



## **State Level Bankers' Committee, Tamil Nadu**

**Convener: Indian Overseas Bank**

### **Minutes of Meeting of Sub-Committees on Credit Flow and Financial Inclusion of 161<sup>st</sup> SLBC held on 20.02.2020**

The Meeting of the Sub-Committee on Credit Flow and Financial Inclusion of the 161<sup>st</sup> SLBC was convened on 20.02.2020 at 11.00 AM at Indian Overseas Bank, Staff College, Chennai. The meeting was presided over by Shri.S.C.Mohanta, GM & Convenor-SLBC who welcomed the participants. Shri.T.P.Rajesh, I.A.S, Additional Commissioner, Directorate of Industries and Commerce, GoTN; Shri. Balaji AGM, RBI Chennai; Shri C.Ganesan DGM, NABARD; Shri.J.Sampath, Chief Executive Officer, TNRTP; Shri.Venatesh, Deputy Director, Directorate of Industries and Commerce; Mr.Rangarajan State Director of RSETIs; Representatives of TNULM, TNCDW, TAHDCO, officials from State Government, Senior Officers from Banks and officials from Govt Departments participated in the meeting.

#### **Key Note Address by Shri.T.P.Rajesh, I.A.S, Addl Commissioner, Directorate of Industries and Commerce, GoTN:**

- Government funding support to Micro, Small, Medium Enterprises stands to the tune of Rs.175 crores from both GoTN and GOI.
- Schemes like NEEDS, UYEGP, PMEGP do not have the optimal support from credit institutions.
- He requested bankers to focus more on MSME sector.
- He further requested all bankers to focus more on these sectors and achieve their targets before the end of this financial year.
- Around 20 districts in Tamil Nadu have been made as export hubs under the aegis of Government of India to help them in achieving 800 billion under exports. He requested bankers to extend and expand credit to these exporters.

**Shri.Balaji, Asst.General Manager, RBI, Chennai:**

- Expressed his displeasure over the inadequate representation of bankers in the meeting and wanted SLBC to take up with the concerned banks.
- Thanked SLBC, bankers and State Government in helping RBI in conducting MSME Week from 10<sup>th</sup> Feb to 15<sup>th</sup> Feb.
- With regard to Standardization of data flow, he clarified that wherever block codes are not available, SLBC to devise unique block codes and similarly for State and District codes BSR codes may be used at the discretion of SLBC and communicated to bankers.
- With regard to education loans, he requested the bankers to provide the checklist along with the application so that the applicant will be aware of the documents he has to submit and thus avoid unnecessary complaints.
- Data collection from foreign banks may be done only for calculating CD ratio, to know the status of branch network etc. and as they are not part of Lead Bank scheme they need not be insisted to submit the data like other banks.

**Shri.C.Ganesan, DGM, NABARD:**

- Rs. 4 crores has been allocated for conducting Financial Digital Camps by banks, RRBs and co-operative banks for the current financial year.
- Requested banks to conduct the camps and claim the expenses with NABARD by the end of February so that the amount can be released by March 2020.
- All co-operative banks are now under PFMS platform, which facilitates Direct Benefit Transfer from the Government to the beneficiaries.
- Two mobile vans has been given to cooperative banks and micro ATMs sanctioned to Equitas Small Finance Bank.
- Technological Upgradation Committee for co-operative banks has been constituted to bring them at par with commercial banks with regards to technology.
- Requested bankers to focus more on lending to MSME sector.

## **Minutes on Credit Flow Matters**

### **Agenda No.1: Prime Minister's Employment Generation Programme (PMEGP)**

- KVIC presented the physical and financial targets Vs achievement position as on 31.12.2019.
- The Convenor informed the forum that the gap in achievement and the target is narrow and expressed hope that the banks would achieve the target set before the end of financial year.
- He requested bankers to increase the share of credit to SC/ST beneficiaries.

**Action: Banks**

### **Agenda No.2: PERFORMANCE UNDER NEEDS & UYEGP 2019-20 – DIC**

- The Convenor informed the forum on number of applications sanctioned, disbursed under PMEGP, UYEGP and NEEDS as on 11.02.2020.
- He advised the member banks to process the pending applications based on merits without any undue delay.
- Addl Commissioner, DIC informed the forum that DIC is in the process of creating separate User ID and Password for banks to track and download the pending applications. It will be shared with the banks in due course.
- He requested the Member Banks to disburse the credit facilities wherever sanctions have been made and achieve the targets.

