

**State Level Bankers' Committee, Tamil Nadu**  
**Convenor: Indian Overseas Bank**  
**Minutes of the 144th Meeting of SLBC**  
**Held on 18.12.2015**

144th meeting of SLBC, Tamil Nadu was held at Chennai on 18<sup>th</sup> December 2015. List of participants is furnished in the Annexure. The meeting was chaired by Shri.R.Koteeswaran, Managing Director & CEO, Indian Overseas Bank.

**Welcome Address:-**

Shri.Atul Agarwal, Executive Director, Indian Overseas Bank welcomed the participants to the 144th meeting of SLBC, Tamil Nadu. He has highlighted the various special SLBC meetings and Sub committee meetings organised by SLBC after the 143rd meeting. He also briefed the forum about the 33 mega Credit camps held throughout the state with the active Co-operation of Member Banks and LDMs for disbursement of MUDRA loans from 25.09.2015 to 02.10.2015. He has appreciated the member banks for having surpassed the target and achieved 109% of the target.

He has appealed to all the bankers to advise all their branches in the State to actively participate in disbursement of MUDRA loans and achieve the annual target given to each bank under the three MUDRA schemes namely "Shishu, Kishore and Tarun".

ED, IOB Shri.Atul Agarwal, advised the forum that as per the directives of Ministry of Finance, Government of India, SLBC has established a separate Toll Free Number 1800-425-1646 for MUDRA loans. A separate number has been taken for the purpose and the same has been advised to Ministry of Finance. The expenses as usual would be shared with the member banks on a quarterly basis.

ED, IOB explained the forum, the various steps initiated by SLBC and member banks during the recent floods in Tamil Nadu to provide banking services to the affected people. He has also advised the forum about the various special SLBC meetings held for providing relief measures to the affected people.

### Inaugural Address:-

In his inaugural address, Shri.R.Koteeswaran, Managing Director and CEO of Indian Overseas Bank and Chairman of SLBC, Tamil Nadu welcomed the participants and informed the forum that the performance of the first half year of 2015-16 ended 30.09.2015 was to be reviewed in the 144th meeting of SLBC.

Chairman, SLBC while appreciating the good performance under various parameters by the banks, advised the forum that there is a need to concentrate more on Education and Housing sectors to achieve the targets. He advised the member banks to show equal level of performance under Annual Credit Plan also.

He also congratulated all the bankers for their excellent performance under the mega Credit camps conducted between 25.09.2015 and 02.10.2015 for disbursement of MUDRA loans.

He also listed the performance highlights of the banks in Tamil Nadu during the first half year of 2015-16 ended 30<sup>th</sup> September 2015:-

1. CD ratio of the State continues to be above 100 percent. The present level is **113.75%**.
2. Deposits have increased by **11.11 %** (year on year).
3. Credit increased by **5.84 %** (year on year)
4. Priority Credit stands at **43.92 percent**.
5. Agricultural Advance stands at **18.32 percent**.

Chairman informed the forum that banks have achieved 100 % of the proportionate target under Annual Credit Plan during the first half of the year of 2015-16. He also informed the forum that banks have achieved 102 % under Farm sector, 98 % under MSE, 81, 79 and 103 % under Education, Housing & Others respectively.

Chairman, SLBC informed the forum that most of the banks have not reported any data under the recently included categories of Priority Sector Advances viz. Incremental Export Credit, Social Infrastructure and Renewable Energy; as a result the data could not be reported in full form.

He also observed that all banks must have a reasonable portfolio under Incremental Export Credit and Social Infrastructure if not under Renewable Energy and requested all the controlling offices to put in place a proper control mechanism to see that the above data are reported without fail which will help in improvement of CD ratio of the state as well as of the individual Bank.

Chairman, SLBC advised the member banks to focus more on State Government sponsored schemes like TAHDCO, UYEGP and NEEDS. He advised the forum that SLBC has already circulated the list of pending applications to all the member banks. He advised the controlling offices to follow up with their branches in the state.

Chairman also advised the member banks to submit data on the recently included categories of priority sector namely Export Credit, Social Infrastructure and Renewable Energy from the next meeting onwards.

### **Financial Inclusion:**

Chairman advised the member banks to ensure that RuPay cards are issued to all PMJDY account holders and also to ensure that the cards are activated. He also advised the member banks to engage Business Correspondents in all the urban wards allotted to them by the LDMS for the purpose of payment of Social Security Pensions. He also advised the member banks to get all their Business Correspondents trained and certified under IIBF training module.

### **Agriculture**

Chairman, SLBC advised that the state was experiencing slight water shortage during the last two quarters. But the recent heavy rain fall caused severe flood and water logging in many parts of the State. The crops and livestock are severely damaged. As and when the formal declaration of flood affected areas is made by the State Government, member banks should immediately arrange to provide relief to the affected farmers in terms of RBI Master Circular dated 01.07.2015.

