

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**FINANCE MINISTER SHRI ARUN JAITLEY: EXPERTS' GROUP WOULD BE SET-UP
IMMEDIATELY TO LOOK INTO ALL ISSUES RELATED TO CONSOLIDATION OF
PUBLIC SECTOR BANKS TO HAVE STRONG BANKS; SECOND EDITION OF TWO
DAY BANKERS' RETREAT 'GYAN SANGAM 2.0' CONCLUDES**

New Delhi, March 5, 2016
Phalguna 15, 1937

The Union Finance Minister Shri Arun Jaitley said that the bankers' themselves have supported the proposal of consolidation of banks in order to have strong banks rather than having numerically large number of banks. The Finance Minister Shri Jaitley was replying to a question in a Press Conference after the conclusion of the Second Edition of the Bankers' Retreat 'Gyan Sangam 2.0' at State Bank Academy at Gurgaon (Haryana) today. The two day Bankers' Retreat was held on 4th and 5th March, 2016. The Finance Minister Shri Jaitley said that as part of strategy for consolidation of banks, an Experts' Group would be constituted immediately to look into all the issues related to same. Briefing the media after conclusion of the Second Edition of two day 'Gyan Sangam' in Gurgaon today, Shri Jaitley said that in order to expedite the process of recovery, need to amend the Debt Recovery Tribunal (DRT) Act and SARFESI Act was felt during the course of discussions in Retreat and Department of Financial Services (DFS) is looking into the same. Shri Jaitley said that Bankruptcy and Insolvency Law may also be through in second part of the current Budget Session. Those who participated in the two day Retreat include among others Shri Jayant Sinha, Minister of State for Finance, Dr. Raghuram Rajan, Governor, Reserve Bank of India (RBI), Shri Shatikanta Das, Secretary, Department of Economic Affairs (DEA), Smt. Anjuly Chib Duggal, Secretary, Department of Financial Services (DFS), Regulators, officers of the Department of Financial Services, Ministry of Finance and top management of all the Public Sector Banks (PSBs).

The event built on the experience gained and progress made since First Gyan Sangam, held in January, 2015 in Pune.

Earlier the two day event commenced with an address by Smt. Anjuly Chib Duggal, where she welcomed participants and set the context for the deliberations spanning 2 days. She also outlined progress made on the Reform Agenda proposed by bankers at last year's event. Dr. Raghuram Rajan, Governor, Reserve Bank of India (RBI) in his

address summarised the current banking context and discussed potential solutions with the banker audience. In his key note address, Shri Jayant Sinha, the Minister of State for Finance encouraged banks to adopt innovative transformative approaches, to ensure the sector continues to support strong growth in the economy. The event also saw presentations on project financing best practices by experts from IFC and L&T Infrastructure Finance.

Representatives of McKinsey & Company, the knowledge partners at the event, provided a perspective on current state of banks in India. As in the previous year, Working Groups consisting of senior public sector bankers, subject matter experts, senior personnel from RBI and DFS were set-up. The Groups brainstormed on detailing-out initiatives in 5 key areas viz. NPA management, Restructuring(Mergers & Acquisitions), Credit Growth, Technology and Risk Management. The Groups had intense debates on the issues facing the sector, potential solutions and key initiatives to be taken to help resolution.

The morning session on Day-2 began with a talk by Swami Sukhabodhanandji on ‘Spirituality in turbulent times’. Thereafter, each Group presented a set of transformational initiatives to further the reform journey initiated in 2015. Each presentation was followed by an interactive Q&A session with the audience.

Shri Ashwani Kumar, Chairman, IBA then presented the progress made by banks against the commitments made at Gyan Sangam 2015. He encouraged his colleagues to continue to further the transformation they had initiated. This was followed by inspiring presentations by bankers who had executed successful turnarounds at their banks – Union Bank of India presented their journey on risk management. State Bank of India shared details of the ongoing digital transformation.

At the Final Session of the event, Shri Jayakumar, MD& CEO, Bank of Baroda, presented the Reform Agenda to the Union Finance Minister, Shri Arun Jaitley, on behalf of his colleagues. He reaffirmed the Banking Sector’s commitment to deliver on the initiatives that have been tabled. The Finance Minister, in his remarks, congratulated the bankers for the ambitious goals they had set for themselves, and assured them of support in their endeavours.
