

MINUTES OF 80TH SLBC MEETING – NCT OF DELHI HELD ON 21.08.2015

The 80th SLBC Meeting-NCT of Delhi was held on 21.08.2015 at Hotel 'The Royal Plaza', 19, Ashoka Road, New Delhi. The following dignitaries graced the occasion:- Shri Suresh N. Patel, Executive Director, Oriental Bank of Commerce; Sh. Sewa Ram Mehar, Deputy Secretary, DFS, MoF, Govt. of India; Smt. Rachna Dikshit, General Manager (FIDD), Reserve Bank of India; Smt. Achla Singh, Director, Higher Education, Govt. of NCT of Delhi. Shri Asit Kumar Mohanty, General Manager, NABARD; Sh. Pallav Mohapatra, Chief General Manager, State Bank of India.

Besides, all Member Banks, Senior Officials from Central and State Government Departments and LDMS participated in the meeting as per the list attached.

At the outset, **Shri Navleen Kundra, General Manager/ Convenor, SLBC NCT of Delhi** welcomed dignitaries on the dais & all other participants and informed that Special SLBC will be held to discuss and review the progress under social Security Schemes i.e. PMSBY/PMJJBY/APY with a focus on Atal Pension Yojna and Pradhan Mantri Mudra Yojna, after the Agenda items of 80th SLBC meeting.

Convenor SLBC, requested **Shri Suresh N. Patel, Executive Director, Oriental Bank of Commerce** to address the House.

Sh. Suresh N. Patel, first of all, welcomed all the participants. On banking scenario, he said that 'the growth of Indian Banking Sector remained under pressure during FY 2014-15. Banks are now going towards low interest rate regime, deposit rates are falling and gradually interest rates on advances are also coming down. It is a very competitive environment for the Banks. In challenging environment in which the Banking system has been operating, there has been adverse impact on the asset quality and profitability.

Under Priority Sector and Agriculture Advances there is an increase during the quarter under review, in NCT of Delhi. However, there is decline in MSME advances. Total advances during the quarter also reduced by 0.33%.

All member banks were requested to give intended thrust to the advances particularly under MSME.

He further said that since 15th August 2014, when our Hon'ble Prime Minister had announced the Pradhan Mantri Jan Dhan Yojna (PMJDY), a lot of work has been done in regard to opening of accounts. Good work was done by the Bankers during last one year. Now the issues before the bankers are seeding of Aadhaar, operation in zero balance accounts, issuance of Pass Books and RuPay Cards to customers and OD limit upto ` 5000/- in all eligible cases.

The Zero Balance accounts have come down to 36.54% in NCT of Delhi, the percentage is still very high. He requested the Banks for closely monitoring of these accounts to bring down the level of zero balance account below 20% and to make these accounts remain operative so that the real objective of the scheme may be achieved. He also requested the banks to pursue their branches for granting OD limit upto ` 5000/- in all eligible accounts.

On social security schemes, he stated that in NCT of Delhi, good work has been done as far as Pradhan Mantri Suraksha Bima Yojna and Pradhan Mantri Jeevan Joyti Bima Yojna are concerned. All Banks participated whole heartedly but under Atal Pension Yojna, performance is dismal, and lot of work is to be done.

On three schemes under 'Suraksha Bandhan', performance is very slow that needs to be pushed up because it is the right time when festive season is on.

On Pradhan Mantri Mudra Yojna, he briefed about the scheme and informed that as per communication from DFS, MoF, Mega Credit Camp of MUDRA Loans (PMMY) will be organized during 25th September, 2015 to 2nd October, 2015 in all States/UTs to disburse loans particularly under 'Shishu' category. The targets for Disbursement of PMMY loan under 'Shishu' Category have been given to all Banks and they are to further allocate State wise targets for their branches & convey the same to SLBC immediately enabling them to consolidate the SLBC targets.

Banks are to make preparation, finding the potential borrowers; collecting application forms and processing of loan application, deciding on the venues, etc. On behalf of the member banks, SLBC may publicize the scheme to make general public awareness in consultation with DFS, MoF.