He advised the member banks to provide fresh loans to the farmers wherever necessary. Member banks should also increase the credit flow to investment credit in Agriculture which will help the farmer to have a regular income.

### **MSME Loans:**

Chairman, SLBC informed the forum that due to the recent unprecedented floods many MSME units in the State especially in Chennai, Kancheepuram, Tiruvallur and Cuddalore districts are affected and the units are not functioning for several days and many of them are still under water logged conditions. To obviate this situation, Principal Secretary, MSME called a preliminary meeting of the major bankers on 11.12.2015 to discuss the issues relating to provision of relief to the affected units. A core committee of the bankers discussed the issues and drafted a relief package which can be taken as a model by all the member banks while providing relief in terms of RBI Master Circular dated 01.07.2015, as and when the State Government declares the flood affected areas by way of a G.O.

Chairman, SLBC informed that a special meeting of SLBC, Tamil Nadu was called on 14.12.2015 to discuss the draft relief package in which Shri.Jagmohan Singh Raju, I.A.S., Principal Secretary(MSME), Government of Tamil Nadu, Dr.J.Sadakkadulla, Regional Director of RBI, Shri.Atul Agarwal, ED of IOB and other senior bankers participated and discussed the various clauses of the package.

He also advised that Shri.Pankaj Jain, Joint Secretary, Ministry of Finance, Government of India had convened a meeting at New Delhi on 10.12.2015 to discuss strategies for bringing the micro units under MUDRA scheme both in the flood affected areas and rest of Tamil Nadu. The meeting was attended by Shri.Pawan Kumar Bajaj, Executive Director of IOB wherein SLBC, Tamil Nadu was advised to issue:

1. Press advertisement on behalf of all the member banks in Tamil Nadu in local language highlighting the salient features of the MUDRA scheme.
2. Advertisement in Tamil in All India Radio and local FM channels.

SLBC will be shortly issuing advertisements as advised by Ministry of Finance and the proportionate cost will be recovered from member banks as usual based on the number of branches they have in the state.

### **Relief measures initiated by Banks for flood affected people:**

Chairman, SLBC informed the forum about the various relief measures provided by the banks to the flood affected people. Banks have deployed their mobile ATMs at vantage locations in Chennai City and helped the people to withdraw cash. Business Correspondents were deployed in full swing at all inaccessible areas. Aadhar enabled payments were put through wherever possible.

He also informed that SLBC has advised all the member banks to provide duplicate pass books, ATM cards, RuPay cards to those who have lost them in the floods. The banks were also advised to open special counters in the branches. SLBC has also issued a press release to this effect in leading newspapers for the benefit of the public.

### **Educational Loans:-**

Chairman informed the forum that Education loans are social investments and banks should take active part in helping the deserving members of the society. He also said that the rising NPA level in this category is the most worrying factor. The percentage of NPA under Education Loans in the State continues to be on the top with 11.55 % as of September, 2015.

Before concluding his speech, Chairman once again congratulated all the bankers and Lead District Managers for their contribution and support in recording very good results under most of the parameters. He also thanked the State & Central Government, RBI and NABARD for their support and guidance extended to SLBC at the State Level and to the LDMs at the district level.

### **Keynote Address:-**

**Shri.K.Shanmugam, I.A.S., Principal Secretary (Finance) Government of Tamil Nadu observed the following in his keynote address:-**

1. The bankers have risen up to the occasion at the time of floods in the State and provided good service. They deserve appreciation.
2. There were urgent meetings between the bankers and the Government and also a special SLBC meeting was held on 05.12.2015 to provide necessary banking services to the flood affected public.
3. Some of the banks have contributed to the Chief Minister's Public Relief Fund also.
4. During the meetings the bankers were requested to provide duplicate pass books and ATM cards to those who have lost them in the floods and also to open new accounts for those who do not have any bank account so far. This will facilitate providing relief to all the affected people only through bank accounts as announced by the Hon'ble Chief Minister.
5. He was glad that banks have already started issuing passbooks and also have started opening accounts.
6. During the meeting the bankers were requested to validate the bank account details sent to them by the District Collector for proper dispensation of the relief through the account.
7. The district Collector was advised to provide the list of those affected who do not have a bank account to the bankers to enable them to open accounts for them in a camp mode.
8. This SLBC will discuss the relief measures to be provided to the flood affected people and the implications on the existing loans.
9. As and when the State Government declares the flood affected areas, the moratorium can be provided in terms of extant RBI Circular for Agriculture and Allied sector loans, MSME loans and other loans.
10. The crop loss estimation is in progress and soon the State Government will declare the same.
11. The Hon'ble Chief Minister has written to the Hon'ble Prime Minister to simplify the insurance claim procedures so that the affected people can get the settlement easily at the earliest.
12. The Hon'ble Chief Minister has also written to the Hon'ble Prime Minister to provide moratorium to those who have suffered damage to their houses, vehicles, domestic durables as a special case and also to provide a concessional loan up to Rs.5.00 lacs.

