

Ref no. 2E/R-52/9067

09/03/11

To,
Shri Pranab Mukherjee
Finance Minister,
Govt. of India
S-22, Greater Kailash- II,
New Delhi-110048

Subject:-MSMEs are facing problems due to banks' half yearly and yearly closing holidays on 31st March and 30th September.

Sir,

Indian Industries Association (IIA) an Apex body of MSMEs has been working for the promotion and development of MSMEs since 1985. Through its 37 chapters, 7000 member MSMEs are enrolled with IIA.

We are receiving complaints from our member MSMEs about banks' annual and half yearly closing holidays on 31st March and 30th September as these days have been declared as non-public dealing days as the banks' need to close their account books for respective half year and year endings. MSME members are facing problems of not being able to make their financial transactions on the said days.

With computerization taking place, these books can be closed on day to day basis and probably no reconciliations are needed as it was in the past.

It is worth noting that some banks are already working on a format of 365 days in a year for their customers using the modern technologies available today. Even RBI has been so aggressive in pushing technology that they have virtually finished the concept of high value clearing forcing the customers to move to RTGS/NEFT.

Therefore, there is a strong need to relook at these holidays which have become redundant over time in view of changed work process. In view of the above circumstances we strongly recommend not to observe 31st March & 30th September as banks' closed days for customer transactions and dealing.

Looking forward for a favourable action in the matter in the overall interest of MSME development.

Thanking You,

Yours Truly,

Manish Goel
Vice-President
&
Chairman-EAC

Ref no. 106/R-52/9068

09/03/11

To,
Shri Samir K. Sinha
Director (BOA, BO-I & Estt.)
Ministry of Finance, GOI
3rd floor, Jeevandeep Building,
Parliament Street, New Delhi-1

Subject:-MSMEs are facing problems due to banks' half yearly and yearly closing holidays on 31st March and 30th September.

Sir,

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Looking forward for a favourable action in the matter in the overall interest of MSME development.

Thanking You,

Yours Truly,

Manish Goel
(Vice-President & Chairman-EAC)

Ref no. 2E/R-52/9069

09/03/11

To,
Dr. D. Subbarao
Governor,
Reserve Bank of India,
Central Office Building, 18th Floor,
Shahid Bhagat Singh Road, Mumbai-400 001.

Subject:-MSMEs are facing problems due to banks' half yearly and yearly closing holidays on 31st March and 30th September.

Sir,

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Looking forward for a favourable action in the matter in the overall interest of MSME development.

Thanking You,

Yours Truly,

Manish Goel
Vice-President
&
Chairman-EAC