He also briefed about the MUDRA cards and informed that in order to ensure easy access to Micro/Small Entrepreneurs i.e. Hawkers, Small Vendors, Vegetable Seller, Rikshaw Pullers etc. engaged in non-farm activity such as Manufacturing, Trading and Services, shall be allowed to withdraw cash through "**MUDRA Card under Pradhan Mantri MUDRA Yojna (PMMY)**".

Under Shishu there is very small amount and one Pager application form has been devised as circulated by DFS to make processing easy. This form has already been circulated among all the Banks. He requested all member banks to give wide publicity to "**MUDRA Loan Under PMMY**" and issue maximum number of cards to the eligible micro / small entrepreneurs. He also urged upon to have a good liaison with the govt. machinery and organize these camps whole heartedly by putting collective efforts to achieve the targets.

On Town-hall meetings he congratulated all members Banks, LDMs/LIC/ GIPSA/ PFRDA & UIDIA for conducting these meetings successfully in all the 11 districts and thanked DFS, MoF and state government officials for their initiative, support and guidance. The performance under PMSBY / PMJJBY has been good but under APY/PMMY the results were not encouraging and there is need to make more publicity about these schemes.

Sh. Sewa Ram Mehar, Deputy Secretary, DFS, requested all LDMs and Bankers to mobilize the Banks' branches under their control to achieve the targets under social security schemes particularly under Atal Pension Yojna and Pradhan Mantri Mudra Yojna and publicize these schemes in their area to make the general public aware. It was also requested to monitor number of claims received, settled/ resolved and pending under PMSBY and PMJJBY.

Shri Mehar also requested to collect the information on public grievances from the member Banks and place the same in next SLBC meeting as an agenda item.

Ms. Rachna Dikshit, General Manager (FIDD), RBI informed that RBI has issued circulars on revised guidelines on Priority Sector Advances. She also briefed the house on these revised guidelines and requested all member banks and LDMs to classify their advances accordingly and submit the information on the revised format as per guidelines.

On road map for Financial Inclusion in the villages with population below 2000 and above 2000, she pointed out that during visits of RBI officials it has been observed that there are some problems in operation of BCs. BCs have not done that much work and a large number of PMJDY accounts and BSBD accounts opened by BCs and in FLC camps are not operational. Some of the FLCC/ Rural Bank Branches are not conducting Financial Literacy Camps as per the guidelines of RBI.

In order to keep these accounts operative, all Controlling Heads of Member Banks, FLCCs and LDMs are requested to advise the Branches to financially literate the persons and make them aware of banking products & services and conduct the FLC camps as per RBI guidelines.

She also requested all banks to review the performance of their BCs and sensitize them to provide banking facilities in their operational area to maximise the transactions in BSBD accounts to remain these accounts operational.

On BCs posted at Shahpur Village by Syndicate Bank, which was not operational, it was informed by representative of Syndicate Bank and LDM south District that it is a very small village of 65 families and Chandan-hola branch of PNB is working within half kilometre radius and one branch of Syndicate Bank is also at 3 K.M., providing banking services in the village. As such matter of providing BC at village Shahpur was dropped.

Regarding opening of new branch of Bhartiya Mahila Bank at Village Ujwa near Najafgarh, it was informed by the representative of Bhartiya Mahila Bank Ms. Nayana that matter is under consideration at their end.

Pledge Financing against Negotiable Warehouse Receipts (NWRs):

All member banks were requested to submit the progress on Pledge Financing against Negotiable Warehouse Receipts (NWRs) for the quarter ending Sep., 2015 to SLBC/ LDMs, so that the same may be reviewed in next SLBC/DCC meeting.

Higher Education and Skill Development Guarantee Scheme of Govt. of NCT of Delhi for Pursuing Higher Education in Delhi:

Ms Achla Singh, Director, Higher Education, Govt of NCT of Delhi apprised that all the clarifications sought by various member banks have been prepared and will be sent shortly. She requested the member Banks to get the scheme approved from their Boards latest by 31.08.2015 so that the MOU may be finalized and got signed for timely implementation of the scheme. She informed that she will send a copy of draft of MOU for approval from SLBC. It was decided that MOU will be signed between the 'Delhi Higher Education and Skill Development Credit Guarantee Fund Trust' and SLBC-NCT of Delhi on behalf of all Member Banks of SLBC-Delhi.