13. Banks are requested to extend overdraft facilities to those who have opened accounts under Jan Dhan Yojana and to give loans to the petty traders and street vendors at concessional interest rate like DRI.
14. The affected Self Help Groups are also to be helped by extending the moratorium to their loans and also by providing fresh loans.
15. Conducting crop cutting experiment in a flood situation is very difficult. The Government has constituted a committee to make personal assessment of the crop loss. The committee will soon declare the crop loss.

**Shri. Anandrao. V. Patil, I.A.S., Director, Department of Financial Services, Ministry of Finance, Government of India in his special address observed the following:**

1. Bankers and Insurance Companies have done a very good work during the recent floods.
2. Government of India has been monitoring the flood situation throughout. He has been in continuous contact with SLBC from 03.12.2015 onwards till date to monitor the relief measures the banks have undertaken despite severe communication problems.
3. The bankers have done a very good work to restore banking services to the maximum possible level. There are still some ATMs which are not functioning.
4. The totally damaged ATMs can be replaced immediately, wherever required.
5. He appreciated IOB, Indian Bank and State Bank of India for pressing in to service the mobile ATMs to help the needy people.
6. The banking services were continuously made available without any break unlike Jammu & Kashmir where bank services were disrupted for nearly 10 days. Banks in Tamil Nadu have worked even on Sundays to cater to the needs of the affected people.
7. Insurance Companies have been instructed by Government of India to act immediately and settle the claims relating to loss of lives and property.
8. Banks are advised to speed up submission of claims if any under PMJJBY and PMSBY.
9. SLBC can pass a resolution regarding relief package to Home Loans and Vehicle loans and take up with RBI for approval as a special case.

10. Secretary, Department of Financial Services, Government of India has written letter to Chief Secretaries of all States and CMDs of all banks to improve lending under PMMY.
11. A total of Rs.4500 crores has been disbursed under PMMY in Tamil Nadu. The State is in the fourth position in all India in disbursement of MUDRA (PMMY) loans. The 100% target should be achieved by end of January, 2016.
12. Fresh loans to be extended to the flood affected people immediately.
13. Many RuPay cards issued to the beneficiaries of PMJDY are still lying in branches and post offices. They should be disbursed to the concerned people immediately and the card holders should be educated to use the card regularly to get the insurance benefit.
14. The people should be given sufficient information regarding usage of RuPay cards, during the Financial Literacy campaigns conducted under PMJDY.
15. RBI also deserves appreciation for opening their chest on Sunday to provide cash to the banks for replenishing the ATMS during flood times.

**Dr.J.Sadakkadulla, Regional Director, Reserve Bank of India in his special address observed the following:**

1. A special SLBC meeting has already been conducted under the chairmanship of Shri.Jag Mohan Singh Raju, Principal Secretary (MSME), Government of Tamil Nadu on 14.12.2015 and a special package was evolved in that meeting for the MSME units, which were affected by flood.
2. The package was developed in line of the relief package developed for Jammu & Kashmir.
3. The package contains every detail relating to various steps to be initiated by banks for the affected units and the same will be implemented as and when the declaration of the flood affected areas is made by the Government.
4. The Government while notifying the floods will also be notifying the percentage of loss to the crops and MSME units so that the relief measures can be provided accordingly.

5. RBI's master circular dated 01.07.2015 includes flood as one of the calamities. The circular provides clear details of the action to be taken in respect of crop loans, term loans to agriculture.
6. The relief provided to the MSME units in the master Circular is little more liberal.
7. There is one more circular from RBI which talks about the life cycle of SME advances issued during August, 2015. Bankers can take cue from this circular and provide relief.
8. The master Circular on natural Calamities leaves to the respective banks and SLBC to discuss and take action regarding other loans. Point no.6.8 explains about rescheduling other loans depending upon the severity of the calamity.
9. As per the request of the Hon'ble Chief Minister of Tamil Nadu, Government of India has directed RBI to look in to the request for the concessions and that is under the consideration of RBI.
10. Additional Secretary, DFS has written to RBI to specifically exempt the loans to construction activities.
11. The general guideline is that no loan can be sanctioned below the base rate. But there was some concession given in this during the Jammu & Kashmir floods. Here also it can be examined whether such similar concession can be extended.
12. The Federal Reserve of United States has raised the rate of interest of the bank loans after 10 years.

**Shri.K.Venkateswara Rao, Chief General Manager, NABARD in his special address observed the following:**

1. The crop loan loss assessment is in progress in Tamil Nadu after the floods.
2. As and when the enumeration is done and if the damage is more than 33% then banks can provide relief to crop loans and medium sector agricultural loans in terms of RBI's Master Circular.
3. The Co-operative Banks and Regional Rural banks can submit the MT conversion limits to NABARD based on the NABARD circular dated 25.08.2015.

