

Minutes of Sub-Committee Meeting on DRI Advances & FIP- Delhi State held on 30.04.2015

The Half Yearly Meeting of Sub- Committee of SLBC on DRI & FIP . Delhi State was held at 3.00 PM on 30.04.2015 at Oriental Bank of Commerce, Harsha Bhawan, E-Block, Connaught Place, New Delhi.

Shri Navleen Kundra, General Manager, Convener, SLBC welcomed Ms. Vandana Maheshwari, Asstt. General Manager, RBI, LDMs and other members of Sub-Committee of SLBC on DRI/FIP/SHG/Priority Sector Advances & Natural calamities from different banks as per list of participants attached.

Shri Kundral informed that DRI Advances of Banks have increased on year on year basis by Rs.1.52 crore and stood at Rs.10.12 crore as on 31.03.2015. It works out to 0.001% of total advances. This figure is negligible vis-a-vis the national goal of 1% of the total advances. He requested all the Banks to increase DRI advances by identifying eligible beneficiaries like tea stalls, food stalls, cobblers, vegetable/fruit sellers and other target groups.

As far as Financial Inclusion Plan is concerned, Banks have reported opening of 33 Brick and Mortar branches in 110 villages above 2000 population and opened 2195021 FI accounts upto quarter ended 31st March 2015. Likewise, all the 21 villages have been covered by Banks except Vill. Pur Shahdara allocated to State Bank of India which has been reported as %Be-chirag#.i.e. uninhabited, as per certificate submitted by the Bank. Banks are requested to open maximum Brick and Mortar branches as per instructions of RBI and Ministry of Finance. Shri Kundra requested the Banks to open maximum Brick and Mortar branches as per instructions of RBI and Ministry of Finance.

Ms. Vandana Maheshwari requested all the Banks to increase advances under DRI to help the poor and downtrodden sections of the society

Minutes of SLBC Sub-Committee Meeting – Delhi State on Self Help Groups held on 30.04.2015

The Half Yearly Meeting of Sub-Committee of SLBC on DRI & FIP was held at 3.30 PM on 30.04.2015 at Oriental Bank of Commerce, Harsha Bhawan, E-Block, Connaught Place, New Delhi.

Shri Kundra informed that member banks have formed 50 fresh Self Help Groups in the NCT of Delhi during the half year raising the total figure to 3953.

During the same period, 86 Self Help Groups were credit linked raising the figure to 3064 Self Help Groups with a total financial outlay of Rs. 29.51 crores.

There is good scope for forming of fresh Self Help Groups in urban areas in slum clusters, JJ Colonies in Delhi State and Banks should focus on these poor sections of society.

Ms. Vandana Maheshwari, Aast. General Manger, RBI, made aware the participants about the changes in Self Help Group as per revised guidelines of RBI on Priority Sector as under:

Self Help Group: Priority Sector Lending can be allocated to SHGs in two categories

1. Loans to Self Help Groups (SHGs) or Joint Liability Groups (JLGs), i.e. groups of individual Small and Marginal farmers directly engaged in Agriculture and Allied Activities.

2. Weaker sections.

Minutes of SLBC Sub- Committee Meeting on Priority Sector Advances – Delhi State held on 30.04.2015

The Half Yearly Meeting of Sub-Committee of SLBC- Delhi State on Priority Sector was held at 4.00 PM on 30.04.2015 at Oriental Bank of Commerce, Harsha Bhawan, E-Block, Connaught Place, New Delhi.

Shri Navleen Kundra, Convener SLBC informed the House that Priority Sector Advances for the state of NCT of Delhi have increased on year-on-year basis by Rs.12815.35 crore from Rs.80605.08 crore as on September, 2014 to Rs.101420.43 crore as on March 2015.

During the half-year ended March 2015 the same have increased by Rs. 14987.92 crore from Rs.86432.51crore as on September, 2014 to Rs.101420.43 crore as on March 2015.

The following 14 banks priority sector advances have been decreased more than 100 crore during the half year ended as on 31.03.2015.

S.No.	NAME OF THE BANK	P.S. Advances increased during the half year ended as on 31.03.2015
1	STATE BANK OF INDIA	7073.77
2	ICICI BANK	2754.65
3	PUNJAB NATIONAL BANK	2045.24
4	IDBI BANK	1019.58
5	SYNDICATE BANK	729.31
6	INDUSIND BANK	569.08
7	HSBC Bank	398.84
8	BANK OF BARODA	318.54
9	CANARA BANK	300.92
10	AXIS BANK	185.63
11	ANDHRA BANK	144.23
12	CENTRAL BANK OF INDIA	140.64
13	VIJAYA BANK	116.59
14	ALLAHABAD BANK	114.44

In the following 6 banks Priority sector . Advances have decreased by more than 100 crore during the half year ended as on 31.03.2015.

(Amt. in crore)

S.No.	NAME OF THE BANK	P.S. Advances decreased during the half year ended as on 31.03.2015
1	HDFC BANK	-454.44
2	UNION BANK OF INDIA	-188.48
3	CORPORATION BANK	-185.25
4	UNITED BANK OF INDIA	-158.54
5	DENA BANK	-137.81
6	STATE BANK OF PATIALA	-127.28

In percentage terms, the percentage of Priority Sector Advances to Total Advances have increased from 12.00% as on September 2014 to 12.52% as on March, 2014 and on yearly basis from 12.12% as on March 2014 to 12.52% as on March 2015 respectively.