Agenda 2B : Persisting Action Points:

Enactment of Public Money (Recovery of Dues) Act: Mr. Patel stated that in the absence of the State Recovery Act the recovery is adversely affected particularly under sponsored cases. As the matter is pending since long, the Govt. of NCT of Delhi was again requested for expeditious enactment of the Act.

Submission of Data by SLBC Member Banks/LDMs: Ms. Dikshit pointed that data submitted by Banks/LDMs to RBI and SLBC do not match and some time there is a huge difference. The SLBC data is also submitted much later than the mandatory cut-off date by majority of the banks. Member banks and LDMs were again requested to submit the data in time and with accuracy.

Agenda 3: CD Ratio:

The CD Ratio is still below 40% in six districts namely North East 16.98%, North West 27.82%, Shahdara 30.02%, North 30.14%, West 35.57% and South West 39.68%.

The Controlling Heads of Member Banks and concerned LDMs are requested to put concerted efforts to increase the advances in these districts so that the CD ratio may improve as per expectation of RBI.

Agenda 6: Annual Credit Plan 2015-16:

On achievement under ACP 2015-16 during June 2015 quarter, General Manager, RBI expressed her satisfaction on over all achievement of 31% of Annual Targets against the quarterly target of 20%. But the achievement of some of the Banks has been below 20% of annual target. She requested the controlling head of the concerned Banks to improve their performance in next quarter.

Agenda 11: Housing for All

Sh. S.K. Chadha, DGM, NHB, New Delhi informed the house that Gol, Ministry of Housing and Urban Poverty Alleviation has launched "PRADHAN MANTRI AWAS YOJNA" for urban poor under "Housing for all- by 2022". Mission- Details are on MOHUPA website. It is credit linked subsidy scheme (CLSS) for which National Housing Bank is designated as Nodal Agency for distribution of subsidy component. He requested the member banks to enter in to MOU with NHB for making this scheme a success and submit the progress under the scheme.

Agenda 15: Kisan Credit Cards:

On comparison it is found that there is huge gap between number of cultivators and number of KCCs issued in NCT of Delhi.

Shri Pallav Mahapatra, Chief General Manager, State Bank of India requested all Member Banks and LDMs to emphasize their branches in rural areas for issuance of KCC to all the remaining eligible cultivating farmers to boost the Agriculture Advances in NCT of Delhi and apart from KCC to explore financing other eligible agriculture activities.

Agenda 19: Minority Communities:

All member Banks were requested to make concerted efforts for financing minority communities to achieve the bench mark set by the RBI / GOI.

Agenda 23: Automation of State Treasury:

The matter is appearing in 'Persisting Action Points' since long. The Government of NCT of Delhi was again requested to inform the SLBC about the latest development in the matter.

Agenda 29: On review of holding of BLBC meeting in NCT of Delhi under Lead Bank Scheme

Ms. Dikshit, GM (FIDD), RBI, New Delhi informed that in view of the relevance of continuing with these meetings after implementation of Lead Bank Scheme in metropolitan areas last year it was decided by the stakeholders to suspend holding the BLBC meetings temporarily to assess the position. Discussions were made by LDOs with LDMs in their respective DCCs that meetings held at District level are more suitable for covering/ discussing / solving all matters related to the whole District and Annual Credit Plan prepared by LDMs for their Districts covering all the Rural, Semi Urban and Urban area, as such with the consensus of the house it was decided to dispense with the holding of BLBC meetings in NCT of Delhi.

Difficulties faced by Banks in registration of Police Complaints in matters relating to Bank Frauds:

Banks are facing challenges in filing complaints in the matter relating to Bank frauds with police authorities. Govt. of NCT of Delhi was requested to suitably inform the local police stations in NCT of Delhi to lodge the complaint without hassle in case of fraud.

All other Agenda items were also discussed and reviewed as per Agenda Book.

The Meeting concluded with Vote of thanks by Dr. Rajesh Yaduvanshi, General Manager, Punjab National Bank.


(Navleen Kundra)
General Manager & Convenor,
SLBC-Delhi