

Minutes of 76TH SLBC Meeting Held on 06.08.2014

1. 76th SLBC Meeting was held on 06.08.2014 at Park Hotel, New Delhi in which following participants attended the meeting:
 - I. Sh. Suresh N. Patel, Executive Director, Oriental Bank of Commerce
 - II. Sh. Deepak Singhal, Regional Director, Reserve Bank of India
 - III. Sh. Ajoy Kumar, IAS, Joint Secretary, National Commission for Minorities
 - IV. Sh. Rajat Sachar, Economic Advisor, MoF, Govt. of India
 - V. Ms. Sujata Chaturvedi, Deputy Director General, UIDAI

Besides above, all member Banks, representatives of State Govt., KVIC and other Departments also participated in the meeting (list attached).

2. At the outset **Sh. K.S Shergill**, General Manager, SLBC Convenor, welcomed all the participants and informed the house that as desired by Dept. of Financial services (MoF), a special SLBC meeting on Financial Inclusion was to be convened in the first week of August 2014. Sh. K.S Shergill requested Sh. Suresh N Patel Executive Director, OBC to address the house.
3. **Sh. Suresh N Patel, ED, OBC**, complimented the Bankers and SLBC for timely holding of the SLBC meeting within 45 days as per RBI guidelines and for achieving the ACP Targets for the first quarter.
 - 3.1 Sh. Patel further said that decisions taken in this SLBC Forum must be fully implemented, It is a matter of concern that on the decision taken during the last meeting for identification of one case per branch to be financed under PMEGP, the achievement is very low. 13 Banks with 542 branches have not identified even a single case.
 - 3.2 Under the new plan of Financial Inclusion, Financial Literacy needs to be focussed.
 - 3.3 He observed that although 70 to 75% people in Delhi have Bank accounts but still there is huge gap which is to be covered without waiting for the time deadline.
 - 3.4 SARFAESI ACT: The list of pending cases of various banks, referred to the Magistrate for purpose of physical possession, has been submitted to Chief Secretary, Delhi for immediate action in the matter.

Sh. Patel requested Sh. Deepak Singhal Regional Director, Reserve Bank of India to address the house.

4. **Sh. Deepak Singhal, RD, RBI**, said that:- the achievement of annual action plan in the first quarter itself is 26% & in certain sectors it is much beyond. Apparently potential was not properly identified. Next year targets to be benchmarked on the performance during the current year.
 - 4.1 The Primary Focus of SLBC should be on Priority Sector Lending, Govt. sponsored schemes and MSME. The performance is extremely poor in Priority Sector, the share of which has come down to 11.5% from around 13% during the year.
 - 4.2 In Delhi there is more scope of lending to Services Sector than the Manufacturing Sector under MSME.

- 4.3 Although the CD Ratio in Delhi is around 100% but out of 11 Districts it is less than 40% in 8 Districts, efforts be made to improve the CD Ratio by setting definite targets for these Districts.
- 4.4 The MSME have registered negative Growth on YoY basis and during the last quarter the decline is 3.44%.
- 4.5 One village allocated to State Bank of India namely Pur Shahdra is reported not traceable, the issue needs to be settled with Revenue Authority so that the same can be removed from the pending issues list.
- 4.6 BOB and SBI are yet to set up 1 and 3 FLC's respectively in their LDM's offices.
- 4.7 KYC guidelines stand revised and to open a fresh saving bank account only one proof of address is enough whether current or permanent. If permanent address is given then proof of current address need not be insisted upon, a positive confirmation can be obtained by the banks by sending a letter of confirmation.
- 4.8 RBI has identified 250 bank branches in NCR to have dedicated counters for adjudicating Soiled or Mutilated Currency Notes, where these can be exchanged at their fair value. Currency Note Exchange Melas can be organised by the banks. Sufficient number of fresh Currency Notes in the Denomination of Rs. Fifty, Twenty and Ten are available with RBI and are being supplied to the banks.
- 4.9 The Sampurn Vitiya Samaveshan under Mission Mode is going to be launched by Honourable Prime Minister on 15th August 2014 and requested the banks to do their best and see that the objectives of the scheme are met adequately.

Sh. K.S Shergill requested Smt. Sujata Chaturvedi Deputy Director General UIDAI to address the house.