4. The Tamil Nadu Government has already requested for enhancement of crop loans to Co-operative banks which was favourably considered by NABARD.
5. The proposals for financing JLGs, SHGs will be expeditiously considered by NABARD for all the banks including commercial banks.
6. Detailed guidelines have been issued to the commercial banks, RRBs and Co-op. banks about the Financial Literacy programmes. For the first time the financial literacy initiatives of the commercial banks in the rural areas can be supported under Financial Inclusion Fund.
7. The detailed circular has already been sent to all banks.

**Shri.M.M.Sarangi, General Manager, Convenor, SLBC then took up the review of the agenda items:**

**Action Taken Report for the action points of 143rd SLBC meeting:-**

**1. Allocation of urban wards by Lead District Managers:**

Convenor, SLBC advised the Lead District Managers to allot the Urban wards among the member banks in their districts and send the details of allotment to SLBC immediately. LDMs should ensure that the urban OAP beneficiaries are covered at the earliest.

**Action: LDMs**

**2. Bank Loans to Mobile Ration shops- Non delivery of Mobile ration shop vehicles by Dealer:**

Convenor, SLBC informed the forum that banks in Salem, Namakkal, Tirunelveli and other districts have disbursed loans for setting up of mobile ration shops each at a cost of Rs.13-14 lakhs. The Demand Drafts were given to TAHDCO to get the vehicles fabricated through a dealer authorized by them and to be delivered to the beneficiaries. However even after a delay of nearly one year, the vehicles are yet to be delivered to them. Many of the loans have already become NPA for which the Managing Director, TAHDCO was requested that THADCO may bear the interest on the loan till the delivery of the vehicles to the beneficiaries.

The Managing Director, TAHDCO informed the forum that already the MOU with Registrar of Co-operatives has been signed and direction has been given to all the Joint Registrars of Co-op. Societies to take delivery of the vehicles and

to hand them over to the beneficiaries. The issue would be sorted out within a week's time.

**Action: Banks/TAHDCO**

#### **AGENDA NO:1**

The forum confirmed the minutes of the 143rd meeting of the State Level Banker's Committee held on 18.09.2015.

#### **AGENDA NO: 2**

##### **Prime Minister's Start -up India Programme:**

Convenor, SLBC informed the forum that Hon'ble Prime Minister has launched the programme during his Independence Day address and advised the banks that the 1.25 lakh branches of banks in the country should sanction at least one loan each to a tribal beneficiary. If tribal person is not available in the area at least a dalit is to be provided with financial assistance.

The banks are expected to submit a quarterly progress report to SLBC before 05.01.2015 in the format provided.

**Action: Banks**

#### **AGENDA NO: 3**

##### **Agri Clinics & Agri Business Centres (AC&ABC) - Status of implementation:**

Shri.K.Venkateswara Rao, CGM, NABARD informed the forum that the subject was discussed in the meeting of LDMs & DDMs held on 17.12.2015. The representative of MANAGE has indicated in the meeting that the progress is very low.

The list of the pending applications is provided to each bank. There are instances, where collateral security is insisted by some bank branches even for loans up to Rs.5.00 lacs despite clear guidelines by RBI. He advised the controlling offices of the banks to instruct their branches to clear the pending applications immediately. The largest number of applications is pending with SBI and CGM, NABARD requested SBI to clear the applications quickly.

**Action: SBI / Banks**

#### **AGENDA NO: 4**

##### **SHG bank Linkage programme- Strategies suggested by NABARD:**

Convenor, SLBC informed the forum that the action points / strategies advised by NABARD have already been conveyed to member banks by SLBC on 25.11.2015. He advised the member banks to ensure compliance of the suggestions.

**Action: Banks**

#### **AGENDA NO 5:**

##### **Back ended interest subsidy (3%) for MSMEs availing loan under CGTMSE/ Technology upgradation:**

Convenor, SLBC informed the forum that the above scheme has come as a boon for MSME units. The State Government is providing 3% interest subsidy for the MSMEs availing loan under CGTMSE/ Technology upgradation.

He requested the member banks to advise the details of the scheme to the MSME units financed by them to enable them to get the benefit.

**Action: Banks**

#### **AGENDA NO: 6**

##### **Issues faced with Bank by Tamil Nadu Construction Workers Welfare Board:**

Representative from Tamil Nadu Construction Workers Welfare Board informed the forum that they have issues with branches of Indian Bank regarding CR 7 and CR 9, ECS credit. The credit to the beneficiary account is returned and the break up details is not provided for the return amount.

General Manager, Indian Bank informed the forum that they have given a elaborate reply to the board with a copy to SLBC and the issues were sorted out.