He further informed that MSE Advances constitute 56.49 % of total Priority Sector Advances whereas other sectors have not contributed at a desired level.

(Rs. in crore)

POSITION OF ADVANCES UNDER MSME SECTOR:-	POSITION AS ON		
	March 2014	Sep.,2014	March 2015
Total Priority Sector Advances	88605.09	86432.51	101420.43
Total MSE Advances	55079.23	62617.57	57295.63
% of MSE Advances to Total P.S. Advances	62.16	72.45	56.49

He further informed that since the scope for Direct Agricultural Advances in Delhi State is limited due to shrinkage of agricultural land, Banks should strive for increasing MSE advances to achieve goal of Priority Sector advances.

Ms. Vandana Maheshwari, Aast. General Manger, RBI, discussed in detail about the revised guidelines of RBI on Priority sector Lending as circulated by RBI vide their circular no. RBI/2014-15/573/FIDD.CO.Plan.BC.54.04.09.01/2014-15 dated 23.04.2015

She made aware the participants about the revised guidelines on Priority Sector as under:

1. New Categories that will form part of priority sector, in addition to the existing categories. Medium Enterprises Social Infrastructure & Renewable Energy.
2. Social Infrastructure: Bank loans up to a limit of 5 crore per borrower for building social infrastructure for activities namely schools, health care facilities, drinking water facilities and sanitation facilities

3. Renewable Energy: Bank loans up to a limit of 15 crore to borrowers for purposes like solar based power generators, biomass based power generators, wind mills, micro-hydel plants and for non-conventional energy based public utilities viz. street lighting systems, and remote village electrification. For individual households, the loan limit will be Rs. 10 lakh per borrower
- 4 Priority Sector Lending Certificates: The outstanding priority sector lending certificates (after the guidelines are issued in this regard by the Reserve Bank of India) bought by the banks will be eligible for classification under respective categories of priority sector provided the assets are originated by banks, and are eligible to be classified as priority sector advances and fulfil the Reserve Bank of India guidelines on priority sector lending certificates.
5. The distinction between direct and indirect agriculture is dispensed with
6. Agriculture sector has been redefined to include Farm credit, Agricultural infrastructure and Ancillary services.
7. Education: Loans to individuals for educational purposes including vocational courses up to 10 lakh irrespective of the sanctioned amount will be considered as eligible for priority sector.
8. Housing: Loans to individuals up to 28 lakh in metropolitan centres (with population of ten lakh and above) and loans up to 20 lakh in other centres for purchase/construction of a dwelling unit per family provided the overall cost of the dwelling unit in the metropolitan centre and at other centres should not exceed 35 lakh and 25 lakh respectively.

She further informed that as per revised guidelines there is lot of scope to increase the Priority Sector lending in NCT of Delhi.

She urged that the banks in Delhi should strive to increase the percentage of Priority Sector Advances to Total Advances to, at least, 15 % by March, 2015 in a phased manner and the banks which have already achieved the percentage of 15 % should increase it, at least, by another 2.5 % by June, 2015.

Minutes of SLBC Sub- Committee Meeting on Natural Calamity (Unseasonal rains and hailstorms in several parts of the country causing distress to farmers and adversely affecting agriculture production

The Sub-Committee of SLBC- Delhi State _on Natural Calamity (Unseasonal rains and hailstorms in several parts of the country causing distress to farmers and adversely affecting agriculture production was held at 4.30 PM on 30.04.2015 at Oriental Bank of Commerce, Harsha Bhawan, E-Block, Connaught Place, New Delhi.

Shri Navleen Kundra, informed that as desired by NABARD, Vide our e-mail dated 26.03.2015, we written to all Member Banks & LDMs to inform us whether there is any such issue on the subject pointed out in any meeting/ mid-term review regarding unseasonal rains and hailstorms in NCR of Delhi or any parts of the Delhi causing distress to farmers and adversely affecting agriculture production.

No one Member Bank of SLBC/LDM informed that any such issue was pointed out in any meeting/ mid-term review regarding unseasonal rains and hailstorms in NCT of Delhi or any parts of the Delhi causing distress to farmers and adversely affecting agriculture production.

Again vide our email dated 15.04.2015, we sent the RBI circular no. RBI/2014-15/512 FIDD.No.FSD.BC.52/05.10.001/2014-15 dated March 25, 2015 to all member banks and LDMs having the revised guidelines of RBI on RELIEF MEASURES BY BANKS IN AREAS AFFECTED BY NATURAL CALAMITIES with a request to ensure all necessary measure as per the above guidelines issued by RBI/Gol, so as to mitigate the hardship of farmers on account of unseasonal rains /hailstorms and furnish the action taken report to SLBC so that compiled report may be submitted to Department of Financial Services, MoF, Gol in case any such issue pointed out in any meeting regarding unseasonal rains and hailstorms in NCR of Delhi or any parts of the Delhi causing distress to farmers and adversely affecting agriculture production.

The above information is still pending from most of the banks and LDMs. Sh. Kundra requested all the participating member banks and LDMs to submit the information if any such issue was pointed out in any meeting/ mid-term review regarding unseasonal rains and hailstorms in NCT of Delhi or any parts of the Delhi causing distress to farmers and adversely affecting agriculture production and asked them to ensure immediate action as per revised guidelines issued by RBI vide their cir dated 25.03.2015 for relief measures by banks in area affected by natural calamities.

The meeting ended with a Vote of Thanks by Shri Vijay Khanduja LDM canara Bank for New Delhi.

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