**State Level Bankers’ Committee, Tamil Nadu**

**Convenor: Indian Overseas Bank**

**Minutes of the 155th Meeting of SLBC**

**Held on 10.10.2018**

The 155th meeting of SLBC, Tamil Nadu was held at Chennai on 10th October, 2018. The meeting was chaired by the Chairman-SLBC, Shri.Ajay Kumar Srivastava, Executive Director, Indian Overseas Bank.

**Welcome Address:-**

Smt. Uma Maheswari, General Manager, Indian Overseas Bank and Convenor, SLBC, Tamil Nadu, welcomed the participants to the 155th meeting of SLBC, Tamil Nadu. She welcomed the Additional chief Secretaries for Finance, for Rural Development and Panchayat Raj, the CGMs of RBI and NABARD. She also welcomed the representatives of various Government departments and the Bankers.

The Convenor highlighted of constitution of sub-committees to SLBC and conducting of the meetings accordingly. After formation of sub-committees, this is the first SLBC Main Meeting being conducted, she told. The Convenor thanked the Bankers for their active participation in Extended Gram Swaraj Abhiyan by making it a success. The participation of Member Banks is sought in the currently launched “People’s Plan Campaign” in which Gram Panchat Development Plans would be drawn. She informed of notification of Paddy II Crop under PMFBY and advised all the banks to enroll the farmers.

The Convenor in her welcome address mentioned various issues listed for deliberations in the course of the meeting and requested all participants to participate actively.

**Inaugural Address by the Chairman, SLBC: -**

Shri Ajay Kumar Srivatsava, Executive Director, Indian Overseas Bank and Chairman of SLBC, Tamil Nadu in his inaugural address welcomed the participants to the meeting and informed the forum that as per RBI’s latest guidelines, the SLBC Meeting should primarily focus on policy related matters with the participation of senior functionaries of the Banks and the Government Departments while the performance of banks under various parameters during the FY 2018-19, ie up to the quarter ended June 2018 and other routine matters were already taken up in the Sub-Committees on FI & Credit Flow.

**Global Environment.**

The Chairman, SLBC said that the present global environment is uneven, Emerging markets are facing headwinds even though the trade growth remains strong, on account of heightened tensions between major trading partners.

**Domestic Environment**

On the domestic front, he observed that the growth is expected to rise to 7.3% in 2018-19 and to 7.5% in the following two years with stronger private spending and export growth as key drivers. He said that the Forex reserves have increased to $401.79 billion (21.09.2018) and direct tax collections grew to Rs.5.47 lakh Crores (Sept) whereas GST collections reported short fall. He also mentioned about Government’s approval of 2-6 per cent increase in the MSP of major rabi crops over the previous season which would help the farmers to earn an additional Rs.62,635 crores.

**Banking in India**

The Chairman, SLBC mentioned that the Central government has initiated consolidation of RRBs along with the public sector banks and intends to bring down the number of RRBs to 36. He quoted a report which stated that the credit turnaround time for MSMEs improved to 26 days in 2018 from 29 days in 2017. He said that Maharashtra, Tamil Nadu and Karnataka, which comprise just 20 per cent of the total population but garnered nearly 40 per cent of all retail loans in the country.

The Chairman, SLBC further mentioned that RBI has not touched the Repo rate in its bimonthly monetary policy and lowered the inflation for Q2-FY19 to 4.0% but retained the GDP growth projections for FY19 at 7.4%.

**Banking Sector in Tamil Nadu:**

Chairman, SLBC expressed satisfaction over the performance of Banks in the state of Tamil Nadu, under various parameters during the first quarter of 2018-19. He said the Deposits grew to Rs.7,15,836 crores as of June 2018 recording a growth rate of 7.57% y-on-y basis and Credit grew by 9.45% y-on-y to Rs.7,89,189 crores. The CD ratio stood at 110.25% as against the national norm of 60%.

Chairman, SLBC listed the following performance highlights of the banks in Tamil Nadu during the quarter ended June 2018.