**Action: Indian Bank**

## **AGENDA NO: 7**

### **Organising mega Credit Camp of MUDRA loans (PMMY) between 25<sup>th</sup> September, 2015 and 02<sup>nd</sup> October, 2015 in all States/UTs:**

Convenor, SLBC informed the forum that as per the instructions of Governemnt of India, SLBC, Tamil Nadu has drawn a schedule of 32 Mega Credit camps in 32 districts. Nodal banks have been nominated for each district to organise the function. He also said that, the banks in Tamil Nadu have disbursed 2,60,582 no. of loans under SHISHU category during the campaign period against the target of 2,38,525 loans registering an achievement of 109.24% of the target.

Shri.Anandrao.V.Patil, Director, DFS informed the forum that the much awaited credit guarantee fund for MUDRA loans will be coming soon as it is placed for the approval of Union Cabinet. It would be a portfolio guarantee. He advised the member banks to concentrate on MUDRA loans and achieve the target.

**Action: Banks**

## **AGENDA No: 8**

### **Filing of "Udyog Aadhar Memorandum" by MSME units for registration:**

Convenor SLBC informed the forum that the MSME units are expected to file Udyog Aadhar Memorandum for registration with effect from 18.09.2015. He also advised that Aadhar number is not compulsory and advised that the memorandum can be filed online by those who have AADHAR number and offline by those who do not have the AADHAR number. The member banks were advised to take note of the guidelines and to advise their MSME customers accordingly.

**Action: Banks**

## **AGENDA No: 9**

### **Providing training to the beneficiaries of various TAHDCO schemes:**

Convenor SLBC informed the forum that there are suggestions that the TAHDCO beneficiaries should get EDP training like the other State Government schemes like NEEDS, UYEGP etc.

The Managing Director, TAHDCO informed the forum that TAHDCO has started providing training to the beneficiaries and requested the member banks to educate their borrowers.

Action: Banks

#### **AGENDA No: 10**

##### **Bank Loans to Mobile Ration shops- Non delivery of Mobile ration shop vehicles by Dealer:**

Convenor, SLBC informed the forum that banks in Salem, Namakkal, Tirunelveli and other districts have disbursed loans for setting up of mobile ration shops each at a cost of Rs.13-14 lakhs. The Demand Drafts were given to TAHDCO to get the vehicles fabricated through a dealer authorized by them and to be delivered to the beneficiaries.

However even after a delay of nearly one year, the vehicles are yet to be delivered to them. Many of the loans have already become NPA for which the Managing Director, TAHDCO was requested that THADCO may bear the interest on the loan till the delivery of the vehicles to the beneficiaries.

The Managing Director, TAHDCO informed the forum that already the MOU with Registrar of Co-operatives has been signed and direction has been given to all the Joint Registrars of Co-op. Societies to take delivery of the vehicles and to hand over them to the beneficiaries. The issue would be sorted out within a week's time.

Action: Banks/TAHDCO

#### **AGENDA NO: 11**

##### **Holding of meeting at branches on distribution and Activation of RuPay debit cards and on Financial Literacy:**

Convenor SLBC requested the member banks to conduct the RuPay card distribution meetings in all their branches from 19.12.2015 onwards as advised by Ministry of Finance, Government of India. He also advised that Ministry advised LDMs to organise the meetings in close co-ordination with the District collectors and district administration.

Convenor also requested the member banks to send suitable instructions to their District Co-ordinators to organise the meetings in all their bank branches and submit a weekly report to SLBC for consolidation and onward submission to DFS.

**Action: Banks/LDMs**

## **AGENDA NO: 12**

### **Special SLBC meeting on issues relating to flood situation in Tamil Nadu:**

Convenor SLBC informed the forum that unprecedented rainfall has caused severe flood situation in Chennai and also in many parts of Tamil Nadu. SLBC received requests from many quarters like industry associations, affected individuals etc. to provide relief to those affected farmers, MSME units and other individuals.

SLBC has convened a special meeting on 14.12.2015 to discuss about the relief package and evolved a relief package to provide relief to the MSME units in the affected areas. Similarly a relief package was evolved for other loans like housing loans, vehicle loans, education loans and consumption loans.

The relief package for agriculture and allied sector was discussed during the 144<sup>th</sup> meeting of SLBC, Tamil Nadu, which thereafter approved the relief package for agriculture and allied sector.

The relief package for other loans was also discussed in the 144<sup>th</sup> meeting of SLBC and approved. It was also requested that SLBC should take up with RBI for provisioning norms for restructured accounts, as this restructuring is undertaken on natural calamities.

It was decided that all the above packages will be implemented as and when the State Government declares natural calamity.

The minutes of agenda No.12 has been sent separately in advance to member banks through email dated 22.12.2015 along with the three approved model relief packages for MSME, Agriculture & Allied Activities and other loans such as Housing, Vehicle loans, Education loans and consumer loans. This would enable the member banks to start providing relief in terms of RBI's Master Circular

dated 01.07.2015 without waiting for the minutes of the entire proceedings of 144<sup>th</sup> SLBC meeting.