- 5 **Smt. Sujata Chaturvedi, DDG, UIDAI** informed the house: - that Sixty Six Crores people in this country posses valid Aadhaar cards and Aadhaar is here to stay. Everything of Aadhaar is online and Digital and there is nothing like a paper document and therefore it cannot be changed by the holders on their own.
 - 5.1 That UIDAI has discarded Camp Mode Enrolment in Delhi State as lesser number of people are coming for enrolment, instead they have set up 39 Permanent Enrolment Centre and another 40 shall be functional in next 15 days. At Permanent Enrolment Centres Photograph can be changed and Address can be updated online with supporting documents and this updation can be done at any Permanent Enrolment Centre.
 - 5.2 That 15 Banks are right now using E-KYC for opening of accounts and expected that more banks to follow soon.

Sh. Singhal said that Aadhaar is the only document which can be taken as proof of both identity as well as address, so single Document is sufficient.

Sh. Patel requested the UIDAI representative Sh. Suman Kumar to send the power point presentation to SLBC Convenor so that the same in turn can be forwarded to all the member banks.

6. **Sh. Rajat Sachar Economic Advisor, MoF, Govt. of India** said that at all India level as per Mission Document Camp Approach shall be followed for opening of accounts. If a person has Aadhaar, the job of the Banks becomes much easier but if a person does not

have Aadhaar then his enrolment for Aadhaar be done at the same time when account is opened during the camp as the same ID shall hold good for Aadhaar enrolment as well as for opening of the account. However E-KYC cannot be done in such situations. Sh. Sachar desired that SLBC to obtain the details of Permanent Aadhaar Enrolment Centres in Delhi, from UIDAI, and circulate the same to all member banks.

7. Sh. K.S Shergill GM Convenor SLBC made the Agenda wise presentation as under:

AGENDA 1 : CONFIRMATION OF MINUTES OF 75TH SLBC MEETING

Since no suggestions/objections were received, the proceedings were taken as confirmed.

AGENDA 2A : ACTION POINTS OF 75TH SLBC MEETING

CD Ratio:- Although the CD Ratio of Delhi as a whole is 108.14% but District wise CD Ratio is to be monitored closely as 8 Districts are having CD Ratio below 40%.

Poor Performance under **Priority Sector** and **MSME** was noted with concern and it needs to be improved.

Identification of Potential PMEGP Cases one case per branch: only 212 cases have been identified by 2252 eligible branches, **Sh. Rajat Sachar** advised the banks, who have not identified even a single case to take up the task, especially BoM, SBOP, UBI Dena Bank, Indian Bank, Andhra Bank, Vijaya Bank, United Bank of India, IDBI, SBBJ, SBT, SBH and SBM. **Sh. Deepak Singhal and Sh. Patel** also expressed serious concern for non-compliance of decision taken in the last two SLBC meetings.

Ultra Small Branches: 8 USBs are yet to be opened by Punjab National Bank.

Agriculture Advances: YoY growth is 34.02% which can be noted as satisfactory.

LDM Offices: SBI and BOB informed that all facilities except vehicle shall be provided within one month, however Regional Director RBI advised them to do the needful within next 15 days time as Comprehensive Financial Inclusion in Mission Mode is to be launched within next 10 days time.

AGENDA 2B : Persisting Action Points.

Enactment of Public money (Recovery of Dues) Act. : The Deputy Secretary GNCTD informed that the draft which was submitted by SLBC has been put up for consideration, it is under process and they are trying to solve these issues which have been raised by Revenue Department, because this Act requires discussions and approval from different Departments. He said that they shall try to do the needful within current financial year.

Automation of State Treasury: The Deputy Secretary GNCTD said that Automation is a part of Integrated Financial Management System and there are certain problems with tendering which are in the process of being fixed.

AGENDA 3 : Deposit and Advances

As on 30.06.2014, YoY growth in Deposit and Advances are 9.63% and 19.95% respectively.