* Our State’s CD ratio which continued to be above 100 percent, has recorded **110.25%**.
* Deposits have increased by **7.57 percent** YOY.
* Credit has grown only by **9.45 percent** YOY.
* Priority Credit stands at **51.44 percent** against the prescribed norm of 40%
* Agricultural Advance stands at **23.07 percent** against the prescribed norm of 18%.

Chairman, SLBC informed the forum that banks have achieved 93% of the target under Annual Credit Plan in the FY 2017-18 while the achievement was 91% under Priority Sector and 87% under Non Priority sector. Under priority sector, he further informed the forum that banks have achieved 90% under Farm Sector and 99% under MSME. He advised the member banks to endeavour to reach 100 % under each sector.

**Financial Inclusion**

Chairman, SLBC commended the participation of banks in GSA and EGSA making the campaigns success by achieving the set targets. On the similar lines, the Convenor sought the active involvement of member banks in the ongoing Peoples’ Plan Campaign. As part of the campaign, Banks have the role in opening banking outlets, activating the BC points/ATMs and increasing credit flow to SHGs, so that the Gram Panchayat would gain certain points in grading.

**Agriculture**

While the Chairman advised the bankers to ensure coverage of the farmers financed for the notified crops under PMFBY, he cautioned not to take chances. He said the government has issued GO for Rabi 2018 for Paddy II crop. Further, he requested the Insurance companies to amicably settle the outstanding issues of Banks, in the broader interests of the farming community.

**MSME & Education Loans**

Chairman SLBC said that banks have disbursed a sum of **Rs.28,490 crores** to MSME sector during the first quarter of FY 2018-19 in the state. However, he further noted that the NPA level increased to **Rs.13,049 crores (9.40%)** as on June 2018 which is a cause of concern.

While Banks have disbursed **Rs.407.22, crores** as Education loans in the first quarter ended June 2018, the NPAs increased to **Rs.3,254 crores** (**18.99%)** during this quarter. He appealed to the Government to help the banks in recovery of such NPA loan accounts.

**STAND UP INDIA SCHEME:**

The Chairman, SLBC informed the forum that Banks have disbursed **298** loans amounting to **Rs.55.76** **crores** during the first half year of FY 2018-19 (up to 14.09.2018). He called for improvement in this regard.

**Credit Needs for Water and Sanitation (WASH) of Govt of India**

**Credit Policy on Sanitation – of Govt of Tamil Nadu**

The Chairman, SLBC mentioned the communication from DFS, MoF, GoI advising SLBCs to sensitise banks on the credit needs for Water and Sanitation (WASH) Sector. Also, the Govt of Tamil Nadu is formulating a scheme for extending financial assistance for construction of new toilets and repairs to defunct toilets in their efforts to make the state Open defecation Free (ODF). He called upon the bankers to participate in both the initiatives which are part of Swachh Bharath Mission (SBM) of the Government.

**Recovery Challenges**

Chairman, SLBC highlighted that the Banks in general are facing recovery challenges and delinquency is increasing. He said that while banks are participating in all the sponsored schemes for the development of the sectors and the people, they are getting burdened with burgeoning overdues. Recovery assistance is very much needed from the government, departments and other stake holders. A large number of applications filed under Section 14 of SARFAESI Act for taking of physical possession of the property (**1,143 applications** as on 30.09.2018) are pending for disposal with the District Collectors in the state wherein the dues amount to **Rs. 2,496.08 crores.** He appeal again to the Government of Tamil Nadu for its support in implementation of the provisions of the Act which would help the banking system.

Further, the Chairman, SLBC congratulated all the bankers for their good work done so far and called upon them to achieve the targets under all Government schemes, as well under Annual Credit Plan in the current financial year.

He thanked the Central and State Governments, RBI and NABARD, for their good support and guidance given to the member banks and to SLBC.

