of the project. The entrepreneur as an individual or as a member of a group shall produce his/her original employment exchange registration card and submit a copy of the same for attestation of Block Self-Help Group & Self-Employment Officers and designated officers at Municipality level who shall retain the attested copy of the card. The District Self-Help Group & Self-Employment Officer shall inform the concerned employment exchange to keep this registration in abeyance until further notice i.e. till the full repayment of principal and interest has been made to the concerned Bank / Financial Institution.

9. Govt. Grant : An eligible entrepreneur or group of entrepreneurs shall be entitled to get a subsidy / grant of 20% of the Project cost subject to a maximum of Rs. 1,00,000/- ( Rupees One lakh ) only for individual scheme and Rs. 2,50,000/- ( Rupees Two lakh Fifty thousand ) only for group which will be disbursed along with the loan amount after ensuring that the entrepreneur or group of entrepreneurs have contributed 10% of the project cost as Margin money.

## 10. Implementation of the scheme :

- a) The Society for Self Employment of Unemployed Youth, West Bengal will implement the Scheme through the Banks/Financial Institution and WBFC. The Department of Self-Help Group & Self-Employment shall have the overall responsibility of the implementation of the scheme. The District Self-Help Group & Self-Employment Officers in the districts and Designated officer at Kolkata Municipal Corporation will function as the nodal officer for this scheme:
- b) The scheme will be implemented in every Block / Municipality / Municipal Corporation / N.A.A. in the State of West Bengal under the supervision of the Project Implementation Committee (PIC) and overall guidance of the District Level Monitoring Committee.
- c) The PIC will be formed Block / Municipality / N.A.A. wise in the district and in Kolkata Municipal Corporation and will consist of the following members :
  - c-i) The PIC at Block :
    - i) Sabhapati of the Panchayat Samity – Chairman.
    - ii) Block Development Officer - Member.
    - iii) Representative of chairperson of Society for Self Employment of Unemployed youth - Member.
    - iv) M.L.A. - Member.
    - v) Block Self Help Group & Self Employment Officer - Convenor.
    - vi) Industrial Development Officer - Member.
    - vii) Representatives of Banks concerned – Member.
    - viii) Motivators concerned – Invitee.
  - c-ii) The PIC at the Municipality :
    - i) S.D.O. – Chairman.
    - ii) Chairman of the Municipality - Member.

- xii) Designated officer at Municipal Corporation, Kolkata – Convenor.
- xiii) Representative of Motivators – Invitee.

The Committee shall meet as and when necessary.

**11. Engagement of Motivator :** The Society for Self Employment of Unemployed Youth, West Bengal will engage Motivators. The engagement of Motivator shall be purely on ad hoc basis and temporary in nature. The engagement may be renewed from time to time at the discretion of Society for Self Employment of Unemployed Youth, West Bengal. Such engagement shall not entitle the Motivators to any claim / right for any kind of employment under the Society / State Govt. in any manner whatsoever. The engagement of Motivators may be terminated at any time without assigning any reason whatsoever. The Motivators shall be entitled to only performance – related incentive, as may be decided by the Department of Self-Help Group & Self-Employment. In order to receive payment on account of incentives, the Motivators shall submit claims in prescribed form at least once in every quarter, irrespective of the total amount of claims for the period for consideration.

**12. How to apply :** Any eligible unemployed can apply in the prescribed form available with the District Block and Municipality offices individually or in group of five or more and submit to the motivator earmarked for the area to which he/she belongs, along with a project report. The motivator shall guide and assist him/her in filling up the application form or for preparation of the project, if necessary. Any project over and above Rupees 2.50 lakhs ( two and a half lakhs ) should preferably be vetted by a technically qualified person who may be either a Govt. employee or a private practitioner. Having satisfied himself about the sincerity, capability and bonafide of the applicant and the viability of the project he has prepared, the motivator shall deposit the application, along with the project report to the Block Self Help Group and Self Employment officers and designated officers at Municipality/Corporation as the case may be.

**13. Sponsoring of applications :** The Block Self Help Group and Self Employment Officer and designated officer at Municipality/Corporation in consultation with the concerned Motivator shall process the applications and place them before the PIC for consideration. The PIC in every block or Municipality should meet formally at a regular interval to monitor the overall progress of the scheme and for considering and screening the applications pending for clearance of the PIC. After a preliminary examination the PIC, if satisfied, prima facie, about the viability of the project and bonafide of the applicant, will sponsor the proposal for consideration of the Bank / WBFC for sanction of loan and send a copy of the application along with the project report in respect of each eligible applicant to the bank/WBFC concerned. A list of cases sent to the Banks / WBFC and other financial institution shall be made available to the concerned District Self-Help Group & Self-Employment Officer for their record and appropriate action. After every meeting of the PIC, the Convenor of the said PIC shall prepare a report in prescribed form and submit to the District Self Help Group & Self Employment Officer with a copy to the Society for Self Employment of Unemployed Youth, West Bengal and the Motivator concerned.