AGENDA 4 : Financial Inclusion (FI)

- All 110 unbanked villages with population 2000 & above have already been covered

- **Opening of Basic Saving Bank Deposit Accounts (BSBDA) and Issuance of GCCs**
The Banks have opened 31,39,898 BSBDA's so far, 3348 GCCs with loan amount of Rs. 9.66 Crores have been issued up to 30/06/2014.
- **ICT based Financial Inclusion** : ICT Based facilities are being provided in villages. 33,476 Smart Cards have been issued. 21,44,188 accounts have been opened so far.
- **Geographical Information System(GIS)** : All SLBC Member Banks should provide immediate information to LDMs as and when new branches are opened, BCAs are engaged, ATMs are installed and Currency Chests are opened. The LDMs should immediately update the same in GIS module.
- **Financial Literacy and Credit Counselling Centres (FLCC) & Financial Literacy Centres (FLCs)** : Two FLCCs are working in Delhi State which are being managed one each by PNB and OBC. 7 FLCs are in operation. SBI and BOB are yet to open 4 FLCs.

Sh. Deepak Singal wanted that these FLCs be made operational within next 10 to 15 days. He said that each Financial Literacy Centre should organise Financial Literacy Camp regularly. Material related to financial literacy, from RBI, can be replicated. IBA has been tasked to make a film on basic Financial Literacy which can be given to LDMs to be shown in Financial Literacy Camps.

Sh. Suresh N Patel said that during the Financial Literacy sessions, benefits of opening saving accounts, importance of regular transactions in the account, loan products / schemes, etc. be discussed.

- **Urban Financial Inclusion – Launch of Campaign to ensure at least one bank account for each family**: All the 272 wards of Delhi have been allotted to SLBC Member Banks. All banks to ensure that every household has at least one bank account in their respective wards. An officer shall be designated as ward coordinator by the bank to whom the ward has been allocated. All Banks have since appointed ward coordinators and only four banks remain, they are advised to do needful.
- **Financial Inclusion drive to open Bank Accounts of Migrant Labour and Street Vendors/Hawkers in Urban Areas** : 5,24,797 accounts of Migrant Labour and Street Vendors/Hawkers have been opened so far.

AGENDA 5 - DIRECT BENEFIT TRANSFER (DBT) SCHEME:

Position of ON-SITE ATMs in all the 11 districts of Delhi state identified for DBT: Out of 2782 branches 396 bank branches are still without On-site ATMs.

Representative of PSBs assured that they will install on-site ATM at their remaining branches without further delay. Other Banks may also do so.

AGENDA 6- ACHIEVEMENT UNDER ANNUAL CREDIT PLAN 2013-14

All member banks have achieved a disbursement figure of Rs. 21795.43 Crores which amounts to 26.77% of the Total Annual Credit Plan outlay during the 1st quarter itself.

AGENDA 7 – CREDIT FLOW TO PRIORITY SECTOR

The percentage of Priority sector Advances to Total Advances as on 30.06.2014 has come down to 11.91% from 13.40 % during the last one year. Out of 33 member banks 21 banks reported decline in priority sector lending over the last one quarter. The Credit Flow to SC/ST under Priority Sector increased by 27.89% YoY basis.

AGENDA 8 – ADVANCES UNDER EDUCATION LOAN SCHEME

Advances under this category registered negative growth to the extent of 4.46 crores on YoY basis. The targets of Rs. 1348 Crores for the year 2014-15 has been allocated to member banks operating in Delhi State

AGENDA 9 - AGRICULTURE ADVANCES

Agriculture Advances have registered a growth of 2726.28 Crores on YoY basis which amounts to 34% on YoY basis.

AGENDA 10 - MSME ADVANCES

The MSE Advances increased by 10234.45 Crores on YoY basis amounting to a growth of 23.53%, however MSME Advances have decreased by 4.29 Crores over the same period.

CGTMSE Coverage : No. of Units covered under CGTMSE have increased from 9864 to 12708 on YoY basis.

AGENDA 11 - HOUSING FINANCE

Advances under Housing Finance have increased from 29082.66 Crores from June 2013 to 36954.94 Crores registering a net growth of 7872.27 Crores on YoY basis. However in Direct Housing Loan the growth is more pronounced in the category of loans above Rs. 25 Lakhs as the cost per unit is high in Delhi.

AGENDA 12 – PMEGP

Against annual physical target of 1038 cases, 228 cases have been received by banks out of which 19 cases have been sanctioned, 51 rejected and 158 are still pending.

