

PNB's RICKSHAW PROJECTS

It is estimated that there are 8 million rickshaw pullers in India, 95% of which are victims of high daily rental fees. This makes it impossible for them to earn enough to own the rickshaw in their lifetime. In addition, they have to bear the cost of any accidental damage to the vehicle. Inability to do so not only leads to harassment, physical, mental and financial, but also compels them to flee from their place of residence.

- ◆ Thus lack of disposable income makes them unable to access basic utilities or provide adequately to their families.
- ◆ This vulnerability is due to their lack of access to basic formal banking services such as loans, savings, insurance, etc.

In order to address the above, Punjab National bank has drawn up convenient schemes for rickshaw pullers so as to bring a ray of hope for thousands of toiling humans by providing a means of self-employment to the poor and the marginalized rickshaw community.

PNB's JAN MITRA RICKSHAW PROJECT

Dr K C Chakrabarty, CMD of Punjab National Bank launched "Jan Mitra Rickshaw Project" on pilot basis in Varanasi on February 2, 2008 in association with Centre for Rural Development (CRD), NGO. The scheme will help these rickshaw pullers to access quality rickshaws and become owner of the same after three years (max.). Simultaneously health and medical insurance cover will also be provided. Rickshaw pullers are organized in a group of five and located at a common garage, to manage their savings, repair the rickshaw and update the business records. Rickshaw puller has to open a "No Frills" Account with PNB. Subsequently, PNB will continue its links with the Rickshaw puller so as to fulfill his requirements for second product or services, thus becoming "one-stop shop" for the borrower and his family's entire needs like small loans for the household like renovation of house, buying cooking gadgets, etc. and allied activities like education loan, housing loan, personal loan, etc.

PNB's SECOND RICKSHAW PROJECT UNDER MICRO FINANCE

Dr K C Chakrabarty, CMD of Punjab National Bank launched the second Rickshaw project under Micro Finance Model on March 17, 2008 in Patna, Bihar with Micro Finance Institution "SammaaN Foundation" which is a 'Not for Profit' organization. Under this model, rickshaws are given free of cost to the rickshaw puller while they have to pay a maintenance cost of Rs 10 per day. The balance earnings from the rides go to the rickshaw puller. There will be sale of water, soft drinks, simple merchandises, etc to riders. Profit from these sales are shared between Sammaan and the driver. Further, rickshaw pullers are given free uniform, identity card, insurance coverage, etc.