**14. Sanction of loan :** The Banks / WBFC/Financial Institution, on receipt of the applications from the Block Self Help Group & Self Employment Officer/Designated Officer of the Municipality/Corporation/N.A.A. after having been cleared by the PIC, shall process the applications independently for sanction and disbursement of loan. The Bank may, in its turn, commence all enquiry as may be deemed necessary or conduct field visits to assess and confirm the viability of the project. After completion of the process, the Bank/WBFC/F.I. shall grant sanction to the loan applications only which are considered eligible and submit requisition to the District Self Help Group & Self Employment Officer for release of Govt. Grant/Subsidy in prescribed form. A copy of the sanction letter shall also be endorsed to the concerned Block / Municipality/ Corporation/N.A.A. Motivator and the entrepreneur concerned. Simultaneously, the Banks / WBFC/F.I. shall also request the concerned entrepreneur to deposit his contribution (10%) with the bank.

Those cases which are sponsored by the PIC but rejected by the Bank / WBFC/F.I. shall be returned along with the reasons for rejection, in prescribed form to the Block Self Help Group & Self Employment Officer/Designated officer at Municipality/Corporation/N.A.A. level for placing before the PIC. The PIC shall examine these rejected cases vis-à-vis the cause of rejection and the defects, if found rectifiable, will be suitably rectified by the applicant in consultation with the motivator for resubmission to the Bank. If, however, the PIC is not satisfied with the cause of rejection presented by the bank concerned, it may draw the attention of the LDM for appropriate action. All disputes between the LDM and PIC/ District Level Officers related to sanction or rejection of an application under this scheme, if any, shall be forwarded to the Society for Self Employment of Unemployed Youth for further consideration and taking up with the higher authorities of banks/WBFC/F.I. for final settlement.

**15. Release of Subsidy :** Having received the requisition from the Bank for Govt. Grant / Subsidy in prescribed form, the District Self Help Group and Self Employment Officer shall claim subsidy from the Society for Self Employment of Unemployed Youth, West Bengal, State Youth Centre, Room no. – 10, 142/3, A.J.C. Bose Road, Kolkata – 700 014 by submitting in prescribed form along with bank sanction letter immediately and not later than 15 working days. The Society

will duly examine the claim along with the sanction letter of the Bank and release appropriate amount of subsidy of the Bank concerned and forward, through the fastest medium of communication available, to the District Self Help Group and Self Employment Officer within a fortnight of receipt of such requisition to pass on to the respective WBFC/F.I. forthwith.

**16. Disbursement of Loan :** On receipt of Grant / Subsidy and the entrepreneurs' contribution, the Bank / WBFC shall arrange to disburse the amount to the entrepreneur in accordance with disbursement schedule and inform the District Self Help Group & Self Employment Officer in prescribed form. It is advisable that the Bank/WBFC/F.I. should involve the Motivators in the process of disbursement who should be asked to remain present at the time of disbursement in the interest of smooth and timely recovery of the Loan. All disbursement shall consist of loan, subsidy and owner's share in right proportion and are expected to take place within 15 days of receipt of subsidy as per guidelines of Reserve Bank of India. No subsidy, henceforth, shall be retained by the Bank undisbursed for more than a month, failing which interest will be charged on the subsidy amount. The bank shall be liable to pay interest to the Society for Self Employment of Unemployed Youth at the rate, charged by bank to the entrepreneurs for their share of loan from the Bank, against the amount of subsidy lying undisbursed with the bank beyond one month(30 days), provided that the entrepreneur's contribution has also been deposited to the bank.

**17. Monitoring of Progress :** All Block Self Help Group and Self Employment Officer/Designated officer at Municipality /Corporation/N.A.A.level shall submit a Monthly Report consisting of entrepreneur-wise detail within his/her area of operation in prescribed form to the District Self Help Group & Self Employment Officer on or before the 7<sup>th</sup> day of the next month, who will forward them in a consolidated form as prescribed to the Society for Self Employment of Unemployed Youth, West Bengal, State Youth Centre, Room no. - 10, 142/3, A.J.C. Bose Road, Kolkata - 700 014 on or before 15<sup>th</sup> of next month for continuous monitoring and supervision at appropriate level.

**18. Training :** The Department of Self-Help Group & Self-Employment may arrange Vocational Training for the unemployed youth, as and when necessary, to equip them adequately to enable successful implementation of projects under the scheme. Training for the Motivators may also be arranged by the Department of Self-Help Group & Self-Employment in order to enable them to acquire the necessary skills and ability to provide guidance to the prospective entrepreneur or group of entrepreneurs.

**19. Interest :** The interest chargeable on the bank loan shall be prevailing publicized rate of interest of the bank/WBFC/F.I. (as may be decided by the Bank/WBFC/F.I. from time to time).

**20. Recovery of Loan :** Any demand arising out of non recovery of loan or default in repayment of the loan under this Scheme shall be treated as a Public Demand within the meaning of the Public Demands Recovery Act, 1913.

**21. Repayment of Loan:** The Bank/WBFC/F.I. shall determine the period of initial moratorium and repayment of loan depending upon the profitability of the project. In order to receive effective support of the local administration / State Govt. the Banks/WBFC/F.I. shall submit a Quarterly Report to the District Self Help Group & Self Employment Officer relating to the Recovery and Outstanding Loan amount per borrower under this scheme in prescribed form.

By order of the Governor,

(A.S.Biswas)

Principal Secretary to the  
Govt. of West Bengal