**Key Note Address:**

**Shri. K. Shanmugam, Additional Chief Secretary (Finance), Government of Tamil Nadu observed the following:**

* Constitution of Sub-Committees to SLBC would help SLBC to deliver more.
* Financial Inclusion is more effective when all people are brought into Banking /Financial Institutional framework. Institutional finance in rural areas is less and more so in urban slum areas, hence dependency on private money lending at exorbitant interest rates is prevailing.
* Increased economic activity in rural areas would help economic empowerment and funds could flow into zero balance Jandhan accounts.
* There are various poverty reduction schemes in TN covering almost all blocks. People’s Plan Campaign could probably address this.
* NABARD’s Esakthi Portal is a major intervention that could strengthen the institutional framework for micro financing. He suggested that the data from NGOs and MFIs also brought into esakthi portal for better implementation of the schemes.
* It would help monitor the liability levels of members of SHGs and the SHGs and also monitor their movements in terms of socio economic levels.
* Rating of SHGs can be done easily. Over burdening and debt trapping can be avoided.
* To increase credit flow in rural areas, especially to agriculture, suggested to finance collective farming, Cluster development programs, Farmers Interest Groups, Farmers Producers Organisations which can undertake all kinds of activities right from cultivation, processing, storing, marketing on cost effective basis. As economies of scale would work for the benefit of individual farmers.
* Government of Tamil Nadu is developing ten agro processing clusters and called upon the Bankers to become “Bankers to the clusters” and support agro processing. Govt is bringing in contract farming and is converging other schemes for the benefit of farmers.
* Banks should come forward to support MSMEs in rural areas and thereby generate employment in rural areas.
* Suggested periodical co-ordination meetings of Government, Bankers and other stake holders to bring in right interventions/schemes for the benefit of the public.
* Suggested that the success stories and new ideas implemented by banks be placed in SLBC and District level Bankers Meetings to motivate others.

**Shri. Hans Raj Verma, Additional Chief Secretary (RD & PRD) and State Mission Director-Financial Inclusion, Government of Tamil Nadu observed the following:**

* The population size of Tamil Nadu requires SHG finance to a tune of Rs.20,000 Crores.
* Share of Banks and private players in the ratio 80:20 is advisable and timely bank linkage is requested.
* Requested the bankers to extend credit for construction and renovation of toilets as part of priority sector lending to achieve ODF status.
* The role played by the Branch Manager is crucial for the successful implementation of any Government Scheme.
* Branch Manager’s Level of orientation is the need of the hour.
* In the two aspirational districts, orientation sessions for Branch Managers were already conducted
* Propose to conduct interface meetings in all districts to smoothen the way for implementation of schemes.
* Bankers at Head office/controlling offices should pass on the message and mandate of the government to the Branch Manager level.
* The office of RD & PRD and TNCDW will be frequently interacting with Bankers in the matters of Aspirtational districts, GSA, GPDP etc

**Dr. K. Balu, Chief General Manager, RBI in his special address highlighted/ observed the following:**

* After revamp of Lead Bank Scheme, there is a lot of scope for SLBCs to go beyond review of government sponsored schemes and look into various aspects affecting the financial sector and stake holders like banks, regulator, government and others.
* The meetings are expected to discuss various lending schemes, usurious financing, ponzhi schemes, etc to name a few.
* SHG financing is a time tested model and banks should increase their lending to this diversified and less risk prone sector that works on peer pressure from the SHG members.
* Note refund rules are amended to accept the new Rs.2000/- and Rs.500/- notes.
* RBI releases updated Master Circulars on 1st of July every year for the benefit of stake holders.
* NBFCs are co-originating loans among themselves. RBI has now notified that Banks can also co-originate loans with NBFCs.
* Financing of retail loans by public sector banks is on the decrease while the general public are availing retail loans with private entities at about 24% which indicates that they are capable of and ready to pay higher interest rate. Public sector banks should think about this and compete in extending retail loans.
* Cost of Credit and Availability of credit are two important things for the borrower. RBI has now removed the cap on the cost of credit. There is a potential and ability to pay. NIM for banks is around 2.5% while that of NBFCs it is around 7 to 8%. Banks should foray in a larger way and compete in this sphere so that the competition benefits the public.
* NBFCs are generating huge number of small ticket loans in a secured way by leveraging technology while some of the commercial banks are still lagging behind in use of technology at the branch level. Branch Banking should be strengthened and use the technology to the optimum level.
* Suggested that the banks like some new generation private banks have a dedicated FI team with updated technology.

