

**United Bank of India
Lead Bank Division
Head office
Convener**

State Level Bankers' Committee for West Bengal

Action Points of the Sideline meeting of the Governor, RBI on December 06, 2012 (120th special meeting of SLBC for the State of West Bengal)

The 120th Special meeting of SLBC for the State of West Bengal was held at the Conference Room of RBI, Kolkata on 6th December 2012. Alike previous year, this time also the meeting was convened and arranged by Reserve Bank of India, Kolkata and Dr D Subbarao, Hon'ble Governor Reserve Bank of India presided over the meeting. The meeting was also attended by Dr Amit Mitra, Hon'ble Finance Minister of West Bengal. Amongst others, Dr K C Chakraborty, Dr Subir Gokarn, Shri H R Khan, Shri Anand Sinha, Dy Governors, Reserve Bank of India all the Executive Directors of RBI, CMDs of Allahabad Bank and UCO Bank, Executive Director of UBI and CGM, State Bank of India were present in the meeting amidst other bankers. Shri A K. Chanda, Additional Chief Secretary to Govt. Of West Bengal, Shri H K Dwivedi, Principal Secretary, Finance Dept., Govt. of West Bengal were also present in the meeting along with other Secretaries and senior executives.

Dr D Subbarao, Hon'ble Governor, Reserve Bank of India while chairing the meeting interacted with the bankers and State Govt. Representatives on various issues concerning the development of the State.

The action points emerged in the meeting has been sent to us for communicating the same to all members of SLBC, West Bengal and coordinating compliance of the action points in a time bound manner. A copy of the Annex, containing the Action Points is enclosed for perusal and initiating immediate action by all concerned. With a view to disseminating the decisions arrived in a subsequent meeting taken by Hon'ble Chief Minister of West Bengal with select bankers and senior Govt. Officials / DMs on 21.12.2012, separate meetings with the member banks and Lead District Managers were held on 26th December, 2012 at UBI, Head Office where all the major issues relating to the action points as contained in the Annexure of RBI as well as action points emerged in the meeting dated 21.12.2012 were discussed in detail. The proceedings of the above meeting may also be referred to for effective implementation of the Action Points.

All member banks are requested to send us an Action Taken Report on the status of compliance of all the action points by 31st January, 2013 so as to enable us submit consolidated ATR to RBI within 4th February, 2013 as desired.

General Manager
(Priority Sector & FI) &
Convener SLBC, W B.

Enclo: As stated



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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क्षेत्रीय निदेशक
Regional Director

युनाइटेड बैंक ऑफ इंडिया / United Bank of India कार्यालय निदेशक का सचिवालय / E.D.'s Secretariat	732
का.नि. E.D.	08 JAN 2013
कार्रवाई हेतु FOR ACTION	GM (Poised)

DO.RPCD (Kol) No.1396/03.001.002/2012-13

January 03, 2013

Dear Shri Narang,

AGM, LBD
A. K. Jena

Sideline meetings of the Governor, RBI on December 06, 2012 – Action Points

As you are already aware, the Central Board of the Reserve Bank of India had met in Kolkata on December 06, 2012. The Hon'ble Governor of RBI, during his visit to the city in connection with the aforesaid Central Board meeting, had chaired a special meeting of SLBC on December 06, 2012 and interacted with the bankers and State Government on various issues concerning the development of the State.

2. He had also met the Hon'ble Governor of West Bengal and Hon'ble Chief Minister of West Bengal.

3. I am forwarding herewith, as per the Annex, the action points that had emerged from the aforesaid meetings for your perusal and initiation of necessary action.

4. I would request you, in your capacity as Chairman of SLBC West Bengal, to please coordinate with all the stakeholders viz. all the Kolkata-based banks and other major banks, Departments concerned of the State Government and NABARD Regional Office, to ensure compliance with the action points in a time- bound manner.

5. I shall be glad if you will please forward to us the first report on the status of compliance of all the action points by February 04, 2013 and thereafter by first of the following months.

With best regards,

Yours sincerely

(B.P. Kanungo)

Shri D.Narang
Executive Director & Chairman, SLBC for West Bengal
United Bank of India
11, Hemanta Basu Sarani
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Enclosure: As above

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हिन्दी आसान है, इसका प्रयोग बढ़ाइए



Annex

Overall CD ratio in West Bengal stood at 63% as on September 30, 2012. However, the CD ratio in the State is highly skewed. While CD ratio in Kolkata is above 90%, there are eight districts where CD ratio is less than 40%. Pursuant to the discussions in the meetings, the following course of action was agreed upon:-

1. Banks to make efforts to achieve CD ratio of 65% for the State of West Bengal by March 2013 and 68% by March 2014. Banks to focus particularly on the lagging districts, viz. Burdwan, Birbhum, Bankura, Hooghly, Murshidabad, Nadia, North 24 Parganas, South 24 Parganas, Paschim Medinipur and Purulia.
2. The lead banks, other major banks in the district, NABARD as also the District Magistrates concerned to co-ordinate and explore possibilities of credit expansion so that CD ratios in the identified districts can be increased by 5% over their September 30, 2012 position. The target date for achieving the increased CD ratio will be March 2013.
3. State Government to ensure that the loan recovery climate, infrastructure etc. in the State improves as this will facilitate loans disbursement by banks. The DMs to take active interest in the matter.
4. The progress of implementation of the Action plan emanating from the meeting, held on December 21, 2012 by the Hon'ble Chief Minister of West Bengal with the DMs and senior bank officials, will be monitored in the DCC and SLBC meetings so as to achieve the targeted CD ratio as indicated in Sl. No (1) above.
5. There are some differences in the interpretation of SARFAESI Act and Ad-Valorem taxes between the State Government and banks which is leading to poor recovery and acting as a disincentive for banks to enhance credit disbursement. The matter is to be discussed and sorted out in the SLBC meetings.
6. There is a complaint regarding delay in issuance of GCCs. Banks branches can be given targets and be requested to create teams focussed on expediting issue of GCCs.
7. EBT to be implemented on a pilot basis in six districts identified by State Government viz. Purulia, Coochbehar, South 24 Parganas, North 24 Parganas, Bankura and Burdwan for transfer of all kinds of Government payments, wages, pensions etc.
8. Banks to open Basic Savings Bank Deposit Account or Zero Balance account in respect of all the beneficiaries of the six districts, as per the duly authenticated and validated list of beneficiaries provided to them by the State Government. Adoption of camp mode approach can be considered for the purpose. The action plan to be ready for being rolled out in January 2013.
9. As against a target of 1.5 lakh SHG credit linkages in the State for 2012-13 only 30,227 SHGs were linked as at the end of September 2012 (i.e. 20.18% of target). Banks to complete the credit linkage of the remaining SHGs by end March 2013.
10. Banks to also make efforts to repeat credit to those SHGs which have matured and demonstrated their ability of effective functioning through repaying their earlier dues.
11. As decided in the last year's meeting with the Hon'ble Chief Minister (December 2011) State Government and banks to send a delegation to Andhra Pradesh to study the SHG-bank credit linkage model implemented in AP.