Banks are advised to expedite the disbursal of sanctioned cases and to dispose off the pending cases. Branches must also identify one case at their level.

AGENDA 13 - SJSRY

Member banks are advised to dispose off 110 pending loan applications and disburse the remaining three sanctioned cases immediately.

AGENDA 14 - RECOVERY OF ADVANCES

Percentage of Recovery under Agriculture and SJSRY is consistently decreasing where as Recovery percentage in PMEGP is around 40% and DRI is around 50% only.

AGENDA 15 - KISAN CREDIT CARD SCHEME

During the current financial year Banks have issued 238 fresh Kisan Credit Card involving a sum of Rs. 6.67 Crores, cumulative outstanding of KCC is 7511 accounts involving a sum of Rs. 128.05 Crores.

No fresh Swarozgar Credit Card was issued during the last quarter.

AGENDA 16 - SELF HELP GROUPS

13 fresh Self Help Groups were formed and 8 more SHGs were Credit Linked during the quarter and as of now out of total 3842 SHGs, 2598 have been credit linked.

AGENDA16 A - JOINT LIABILITY GROUPS

331 JLGs have been formed during the quarter under review taking the cumulative position to 1517 and 1482 JLGs have been Credit linked.

AGENDA 17 - ADVANCES TO WOMEN BENEFICIARIES

Credit flow to women beneficiaries has increased from 9% to 10.90% of the Total Priority Sector Advances on YoY basis.

AGENDA 18 - ADVANCES TO WEAKER SECTIONS

Advances to Weaker Section have increased from 3204.13 Crores to 5309.51 Crores on YoY basis.

AGENDA 19 - ADVANCES TO MINORITY COMMUNITIES

Advances to Minority Community have increased from 4214.49 Crores to 6579.06 Crores on YoY basis.

Sh. Ajoy Kumar, IAS, Joint Secretary, National Commission for Minorities, proposed that it will be better to show quarter wise comparison between quarterly targets and achievements. Bank wise/Scheme wise minority targets and Beneficiary wise statement should be enclosed from the next meeting so that bank's performance for lending to target beneficiaries may be assessed.

Sh. Deepak Singhal, RD, RBI, informed that as per set format, the advances to minority community are being reviewed on quarterly as well as YoY basis, there is no provision for monitoring the scheme wise and beneficiary wise progress in the SLBC forum, however if there is a problem with a particular bank, the same can be looked into.

Sh. Suresh N Patel, ED, OBC, said that there is target for minorities and bank wise performance is being placed. He however advised SLBC Convener to place Bank wise details on amounts pertaining to lending minority communities without default & with details as per RBI guidelines.

The share of Advances to Minority in Priority Sector vis-à-vis total priority sector has increased from 5.20% to 7.62% on YoY basis. However consistent efforts need to be made to increase it further.

AGENDA 20 - CREDIT FLOW TO DISABLED PERSONS

Credit flow to disabled persons has increased from 125.64 Crores to 143.65 Crores on YoY basis, registering a growth of 14.33%.

AGENDA 21 - DIFFERENTIAL RATE OF INTEREST SCHEME (DRI)

Credit flow under DRI scheme has increased from 8.15 Crores to 11.19 Crores on YoY basis, which is 0.001 % against the mandated target of 1% of Total Advances.

AGENDA 22 - CREDIT FLOW TO EX-SERVICEMEN & WIDOWS OF EX-SERVICEMEN AND SEMFEX SCHEME

Advances to Ex-Servicemen and Widows of Ex-Servicemen have been sanctioned aggregating to Rs. 45.25 Lakhs to 20 beneficiaries during the 1st quarter and out of this, loans to the tune of Rs.44.73 Lakhs stand disbursed.

SEMFEX Scheme: All three applications received under the scheme amounting to Rs. 11 Lakhs stand disbursed.

AGENDA 23 - AUTOMATION OF STATE TREASURY

Already discussed under Agenda 2A.

AGENDA 24 - DETECTION AND IMPOUNDING OF COUNTERFEIT NOTES

Total 9522 counterfeit currency notes have been detected and impounded during the quarter under review.