**Smt.Padma Raghunathan, Chief General Manager, NABARD in her special address observed the following:**

* Overall ACP achievement is 95%. Sector wise and sub sector wise break up of agriculture advances would help understanding the sectoral flow of credit.
* PLPs for all districts are under preparation by respective DDMs. First time PLP is being prepared for Chennai district.
* SHG lending – request to credit link the yet to be linked. NBFCs are doing well in SHG lending.
* Esakthi portal would be launched shortly in conjunction with TNCDW that would help the Bankers to view the SHGs that are to be credit linked. Even loan applications can be generated from the portal.
* NABARD has promotional program for JLGs. An incentive of Rs.2000/- would be given for forming a JLG. Banks are requested to finance in a bigger way. The target for the year is 58000 JLGs.
* Pallavan Gram Bank has signed MOU with NABARD for JLG financing and SBI has signed in other states.
* NABARD conducted workshops for bankers on DEDS. Govt of India has continued the National Livestock Mission.
* NABARD has prepared area development Programs in all districts, Banks are requested to finance in a bigger way.
* NABARD is continuing the support under its Financial Inclusion Fund. Banks are advised to avail the facility.
* NABARD has promoted 170 FPOs. Some of them have matured to the level of availing working capital assistance. Banks are requested to meet the requirement as it would help in increased agriculture production, processing, marketing and rural development too.

**Mr Praveen P Nair, IAS, Managing Director, TNCDW, in his address informed the following:**

* TNCDW aims at making available adequate and timely credit to SHGs at reasonable interest rate.
* With 2500 staff of NRLM and NULM in the state, the support mechanism of TNCDW extends through the entire cycle of loans to SHGs right from credit linkage till recovery.
* Branch Manager heads the Committee formed under Community Based Recovery Mechanism (CBRM) which will monitor the entire SHG loan portfolio including overdues and NPAs.
* TNCDW has 2000 IIBF certified Community Bank Co-ordinators (CBCs) who are trained in SHG credit linkage and loan recovery. They are similar to BCs of banks and are paid Rs.2000/- pm honorarium by TNCDW. Banks are requested to make use of their services – as additional BCs and also as replacement to BCs.
* He requested the forum/Banks to lay emphasis on Interest Subvention program for SHGs. Effective interest rate would be around 4.00% to Women SHGs which are regular in repayment while the loans from NBFCs would be costlier.
* SHG finance by formal banking system helps the SHGs to come out of the clutches of usurious / informal money lenders.
* TNCDW is conducting district level programs to raise the awareness among the bank officials and other stake holders.
* TNCDW is going on a major drive to market the products of SHGs.
* TNCDW is trying to build up Individual and Collective enterprises in Rural Areas through its Tamil Nadu Rural Transformation Project and seeks bankers too play active role.

**Minutes on the Action Taken Report**

**ATR No.1 – Revamp of Lead Bank Scheme**

Convenor, SLBC placed to the forum, the details of constitution and composition of three SLBC Sub-Committees, namely – SLBC Steering Sub-Committee, SLBC Sub-committee on Credit Flow and SLBC Sub-Committee on Financial Inclusion to transact various routine matters of SLBC. The convenor also informed the forum of conducting of meetings accordingly for the quarter Sept 2018.

Dr K Balu, CGM, RBI advised that it is the responsibility of member banks and LDMs to bring the issues for deliberation in sub-committees and in the Main Meeting of SLBC.

