

MINUTES

STATE LEVEL BANKERS COMMITTEE MEETING FOR THE QUARTER ENDED MARCH 2011

DATE : 28.06.2011

TIME : 3.30 PM

VENUE : NEW SECRETARIAT CONFERENCE HALL, AIZAWL

The meeting was presided over by Pu Lalrinawma, Secretary, Industries, Government of Mizoram and was attended by the Senior functionaries of State Government, RBI, NABARD and Banks.

The Chairman welcomed all the participants and requested Convener Bank to start deliberations on the Agenda items listed for the day.

Agenda No. 1 : Adoption of Minutes of last meeting dated 26.04.2011

Since no request for amendment of the minute is tabled, the house adopted the minutes without any amendment.

Agenda No. 2 : Conduct of SLBC meeting and timely submission of SLBC data

It is reiterated that delayed submission of data by the member banks comes in a way of timely holding of SLBC meeting. All the Banks need to make a lot of improvement in this area. The Chairman appreciated the idea of developing a common software, suggested by the Chief Manager, Lead Bank, Aizawl, for all banks by RBI/NABARD which will facilitate timely submission of correct data to the Lead Bank Office. The Deputy General Manager, NABARD assured the house that he would be in touch with the software developer with priority basis.

Agenda No. 3 : Follow up actions on the action points emerged in the meeting dated 26.04.2011

Action Point No. 1

The Regional Manager, SBI pointed out that the representations from the banks by the appropriate higher level authority, although discussed in the previous meetings, has not been improved. Since almost all the banks are represented by Branch Managers/Branch Heads important decisions cannot be pushed through in the absence of appropriate level of representations. Bankers have been advised to escalate the issue to their appropriate level.

Action Point No. 2 :

The Regional Manager, SBI requested BSNL and other State Government authorities to provide the required information viz. availability of infrastructure facilities in the Agreed list centres to the Lead Bank Office urgently to enable the later to communicate with RBI, Guwahati accordingly. The DGM, BSNL reported that providing connectivity at Thingsai village is not possible at this stage.

Action Point No. 3 :

The Chief Manager, Lead Bank, requested the concerned department to provide the required information sought by RBI towards finalization of Agreed List urgently. The Chairman, MRB requested RBI representative to provide detail guidelines on the scheme of reimbursement of expenditures and bidding process as banks are not aware of its advantages.

Action Point No. 3 :

As already stated against Agenda No. 2 bankers have been once again requested to adhere to the time norms fixed by RBI for submission of data to the Lead Bank Office which in turn would ensure timely conduct of SLBC meeting.

Action point No. 5 :

Banks were requested to submit report on CGTMSE coverage to Lead Bank Office on a quarterly basis which is not being complied with. The Chairman, MRB suggested that a format for reporting the data should be devised by the Lead Bank Office and forwarded to the concerned Banks.

Action Point No. 6 :

It was suggested in the last SLBC meeting that member banks would maintain Block wise and Village wise record of villagers brought under financial inclusion and details of villagers kept excluded and report to be submitted to Lead Bank Office quarterly for further discussion in the SLBCs. Since such reports are not forthcoming bankers were requested once again to work on it.

Action Point No. 7 :

Bankers to continue to submit defaulter list to the finance department for initiation of recovery processes.

Action Point No. 8 :

The Joint Director, UD & PA informed the house that they have already forwarded applications under ISHUP scheme to the bank branches. The Chairman, MRB appealed

to the house to exempt them from financing under the scheme as 80% of their branches are operating in rural areas incurring huge losses. After threadbare discussion on the issue, the Chairman, MRB conceded to the request made by the Joint Director, UD & PA to finance under the scheme.

Action Point No. 9 :

There is no development in regard to opening of branch as PUC campus by MRB and at Chandmari (Lunglei), Siphir and Biate by SBI.

Action Point No. 10 :

The poor performance under Annual Credit Plan 2010-11 was deliberated at length in the meeting. The poor performing banks particularly Syndicate bank, BOB, ICICI and HDFC bank should put in place appropriate mechanism towards achieving the ACP target for 2011-2012.

Action Point No. 11 :

It is resolved that Action taken report on ACP 2011-2012 should be submitted to the Chairman with a copy to the Lead Bank Office, Aizawl on a quarterly basis.