AGENDA 25 – GREEN INITIATIVES

All Banks should ensure that all disbursement/payments except petty cash are made through electronic mode only.

AGENDA 26 - FAILED ATM TRANSACTIONS

Out of 64093997 total ATM transactions, 1739698 transactions have been reported as failed, Member Banks are advised to ensure better up keep of ATMs, prompt replenishment of cash etc.

AGENDA 27 - CERSAI

All Member Banks are requested to ensure that all transactions related to the immovable properties are registered on the portal of CERSAI. A confirmation to this effect be sent to SLBC Convenor on quarterly basis.

AGENDA 28 - REVIVAL OF THE STALLED RESIDENTIAL PROJECTS

No Member Bank has reported stalled residential project financed by them in Delhi State.

AGENDA 29 - ASSIGNMENT OF LEAD BANK RESPONSIBILITY IN ALL 11 DISTRICTS OF DELHI STATE

Already discussed at page no. 3.

AGENDA 30 – CONCESSIONAL CREDIT TO PERSONS WITH DISABILITIES (PWDs)

All the member banks are requested to extend credit to persons with disabilities, the details of the scheme are given in Agenda Book at page no. 46.

AGENDA 31 – NPS/Swavalamban FOR PERSONS BELONGING TO UNORGANISED SECTOR

Sh. A.G Das, Chief General Manager, PFRDA, informed the house that Swavalamban Scheme was started in 2010 by an act of Parliament for the benefit of unorganised segment of population which is not covered by any pension/social security scheme and they constitute 88% population of our country. Under the scheme subscriber contributes Rs. 1000 to Rs. 12000/- per annum and Govt. contributes Rs. 1000/- per year per beneficiary. This scheme is applicable up to the year 2016-17. Presently 30 lacs people are covered under the scheme, 26 public sector banks have been mandated as aggregators to open the accounts under the scheme. The DFS had given a target of 75 accounts for rural and semi urban and 50accounts for urban branches in the last year.

Sh. Das informed the house that BOB, Canara Bank, Vijaya Bank, and OBC have done well under the scheme. He also made power point presentation and the same has been forwarded to all member banks by SLBC Convenor.

Sh. Shergill requested **Sh. P.S Hooda, GM, RDPS, OBC**, to start the PPT on Comprehensive Financial Inclusion Plan under Mission Mode received from Department of Financial Services

8. **Sh. P.S Hooda** welcomed the Dignitaries on the Dias and other participants to special session of the meeting and started the presentation.

The soft copy of this power point presentation has been mailed to the participants of 76th SLBC meeting.

9. The undernoted points emerged in the meeting :

Sh. Sachar observed that as per 2011 census about 78% households in Delhi were availing banking services but from 2011 to 2014 lot of accounts have been opened, he asked the LDMS whether they have any idea of what is number of households, which are to be covered by opening of accounts in their respective districts, since the LDMS did not have any idea so he suggested that SLBC to do the exercise as a whole for Delhi State.

Sh. Singhal pointed out that the household figure of 2011 is not static and is increasing so both aspects as to how many new accounts have been opened and number of household emerged during the period has to be considered. He further said that number of accounts opened in Delhi has no reflection of people staying in Delhi and operating these accounts. A person may have moved out of Delhi but still be having an account here or a single person can have multiple accounts.

Sh. Patel stated that the population keeps on floating and the numbers are changing. He further said that first we should start organizing camps to cover the households in the area.

Sh. Singhal suggested that the Bank should go ahead in campaign mode for opening of accounts.

Sh. Sachar said that the money received through Direct Benefit Transfer shall ensure regular flow of money in these accounts. He further wanted to know that if there is a call centre managed by SLBC for redressal for complaints and queries for opening of accounts.

Sh. Patel informed that the Call Centre with toll free number 1800-1800-124 is being run by SLBC and the same has been widely publicised through Media Campaigns and SLBC Agenda items. It was also informed that Sub Service Area is not applicable in Delhi and all the villages are included in 272 wards. He advised Convener, SLBC, to once again circulate details of Call Centre to all member Banks and member Banks may display a banner outside each branch giving details of SLBC Call Centre.

The meeting ended with vote of thanks by Sh. Shami Kaplash, DGM, Central Bank of India.