Dr.J.Sadakkadulla, Regional Director, RBI suggested that SLBC can discuss and take a decision on lending below base rate for the affected housing loans for repairs and renovation in line with the Jammu & Kashmir package.

Dr.S.Vijayakumar, I.A.S., Secretary to Government (Agriculture), suggested that,

- a) Crop cutting experiment can be waived as a condition for implementation of relief measures as it would be difficult to conduct crop cutting experiment in a flood situation.
- b) The due date for payment of crop insurance premium may be extended to benefit the farmers who are having standing crops uncovered and those who will be taking up fresh cultivation.

**Action: Banks**

### **AGENDA NO: 13**

#### **Review of Banking Developments in Tamil Nadu in key parameters as of September, 2015:**

The forum noted that year on year incremental deposits & credit growth as of September, 2015 was 11.11 % and 5.84 % respectively over September 2014. The CD Ratio has decreased from 119.42% as of September 2014 to 113.75 % as of September 2015. The share of Priority sector advances and agricultural advances was 43.92% & 18.32 % as against the national norm of 40% 18% respectively.

The forum also noted that the growth of Education, Housing, Weaker section advances over September 2014 is 0.56%, 8.91 % and 5.36 % respectively.

Convenor, SLBC informed the forum that as per RBI priority sector guidelines the following sectors have been included in Priority Sector Lending.

1. Export Credit
2. Renewable Energy
3. Social Infrastructure

Member banks are requested to furnish the data on the above 3 categories also without fail to enable SLBC to review the performance from the next meeting.

**Action: Banks**

#### **Agenda No. 14**

##### **Review of performance under Annual Credit Plan 2015-16 (April 2015 to September 2015)**

The forum took on record, the achievements from April 2015 to September 2015 under ACP 2015-16. The banks in Tamil Nadu have achieved 102% under agriculture, 98 % under MSE, 81 % under Education, 79% under housing, 103 % under Other Priority Sector and 82% under Non Priority Sector against the proportionate targets.

#### **Agenda No. 15**

##### **Micro, Small and Medium Enterprises (MSME) sector**

The Convenor, SLBC informed the forum that a sum of Rs. 25527.66 crores was disbursed from April 2015 to September 2015 to Micro, Small and Medium Enterprises. The Convenor, also informed that as per revised priority sector guidelines, banks have to achieve 7 % outstanding of ANBC to Micro Enterprises. The present level is only 6.70%.

**Action: Banks**

#### **Agenda No. 16**

##### **Prime Minister's Employment Generation Programme (PMEGP)**

Assistant Director, KVIC informed that banks have disbursed 923 projects with the margin money of Rs. 18.92 crores and employment was generated for 7223 persons which represents 60% of the annual target. He requested the member banks to claim subsidy immediately for sanctioned projects through their nodal branches.

Convenor, SLBC requested the member banks to advise all their implementing branches to co-ordinate with KVIC/DIC/KVIB and to process the applications in time. He also requested the Lead District Managers to place the district wise targets in the ensuing DCC meetings and follow up with member banks for speedy disposal of applications.

**Action: Banks/ LDMs**

**Agenda No. 17**

**Performance under New Entrepreneur - Cum-Enterprise Development Scheme (NEEDS) & Unemployed Youth Employment Generation Programme (UYEGP)**

Convenor, SLBC requested the member banks to advise all their implementing branches to co-ordinate with DIC and to process the applications in time. He also requested the Lead District Managers to place the district wise targets in the ensuing DCC meetings and follow up with member banks for speedy disposal of applications.

**Action: Banks/ LDMs**

**AGENDA NO: 18**

**Setting up of Rural Self-Employment Training Institutes (RSETIs):**

Convenor, SLBC advised the sponsor Banks to guide their RSETIs in grading exercise undertaken by Monitoring Cell of National Academy of RUDSETIs and ensure that all RSETIs get A/AA grade.

Convenor, SLBC informed the forum that the candidates trained in RSETIs should be provided financial assistance under PMMY. The list of trained persons should go to LDM and LDM will segregate and send the names to the respective banks.

**Action: RSETIs/Banks/LDMs**

**Agenda No.19**

**Financial Literacy & Credit Counselling Centres (FLCCC)**

Convenor, SLBC informed the forum that 53 FLCCCs have undertaken 2314 Financial Literacy Camps during from April 2015 to September 2015. He has requested all the member banks to instruct their rural branches to conduct financial literacy camps once a month and to submit consolidated quarterly progress report to SLBC in the prescribed format.

Convenor, SLBC informed the forum that FLCCCs have been assigned by Government of India, the responsibility of conducting Financial Literacy programmes for Government and Private ITI students and also to school students. He advised the sponsor banks of FLCCCs to ensure that the programmes are conducted as per the mapping of the institution with respective FLCCC, already done by SLBC.

