

Calendar for review by Board of Directors of RRBs

1. Funds Management

- Information about funds position of the bank
- Compliance with CRR/SLR requirements
- Details of investments in call deposits, non-SLR investments made, Securities traded and income earned / loss incurred, if any.
- Compliance with RBI instructions in regard to maintenance of investments in Government Securities.
- Details of borrowings availed of other financing agencies under various lines of credit limits.
- Position of deposits mobilised, amount invested in various avenues and advances made. The report should not be a fact sheet but should capture qualitative data on the important market trends, market developments, regulatory initiatives, etc. between the review periods and should stimulate constructive suggestions and discussions on critical appraisal of the strategies followed presently and the need for changes.
- Concurrent audit report by internal auditors and compliance report thereon (to be placed before the Chairman every month).

2. Loans and advances

- Review of various credit limits sanctioned by General Manager/ Chairman/ Executive Committee.
- Sanction of term loans and follow up.
- Participation in Consortium Finance.
- Adherence to exposure norms prescribed by RBI/ NABARD.

3. General

- Compliance in respect of outstanding observations of the Board.
- Review compliance with various Sections of Banking Regulation Act /RBI Act/ Rules & Regulations of GOI.
- Circulars received from Sponsor Bank, RBI, NABARD, GOI.
- Implementation of the instructions/directives/ guidelines issued by RBI/NABARD/Govt.
- Submission of Statutory & other returns to various organisations.

II. Quarterly

1. Business Plan: Targets and Achievements

- Performance reviews vis-a-vis business goals such as deposit mobilisation, credit disbursement, recovery of loans, etc. The reviews should be comprehensive and cover specifically the bank's structural / organisational requirement. It should lead to initiation of business strategies of growth and profitability. The review should also contain bank's performance under special programmes of credit assistance like SHG, SGSY, etc.

- Review of high yielding advances sanctioned by the bank.
- Review of progress in implementation of Government sponsored programmes.
- Recoveries effected under NPA accounts. The report should be comprehensive and cover requisite details on the deficiencies observed, systemic controls required for avoidance of incidence of NPAs, etc. The review should also look at loan policy caveats on exposure thresholds, borrower-wise/industry-wise, etc. and other credit risk management initiatives on ongoing basis.
- Details of OTS / waiver of irrecoverable loans / interest.
- Recovery under legal action.

2. Branch performance

- Branch-wise targets and achievements under various business parameters.
- Review of branch profitability with suggestions measures to improve the position of loss making branches. Need for branch expansion and branch rationalisation.
- Progress in inspection of branches and important observations of branch inspections.
- Review of discussions held during Branch Manager's review meetings.

3. Working Results

An analysis of the working results of the bank on a quarterly basis along with an analytical note and proposals for future course of action. The bank's comparative position should also be highlighted.

4. Others

- A comprehensive review of the Vigilance Cell including position of vigilance cases and disciplinary cases initiated against the bank's staff and secretaries of affiliated societies.
- Review of cases of frauds, misappropriations, embezzlements, defalcations, etc. together with action for recovery thereof. Review of cases of dacoities and security arrangements in the bank.
- A review of customer services rendered by the bank with analysis of complaints received and action taken.
- Review of Development Action Plan/ MOU with Sponsor bank.
- Progress in implementation of the Action Plan prepared for recompliance with Section 42 of RBI Act
- Observations of the Audit Committee.

III. Half-yearly

- Half yearly review of investment portfolio (as on 30 September and 31 March); copy of review report put up to the Board may be forwarded to RBI/NABARD by 15 November and 15 May.
- A review of operations of the bank's non-fund business.
- A review of the bank's Human Resources Development policy, training programmes, etc.

(Annexure 2.4 continued)

- Comprehensive status notes separately on Income Recognition, Asset Classification and Capital Adequacy regarding compliance with the policy guidelines laid down by RBI from time to time. The review should be a progress report on the steps initiated on the policy guidelines of RBI on prudential regulations, risk management, etc.
- Review of implementation of Risk Management guidelines in the bank.
- Review of all aspects relating to the computerisation of branches/Regional Office/Head Office and also look into Information Technology related needs.
- Review of cost of funds, yield on deployment of funds, interest rates revision, etc.
- Position of imbalance- society-wise.
- Review compliance of the Fair Practices Code and the functioning of Grievance Redressal Mechanism at various levels of controlling offices.

IV. Yearly

- Working results- Should include analysis of Balance Sheet prescribed by RBI.
- Audit Report- Long Form Audit Report (LFAR) of the bank along with bank's comments on the auditors observations.
- Review of all policies- An annual review of all policies formulated by the bank like Loan Policy, Investment Policy, Recovery Policy, Funds Management Policy, Risk Management Policy, ALM, etc.
- Corporate Budget- Review of budget proposals made for various expenditure vis-a-vis actual expenditure and reasons for large scale deviations, if any.
- Review of working of Head Office Departments.
- Statutory inspection Report and compliance report thereon (to be submitted to NABARD).
- Review of findings of inspection conducted by Sponsor Bank and action taken thereon.
- Review of reports submitted by Audit Committee and action taken thereon.
- Cash retention limits of HO and branches.
- Note on Man-power Planning and Development and periodical review in respect thereof. Policy relating to recruitment/promotion/transfer/staff welfare.