**Action: DIC/Banks**

### **Agenda No.3: Financing of SELF HELP GROUPS (SHGs)/NRLM**

- The Convenor informed the forum that the target for the FY 2019-20 under SHG finance is Rs.15, 000 crores and the achievement as far as informed by TNCDW stands at Rs.12, 365 crores as on 18.02.2020.
- TNCDW lauded the efforts taken by banks in sanctioning loans to SHGs and also informed that there was an increase of around Rs.3800 crores for the same period when compared to last financial year and thanked the bankers for observing the Months of Jan and Feb as SHG BLP Months.
- TNCDW requested the Member Banks to form CBRM Committee in all SHG lending branches wherever not formed so far and informed that GoTN is taking efforts to bring down NPA to less than 1% from the present 3.5% with active support of all Banks.
- TNCDW further informed that banks can make use of IIBF trained SHG members to assist the branches in maintaining, facilitating and recovery of SHG loans for which no charges are levied.

**Action: Banks**

## **AGENDA NO: 04 - Start-up Village Entrepreneurship Program (SVEP)**

- The Convenor informed briefly to the forum about the SVEP program introduced by MoRD, GOI.
- Mr. Sundareswaran, Project Manager, TNSRLM requested the banks in Thiruporur and Ulundurpet blocks where the scheme is initially being implemented, to process the applications received by them without undue delay.
- The Convenor, SLBC, requested TNSRLM to forward the list of branches where applications are pending so that it can take up with their concerned controlling offices to speed up the process of sanction.

**Action: TNSRLM/Banks**

## **Agenda No.5: Tamil Nadu-Day NULM**

- Convenor, SLBC informed the forum on the applications pending under the three schemes viz., SEP(I), SEP(G) and SEP(BL) with various bank branches.
- Member banks are advised to instruct their branches to actively participate in implementation of all the three components of DAY-NULM.
- TNCDW informed the forum that interest subvention allotted for this year is Rs.22 crores whereas banks have utilised only 10.70 crores and requested banks to upload the claim properly in the Paisa Portal.
- In the State of Tamil Nadu 1000 Common Interest Groups are formed among the Street Vendors and requested bankers to give credit support to these groups.

**Acton: Banks**

## **AGENDA NO: 6- Tamil Nadu Rural Transformation Project – Matching Grant Program**

- The Convenor informed the forum briefly on the TNRTP – Matching Grant Program on its objective, the beneficiaries of the scheme and its location.
- The representative of TNRTP made a detailed Power point presentation on their project covering the following aspects viz., Project Components, Enterprise Business Plan Financing, Matching Grant Program and Participating Financial Institutions for the benefit of the Member Banks.
- The Convenor requested the Member Banks to make credit available to these projects for its successful implementation in the 26 districts of the State.

**Action: Banks**

### **Agenda No.7: Progress Report on Pradhan Mantri Mudra Yojana (PMMY)**

- The Convenor informed the forum on the performance of banks under Mudra Scheme for the period from 01.04.2019 to 14.02.2020.
- Under the scheme, 58,04,199 loans amounting to Rs.28,573 crores were sanctioned and Rs.28,280 crores were disbursed.
- Convenor requested Member Banks to actively involve themselves and take forward the PMMY scheme.

**Action: Banks**

### **Agenda No.8: Economic Development Schemes implemented by TAHDCO:**

- The Convenor informed the forum on the Age wise and Year wise TAHDCO applications pending with banks and UCs receivable from banks as on 15.02.2020.
- He advised the member banks to process the applications immediately on receipt and submit UCs soon after disbursement of loan.
- Representative of TAHDCO informed the forum that out of Rs.150 crore subsidy bankers have utilised only around Rs.50 crore and requested Member Banks to claim subsidy without further delay for all eligible cases.

**Action: Banks**

### **Agenda No.9: Progress Report on Stand up India (SUI) Scheme:**

- The Convenor informed the forum on Bank wise and District wise performance as on 17.02.2020 under the scheme.
- For the period from 01.04.12 to 17.02.2020, banks in the State have sanctioned 1068 loans and disbursed Rs.292.13 crore.
- Convenor, SLBC requested Member Banks to advise their branches to logon to the SUI portal on regular basis and process the applications without any delay.

**Action: Banks**

### **AGENDA No: 10 - Implementation of Weaver Mudra Scheme in Tamil Nadu:**

- The Convenor informed the forum on the performance of banks in the State of Tamil Nadu for the period ended 31.01.2020.
- He advised the Member Banks to quicken the processing of applications already received and achieve the target.