**Action: Banks**

#### **Agenda No.20**

##### **Financial Inclusion & Green Initiatives - ICT based financial inclusion**

Convenor, SLBC advised all the member banks to submit data on ICT based financial inclusion to SLBC before 5<sup>th</sup> of every succeeding month without fail for consolidation and onward submission to RBI.

**Action: Banks**

#### **Agenda No. 21**

##### **Performance on Educational Loans 2015-16 as on September, 2015**

The Convenor, SLBC informed the forum that target for the year 2015-16 has been fixed based on " 20% growth in disbursement and 15 % growth in number of accounts" over 2014-15 disbursement.

Convenor SLBC advised member banks to achieve the target for the year 2015-16 and also requested to send the disbursement details before 7<sup>th</sup> of every succeeding month to enable SLBC to send the consolidated report to Ministry.

He also informed that banks in Tamil Nadu have disbursed educational loans to the tune of Rs.1112.42 crores up to September, 2015 against the target of Rs.2442.61 crores which is 45%.

**Action: Banks**

#### **Agenda No. 22**

##### **Details of Educational Loan disbursement from April 2015 to September 2015:**

The forum noted that 40860 loans to the tune of Rs. 1037.88 crores have been granted during April 2015 to September 2015 by the banks of which loans for

Engineering/Medical courses account for 29882 loans amounting to Rs 669.10 Cr, 2224 loans for study abroad amounting to Rs.225.68 Cr and 8754 loans to others, to the tune of Rs.143.10 Cr.

### **Agenda No.23**

#### **Bank finance under Housing Scheme:**

The forum noted that banks in Tamil Nadu have disbursed Rs.2882.62 Crores to the housing sector (loans up to Rs.25.00 lakhs) during April 2015 to September 2015.

### **Agenda No.24**

#### **Golden Jubilee Rural Housing Finance Scheme (GJRHFS)**

The forum noted that banks in Tamil Nadu have disbursed 619 loans amounting to Rs.2271.93 lacs during the quarter ended September, 2015 under the above scheme.

### **Agenda No. 25**

#### **Credit Flow to Women:**

The forum noted that as on 30.09.2015 the share of credit flow to women in the State constituted 12.05 % of total Bank credit against the national norm of 5 %

### **Agenda No. 26**

#### **Credit flow to Minority Communities:**

The forum noted that the achievement was to the tune of Rs.2327.51 Crores for the quarter ended September 2015, under credit flow to Minority Communities.

Convenor, SLBC informed the forum that achievement is 11.68 % against national norm of 15 % of the Priority sector advances. Convenor, SLBC advised member banks to achieve the national norms under credit flow to minority communities.

**Action: Banks**

## **Agenda No. 27**

### **Kisan Credit Card Scheme (KCC):**

Convenor, SLBC informed the forum that banks in Tamil Nadu have issued 862098 Kisan Credit Cards to the tune of Rs. 5610.88 Crores for the quarter ended June 2015. The total number of ATM enabled Kisan Credit Cards issued is 63091. He requested the member banks to speed up issuance of ATM enabled KCC for all the loans. He requested banks to cover the crop loans extended by the banks for all the notified crops in the notified area under crop insurance scheme.

Chief General Manager NABARD expressed concern that there is a huge variation between KCC cards and issue of ATM enabled KCC cards. He also requested that banks should provide ATM enabled KCC cards to all the farmers.

**Action: Banks**

## **Agenda No. 28**

### **Self Help Groups (SHG / NRLM):**

Representative from TNSRLM informed the forum that credit disbursement to SHGs by banks is only Rs.2723.16 crores for the period from 01.04.2015 to 30.09.2015. Percentage of achievement is 45 % of total target for the year 2015-16. He also informed that the performance as on 05.12.2015 is 73%.

He also requested the member banks to speed up the sanction/disposal of the pending loan applications immediately and achieve the target well ahead of March 2016.

He also informed that Community Bank Co-ordinator of TNSRLM may be used for recovery of NPAs of Self Help Group.

**Action: Banks**

## **Agenda No. 29**

### **TAHDCO Scheme:**

The Managing Director, TAHDCO informed the forum that so far banks sanctioned 2495 loans against the yearly target of 8020 under economic development scheme.

Convenor, SLBC requested the member banks to instruct their branches to actively involve themselves in the implementation of TAHDCO scheme. SLBC had already circulated the pending list of applications provided by TAHDCO to all member banks.

**Action: Banks/LDMs/TAHDCO**

### **Agenda No. 30**

#### **National Urban Livelihood Mission (NULM)**

The representative from Municipal Administration informed the forum that up to November, 2015 3950 applications were sanctioned by the banks to the tune of Rs 20.65 crores under NULM -SEP, NULM Group scheme.

Convenor, SLBC requested the Dept. of Municipal Administration to send the details of pending applications bank-wise / branch-wise / District-wise to SLBC for onward transmission to member banks.