**ATR No.2 – Opening of Banking Outlets in Unbanked Rural Centres (URCs)/Villages**

The Convenor SLBC informed the forum that the URCs/Villages are allocated to the Member banks and the Banks have to open Banking Outlets (BOs) by 31.10.2018. She advised the Banks that the existing BC may be upgraded to a Fixed Point BC to comply with the requirement of opening of BO. CGM RBI clarified that Banks under PCA can also open a BO in the form of Fixed Point BC. It is also clarified to the Chairman, Pandiyan Grama Bank that there is no restrictions for RRBs to open BOs in URCs but they would not gain incentive on the account of opening a BO in rural area.

Additional Chief Secretary (Finance) suggested that ATMs which operate on biometrics may be installed in rural areas for depositing and withdrawing money instead of part time BCs or Banking Outlets, for uninterrupted services. He also suggested that Panchayath Office premises and Buildings of Village Poverty Reduction Committee (VPRC) may accommodate BC/BO outlet. Further he advised that the BCs should possess interoperable hand held devices suited to transact with all banks. Managing Director, TNCDW informed that they are ready to provide space in VPRC Buildings and also trained SHG members to work as BCs to banks.

ACS (Finance) also suggested that Banks should support the economic activity of rural people. Micro lending would help increase their income and so there will be funds in their zero balance accounts.

**AGENDA NO.1:**

**Confirmation of Minutes of 154th Meeting of SLBC conducted on 26.06.2018**

The forum confirmed the minutes of the 154th State Level Bankers’ Committee Meeting convened on 26.06.2018.

**Agenda No: 2**

**People’s Plan Campaign – From 02.10.2018 to 31.12.2018**

**[Gram Panchayat Development Plan-GPDP]**

The Convenor, SLBC informed the forum of launching of People’s Plan Campaign” (PPC) as ’Sabki Yojana Sabka Vikas’ from 02.10.2018 to 31.12.2018 by the Ministry of Panchayat Raj, Govt of India during which structured Grama Sabha Meetings will be organised and Gram Panchayat Development Plan (GPDP) would be prepared for the next financial year ie 2019-20 with participation of local, state and central government departments.

The Convenor, SLBC requested the member banks to actively participate in the campaign, as instructed by Department of Financial Services, Ministry of Finance, Government of India by opening Banking Outlets, activating inactive BC points, appointing BCs in vacant areas and increase SHG finance.

**Action: Banks**

**Agenda No: 3**

**SHG Bank Linkage Program 2018-19- Upward Revision of Disbursement Target to Rs.15,000 Crores**

Convenor SLBC informed the forum that the Additional Chief Secretary(ACS), Rural Development and Panchayat Raj (RD&PR), Govt of Tamil Nadu and State Mission Director (Financial Inclusion) had observed the need for increasing the target under SHG financing and indicated various gaps for taking steps. The target stands revised upwards to Rs.15000 Crores.

To achieve the target, the ACS (Finance) suggested to finance all the graded SHGs, to upgrade the SHGs from self-consumption level to economic activity level, study the gaps and educate the SHG for qualifying in grading. Potential SHGs should be identified, groomed, trained and assisted, he said. Tamil Nadu Rural Transformation Project has its full focus to create a large number of micro enterprises in rural areas to improve the livelihood. Working with the strategy would help to achieve the revised disbursement target. Convenor, SLBC requested the Managing Director, TNCDW to provide the list of graded SHGs for circulating to the Banks and for credit linking.

**Action: TNCDW/Banks**

**Agenda No: 4**

**National Urban Livelihood Mission (NULM) – Targets for 2018-19**

Convenor, SLBC informed the forum that the Districtwise physical target under NULM was received from TNULM (TNCDW) and was circulated already. She requested for Bankwise physical and Financial targets.

DGM, RBI clarified that NULM is a government scheme and RBI would not be giving the target. ACS (Finance) observed that poverty in urban areas is more prevalent, the credit need is huge, more so in slum areas. The private financiers, NGOs and MFIs are playing a major role. Hence it is necessary for the government and the banks to increase their activity in financing to the urban poor. He suggested that SLBC may proceed with allocation of target.