**Action: Banks**

### **Agenda No: 11- Financing of Agri Clinic & Agri Business Centres (AC & ABC)**

- The Convenor informed the forum on the revised guidelines-2019 of AC & ABC scheme briefly on eligibility and age criteria which has already been circulated to Member Banks.
- The Convenor opined that though the scheme was in operation for quite a long time, the credit offtake has not been up to the desired level.
- The convenor requested Member Banks to lend more under this scheme as agriculture is the backbone of the country.

**Action: Banks**

### **Minutes on Financial Inclusion Matters**

#### **Agenda No: 1: Opening of Banking Outlets (BOs) in Unbanked Rural Centres (URCs)/Villages:**

- The Convenor informed the forum that out of the 451 identified Unbanked Rural Centers, Banks/ FIs have opened Banking Outlets in 396 centers and only 55 are remaining.
- SLBC has taken up with the concerned LDMs of those 55 centers to identify the banks that are operating nearer to those villages so that they can be re-allotted to them.
- The Convenor requested the Member Banks to whom these centers are re-allotted to open the Banking Outlets before March 2020 to make all the identified centers covered by banking outlets.

**Action: Banks**

#### **Agenda No.2: Financial Inclusion Coverage Data in the State:**

- The Convenor, SLBC informed the forum that in the state of Tamil Nadu, there are 9326 Sub Service Areas of which 492 Sub Service Areas are covered through branches and Bank Mitras (BCs) cover 8834 Sub Service Areas.
- As on 07.02.2020, there are 117 Inactive Bank Mitras (BCs) in the state pertaining to 12 Banks.
- The Convenor read out the name of the Banks and advised to take immediate steps to activate their inactive BC points.

**Action: 12 Banks**

### **Agenda No.3: Status of PMJDY Accounts in the State of Tamil Nadu**

- The forum was informed that the total number of PMJDY accounts opened in the State as on 05.02.2020 is 106.42 lakhs.
- Aggregate balance in PMJDY Accounts is Rs. 2136.84 crores and the number of Zero balance accounts in 15.61 lakhs.
- The Convenor urged the Member Banks to take up financial literacy activities in rural areas and bring down the number of zero balance accounts and make efforts to increase the utilisation/ activation of Rupay Cards

**Action: Banks**

### **AGENDA No: 4- Status of Jansuraksha Schemes in the State**

- The forum was informed that the enrolments under Janasuraksha Schemes have reached 130.56 lakhs as on 17.02.2020, with 32.15 lakhs under PMJJBY and 98.41 lakhs under PMSBY.
- The Convenor SLBC advised the member banks to make extensive use of their BCs for canvassing and covering the existing customers of the banks under these Janasuraksha schemes.

**Action: Banks**

### **AGENDA NO: 5- Status of Aadhaar Saturation in the State**

- The forum was informed on the District-Wise data on Aadhaar saturation as on 17.02.2020.
- The Aadhaar saturation level in the state of Tamil Nadu stood at 103% as on that date.

**Action: Banks**

### **AGENDA NO: 6- Financial Literacy & Credit Counselling Centers (FLCCC)**

- The forum was informed on the FLCCC quarterly report on special camps conducted by FLCs as on December 2019.
- FLCCC quarterly report on the Target Group Specific Camps for the quarter ended December 2019 was also discussed.
- The Convenor SLBC advised the Member Banks to ensure conducting of adequate number of Financial Literacy Camps as advised by RBI.

**Action: Banks**

## **AGENDA NO: 7- Rural Self – Employment Training Institutes**

- The performance of RSETIs during the period from April 2019 to December 2019 was informed to the forum.
- The convenor requested the member banks having RSETIs to credit link maximum number of trainees after the training program for them is completed.
- The State Director RSETI informed the forum that all the RSETIs in the State have achieved the target by January 2020 itself and thanked IOB in particular for achieving the target and doing exceedingly well.
- The State Director also advised all RSETIs to follow the Common Norm Notification for claiming reimbursement.

**Action: IOB, IB, Canara Bank, SBI**

## **AGENDA NO.8- Atal Pension Yojana (APY)**

- The forum was informed that as on 31.01.2020 there were 16.47 lakhs enrolments under APY in the state of Tamil Nadu.
- The Convenor, SLBC-TN called upon the member banks to enroll more numbers under APY.

**Action: Banks**

**The Meeting ended with a Vote of Thanks**