**Action: Banks/ Dept. of Municipal Administration**

### **Agenda No. 31**

#### **Weavers Credit Card Scheme (WCC)**

The representative from Handloom & Textiles informed the forum that banks have sanctioned 21471 Weavers Credit Cards so far, against the target of 30,000 cards allotted for the state during the year 2015-16. He requested the banks to process the pending loan applications at earliest.

He also requested the banks to claim the margin money in advance as per the guidelines given by NABARD.

Convenor SLBC requested The Assistant Director, Handloom & Textiles to provide the District wise / Bank wise/branch wise/beneficiary wise pending list to SLBC Tamil Nadu to follow up with member banks.

**Action: Banks/ Dept. of Handloom & Textiles**

### **Agenda No. 32**

#### **Review of NPA Accounts in Priority Sector Lending - June 2015:**

Convenor, SLBC informed the forum that NPA percentage under Education loans is very high.

### **Agenda No. 33**

#### **Success Story:**

Convenor, SLBC appreciated LDM, Trichy and FLCCC, Trichy & Canara Bank RSETI, Erode for sharing success stories with SLBC.

He requested the member banks and Govt. Dept. to share their success stories with SLBC.

#### **TABLE AGENDA**

##### **1. NABARD-Second meeting of the State Level Consultative Committee on Farmer Producer Organisation (FPO)-held on 20.11.2015:**

Convenor, SLBC informed the forum that NABARD has provided a list of Farmer producer companies existing in Tamil Nadu for the ready reference of the member banks. He requested the member banks to consider the need based credit requirements of the Farmer producer Companies.

CGM, NABARD informed the member banks that loans to FPCs up to Rs.1.00 crore can be covered under SFAC's Guarantee Scheme. He advised the member banks to extend credit facilities to the FPCs either for the term loan or working capital.

**Action: Banks**

##### **2. Printing of Bank forms used by retail customers in trilingual form-English, Hindi and local language: RBI**

Convenor, SLBC informed the forum that RBI, Chennai have instructed the banks to make available account opening forms, pay-in-slips, pass books etc, in trilingual form i.e. English, Hindi and Tamil for the benefit of the customers.

He advised the member banks to comply with the instructions and to make available the forms in trilingual format. There were some suggestions that

instead of trilingual format bilingual format in English and Tamil can be used and the same can be taken up with Reserve bank of India by SLBC.

**Action: Banks**

### **3. Financial Literacy to students of Private Industrial Training Institutes and Skill Development Institutes:**

Convenor, SLBC requested the sponsor banks of FLCCCs to instruct their FLCCCs to conduct the Financial Literacy Programmes at Private ITI and Skill Development Institutes as advised by Ministry of Finance and send progress report to SLBC every month for onward transmission to Ministry of Finance.

He informed the forum that SLBC has mapped 62 Government ITI and 599 Private ITI with the respective FLCCCs for the purpose and circulated the mapped list to all the sponsor banks.

**Action: Sponsor Banks of FLCCCs**

### **4. Pending position of TAHDCO applications under various schemes with Banks:**

Managing Director, TAHDCO informed the forum that a total number of 13156 applications are pending throughout the state at various branches of various banks relating to the years 2012-13 to 2015-16. He requested the member banks to clear the applications where subsidy has already been received, immediately.

Convenor, SLBC informed the forum that SLBC has already circulated the soft copy of the list to all the member banks through email on 15.12.2015 and advised them to clear the pending applications immediately.

**Action: Banks**

## **5. Flood in Tamil Nadu-Protocol for rescheduling crop loans in the flood affected districts during 2015-16:**

Convenor, SLBC informed the forum that Director of Agriculture vide his letter dated 17.12.2015 advised that the crop loss in the state is estimated to be above 33% and suggested that the crop loans in the flood affected areas can be rescheduled.

### **5 (a) Relief measures to Tamil Nadu Rice Millers/Rice Dealers Association:**

Convenor, SLBC informed the forum that Deputy Secretary to Government of Tamil Nadu , Finance Department, vide his letter dated 17.12.2015 stated that banks should consider the difficulties of the borrowers in the Rice Milling Industry and extend the relief measures to the flood affected Rice Mill units. He has also sent a copy of the request letter submitted by the Rice Mill Owners' Association dated 16.12.2015 to Principal Secretary (finance).

Convenor, SLBC informed the forum that the relief can be provided to the flood affected rice mill units in line with the MSME relief package discussed already.

## **6. National Housing Bank- Pradhan Mantri Awas Yojana:**

Representative from National Housing Bank explained about the Credit Linked subsidy Scheme under the above Yojana. He informed that under this Low Income Group and Economically Weaker Section borrowers can avail a subsidy up to Rs.2.20 lacs. The guidelines are available in NHB website and also in the Ministry website.

The member banks are requested to sign MOU with NHB.

**The meeting ended with a vote of thanks by Convenor, SLBC.**