**Action: TNULM/TNCDW/Banks**

**Agenda No: 5**

**Margin Money Allocation for 2Nd Loan for Upgradation of Existing PMEGP Units for the Year 2018-19**

Convenor, SLBC advised of the tentative Margin Money allocation target of Rs.313.57 lakhs for 2nd loan for up gradation of existing PMEGP units for the year 2018-19. The official from KVIC informed that the revised target is Rs.447 lakhs and informed that Tamil Nadu stood third under PMEGP last year after UP and Gujarat. He requested co-operation from banks in the current year.

Secretary, MSME, Govt of Tamil Nadu observed that the target is miniscule compared to the population of the state and that a large number of applications for two to three years are pending with banks for decision. Applications are rejected on frivolous reasons and disposal is very much delayed. He further said that the general scenario of MSME is poor in the state. Under NEEDS the target is not achieved in the past. Average loan size is around Rs.50 lakhs only while the scheme allows upto Rs.1.00 Crore and Banks are insisting collateral security in most of the cases instead of covering under CGTMSE, he informed the forum. He urged the Banks to come forward and finance MSMEs, startups and first generation entrepreneurs. Further, he advised the banks to look into the issues of sick units, the subject that was also raised in RBI’s meeting on MSMEs, he informed the forum. The Secretary, MSME informed the forum that the modality of preferring claim under Interest Subsidy Scheme is being looked into.

The Chairman, SLBC said that banks share the concerns of the government for MSMEs. Further, he informed that Banks have to function within the guidelines of/framework of RBI, as per the policy of the bank and to the requirement of the State Govt. Banks will be contributing taking into consideration of all these factors. In spite of which if gaps are observed, they need to be taken care of, the Chairman said. He further said that banks have been lending to MSMEs and have lent Rs.28490 crores in the first quarter itself. The Chairman further said that the observations made, hitherto, may be true in a few cases but cannot be generalized. He also said that the Banks are doing their prime job of lending under government Schemes while NPAs under MSME sector alone stands at Rs.13049 crores (9.40%) which is one of the highest in the country and advised that State government should come forward for recovery of loans.

The Convenor, SLBC called upon the member banks to process the applications pending with the banks and give a credit decision without delay.

**Action: Banks**

**Agenda No: 6**

**Pradhan Mantri Fasal Bima Yojana (PMFBY) 2018 - GO issued for Paddy II**

Convenor, SLBC informed that Government of Tamil Nadu has issued the notification of Paddy II Crop – Rabi 2018 season vide G.O. (Ms). No.227 dated 07.09.2018 for coverage under PMFBY. She requested the Member Banks to cover the eligible borrowal accounts under PMFBY.

Chairman, Pandiyan Grama Bank brought to the notice of the forum that the Insurance Company for sivagangai district (ICICI Lombard) has not settled the crop insurance claim for the year 2016-17 till date and the farmers are agitating in front of their Branches. The Additional Chief Secretary (RD & PRD) assured to take forward the matter.

**Action: Agri Dept, GoTN/ICICI Lombard**

**Agenda No: 7**

**Amma Two Wheeler Scheme in Tamil Nadu –Guidelines for Implementation-Modification in Clause:**

Convenor, SLBC informed the forum that SLBC had taken up with the government to delete the clause “Action should only be taken with concurrence of the district collectors by the banks in case of default or release of the hypothecation of the vehicle” in the guidelines of the scheme. In the Steering Sub-Committee of SLBC, it was informed the GO on modification of the clause would be issued shortly.

SLBC requests for the same, once again, the Convenor said.

**Action: RD & PRD, GoTN**

**Agenda No: 8**

**SARFAESI Act 2002- District wise data of applications pending with DMs/District Collectors for taking actual possession of property**

Convenor, SLBC informed the forum that SLBC had compiled the list of Banks with the number of applications filed under section 14 of SARFAESI Act, 2002 for taking physical possession of the property and are pending with various District Collectors. It has 1143 cases worth Rs.2496 Crores. The list is shared with the Office of the commissioner, Land Administration requesting to review the pendency in their periodical meetings with the District Collectors. It is suggested that SLBC also participate in the review meetings conducted to District Revenue Officers (DROs).