Action Point No. 12 :

The Chairman, MRB pointed out that the working of BC model for financial inclusion in the identified 14 villages having population of 2000 and above is found to be extremely deplorable hindering the progress of financial inclusion and suggested that banks should appoint new BCs for the purpose of financial inclusion.

Agenda No. 4

South Bungtlang is an unbanked block. Originally South Bungtlang village was allotted to MRB for branch opening in the SLBC meeting dated 22.06.09. Subsequently, the same has been included in the Agreed List in the SLBC dated 26.04.2011.

Agenda No. 5 :

Since the present BC is functioning in a perfunctory manner the Chairman, MRB suggested that Banks should go for appointment of more BCs in the identified villages.

Agenda No. 6 :

As regards participation of SBI and MRB in the implementation of PMEGP scheme in Aizawl town area it is resolved that SBI and MRB branches will participate in financing projects in rural areas only and in Aizawl town area other commercial banks/ MCAB will participate in implementation of PMEGP scheme. Accordingly CEOs of KVIB/MKVIB/DIC is requested to submit District wise/Agency wise/Bank wise targets to Lead Bank office for circulation. As regards targets under SGSY the representative from RD department has stated that financial target of Rs. 72 lacs has been earmarked , the details of which will be circulated shortly.

Agenda No. 7 :

Banks have been advised to furnish the latest position in regard to financial inclusion.

Agenda No. 8 :

Since CD ratio is dropped from 52.27% to 46.34% during the quarter banks to encourage more lending to all sectors so as to maintain the national average of 60% during the subsequent quarters.

Agenda No. 9 :

Banks to formulate appropriate strategies to increase the quantum of lending under Agriculture sector to achieve the benchmark of 18%.

Agenda No. 10 :

Targets under ACP for the year 2011-2012 have already been circulated to all member banks. The poor performing banks to devise their own strategy to achieve the targets under different heads of ACP.

Agenda No. 16 :

Joint Secretary(P & I) Ministry of Finance, Govt. of India has directed the SLBC convener in the review meeting held on 27th May 2011 at Delhi to complete the allocation of villages with population of 1000 to 1999(as per 2001 census) to member banks for drawing up the next phase of financial inclusion campaign state wise and district wise. Accordingly, Chief Manager Lead Bank, Aizawl placed the allocation before SLBC which is approved with minor alterations.

The meeting ended with a vote of thanks to the chair.

ACTION POINTS THAT EMERGED IN THE SLBC MEETING DATED 28.06.11

Sl No	Action to be taken	Action by
1	Attending the SLBC meeting by the appropriate higher level authority	All Members
2	Position of Infrastructural facilities e.g. Telephone, Mobile phone, Electricity, Road connectivity etc. in the proposed agreed listed centres to be intimated to RBI with a copy to Lead Bank Office, Aizawl	IF & SL Deptt., BSNL, India Post, Engineer in Chief- PWD/Electricity
3	Completion of the formalities to finalise the Agreed list and for opening of bank branch at (i) Bunghmun in Lunglei district (ii) South Bungtlang (Unbanked Block) in Lawngtlai district (iii) Zobawk in Lunglei district (iv) Thingsai in Lunglei district (v) Hnahlan in Champhai district (vi) Bairabi in Kolasib district (vii) Phullen in Aizawl district	Reserve Bank of India and Lead Bank Office
4	STRICT compliance of the time norms as per SLBC Calendar	All Bank branches and Lead Bank Offices.
5	Quarterly submission of report regarding CGTMSE coverage to Lead Bank Office, Aizawl.	All Banks
6	Opening of Branch at PUC Campus by MRB, at Chandmari (Lunglei), Siphir and Biate by SBI.	MRB / SBI
7	Maintaining Block/Village wise record for number of persons financially included and number of person remaining for 100% financial inclusion. And to submit quarterly report along with the SLBC data.	All Banks
8	Continuation of submission of defaulter list to the Finance Deptt by the Bank branches and Govt. to help the banks for recovery of loan particularly from the employee defaulters.	All Banks and Finance Deptt. GOM
9	Implementation of ISHUP scheme	UD & PA Department
10	Achievement of Target of different schemes including ACP Target	All Banks
11	Banks to encourage more lending to maintain National Level CD ratio of 60%	All Banks
12	Early completion of the task regarding provision of banking facilities to the identified 14 villages having population more than 2000 as per 2001 census.	MRB & SBI