

## *Press Releases*

### Government of Assam signs MoU with RBI

**September 5, 2007**

The Government of Assam and Reserve Bank of India, on September 5, 2007 signed a Memorandum of Understanding with regard to Urban Co-operative Banks in the State of Assam. Consequent upon this, a State Level Task Force on Urban Co-operative Banks (T AFCUB) will be constituted for Assam. The T AFCUB will be chaired by the Regional Director for Assam and other North Eastern States, while the Registrar of Co-operative Societies, Assam will be the Co-Chairman. Other members will be Director of Institutional Finance, Government of Assam (nominee of Government of Assam) and a nominee from Reserve Bank of India, Urban Banks Department, Central Office, Mumbai. Besides there will be a representative each from National and State Federations of Urban Co-operative Banks.

Similar MoUs have also been signed with the Governments of twelve other States. These are Gujarat, Andhra Pradesh, Karnataka, Madhya Pradesh, Rajasthan, Uttaranchal, Chattisgarh, Goa, Maharashtra, Haryana, National Capital Territory of Delhi and West Bengal.

As part of its developmental role, the Reserve Bank would also be assessing the training, computerisation needs of the Urban Co-operative Banks in the State of Assam with the objective of upgrading their human resources skills and technological infrastructure so that they improve their operational efficiency and quality of management information systems.

It may be recalled that in the Mid-Term Review of Annual Policy announced in October 2004, the Reserve Bank had announced that a vision document for Urban Co-operative Banks would be prepared. Accordingly, the Reserve Bank placed in public domain a draft vision document in March 2005. As the Urban Co-operative Banks are subject to dual control by the Reserve Bank and the State Governments, the vision document envisaged the signing of MoU between State Governments and the Reserve Bank to put in place an arrangement through which

there is a convergence on the approach and remedial actions required to be taken for facilitating the development of the sector. The vision document also proposed the constitution of a State Level Task Force of Urban Co-operative Banks with representatives of State Government, State/National Federation of Urban Co-operative Banks and the Reserve Bank of India as its members, for the purpose of identifying the potentially viable Urban Co-operative Banks and drawing up a time-bound action plan for their revival by setting specific monitorable milestones.