Convenor, SLBC requested the State Government to help in this regard.

**Action: CLA, GoTN**

**Agenda No: 9**

**Credit Policy on Sanitation by Government of Tamil Nadu**

Convenor informed the forum that the Additional Chief Secretary to Government of Tamil Nadu, RD & PR Department had called for a special meeting on “Credit Policy on Sanitation” with select Bank Executives on 21.08.2018 wherein it was emphasized about achieving Open Defecation Free (ODF) status under Swachh Bharath Mission (Gramin) and modalities to achieve the same. Banks were requested to finance upto Rs.15,000/- for construction/renovation of toilets. While IOB has IOB – Swachchta Scheme and Bank of Baroda too has such a scheme, the Convenor advised the Member banks to devise a suitable scheme and extend financial assistance.

**Action: Banks**

**Agenda No: 10**

**Credit Needs For Water And Sanitation (WASH) Sector**

Convenor, SLBC informed the forum of the advise of the Department of Financial Services, Ministry of Finance, Government of India vide its letter dated 06.09.2018 to sensitize the banks on the credit needs for water and sanitation (WASH) Sector that aims in improving the levels of cleanliness through Solid and Liquid Waste Management activities and making Gram Panchayats Open Defecation Free. Including making available adequate safe water for drinking, cooking and other domestic basic needs on a sustainable basis.

Convenor, SLBC advised the Member banks to make note of the need and extend assistance towards achieving the aim.

**Action: Banks**

**Agenda No: 11**

**Attendance Level in Bankers’ Meetings [DCC/DLRC/BLBC]**

The Convenor, SLBC informed the forum that a special meeting was convened by the ACS (RD &PRD) which also discussed the low attendance levels in the district level meetings and the block level meetings.

Since deliberations on various state and central government schemes would be taken up in the meetings, the Convenor, SLBC exhorted the member banks to instruct and ensure that their bank representatives attend all bank meetings at the district level as well as at the block level.

**Action: Banks**

**Agenda No: 12**

**Long Pending loan Applications under Govt Sponsored Schemes**

The DGM, RBI told that acknowledgement for receipt of applications need to be given and the applications to be processed within stipulated time periods.

The applications under all government sponsored schemes should be duly acknowledged, an acknowledgement be given to the applicant and the same should be processed within the time norms, the Convenor, SLBC advised the member banks to comply with the norms.

**Action: Banks**

**Agenda No: 13**

**Preparation of PLP and ACP for Chennai district**

Convenor, SLBC informed the forum that, NABARD is preparing Potential Linked Plans (PLP) and Annual Credit Plans (ACP) for Chennai district. She requested the member banks to participate in the exercise.

**Action: Banks**

**Agenda No: 14**

Other points discussed with the permission of the chair.

1. The convenor, SLBC informed the forum that the delay caused in submission of returns by banks to SLBC and by Banks to LDMs at district level is causing difficulty in compiling and conducting of SLBC meetings. Member banks should submit the returns by 20th of next month of every quarter.
2. It was informed that the project cost under NEEDS has been enhanced from Rs.1.00 Crore to Rs.5.00 Crore and the subsidy component from the maximum of Rs.25.00 lakhs to Rs.30.00 lakhs.
3. Chairman, Pandiyan Grama Bank requested for extending of repo facility by RBI to meet their financing needs for which CGM, RBI clarified that the repo facility is extended against surplus government securities for a very short periods of one day to a week. Hence suggested to sell securities or avail refinance facilities with NABARD, MUDRA etc.
4. Chairman, Pandiyan Grama Bank informed that RRBs are actively participating in all government schemes where government funds are not kept in RRBs since in the list of Banks, RRBs are not finding place. Hence he requested the Additional Chief Secretary (Finance) to include RRBs also in the list of banks for parking government funds.

The 155th SLBC Meeting ended with vote of thanks by Shri N V S Krishna Rao, AGM of Andhra Bank.