

Minutes of the 178th and 179th Meeting
State Level Banker's Committee, Madhya Pradesh
Dated June 11, 2021

The 178th and 179th meeting of State Level Banker's Committee for the State of Madhya Pradesh was held on June 11, 2021 through Video Conferencing under the Chairmanship of **Shri Iqbal Singh Bains, Chief Secretary- Government of Madhya Pradesh**.

The meeting was co-chaired by Shri Matam Venkata Rao, Managing Director & Chief Executive Officer, Central Bank of India. Senior officials from the State Government, Banks and other Financial Institutions attended the meeting. A list of participants is attached at Annexure-I.

After the welcome of all dignitaries and participants by Shri S.D.Mahurkar, Convener-SLBC, the MD & CEO, Central Bank of India addressed the house. With reference to the resurgence of COVID-19 pandemic, he informed the house about the relief measures announced recently by the Govt. of India and the Reserve Bank of India for the MSME sectors and small business entities. He congratulated the State Government for bringing out the Atma Nirbhar Madhya Pradesh vision (AtmaN_MP@23) with broad-based approach to act as an enabler and facilitator.

Thereafter, with the permission of chair, agenda wise discussions started. The details of the deliberations are as under:-

1. BANKING DEVELOPMENT IN M.P. FY 2020-21

1.1. Closure of rural branches

It was observed that 72 & 17 bank branches have been closed during FY 2020-21 by Bank of Baroda and Punjab National Bank respectively. The Chief Secretary desired to know that the banks which have closed their rural & sole semi-urban bank branches have got the approval of SLBC as per earlier decision taken in 173rd/174th meeting of SLBC held on November 15, 2019 about closure/merger of such branches.

It was decided that the DLCC will get the opinion of DIF before deciding over the closure of branches. The DIF should take the decision within 15 days after receipt of the proposal.

Action: All Banks & DIF

2. ANNUAL CREDIT PLAN

2.1. The Chief Secretary released the Annual Credit Plan for FY 2021-22.

2.2. Additional Chief Secretary, Animal Husbandry mentioned that Ministry of Finance, Govt. of India vide its letter F.No.12/4/2016-AC dated 16.02.2021 has earmarked 9% of agriculture term loan target for Animal Husbandry, dairy and fisheries. He mentioned that target for these sectors should be set accordingly in the ACP. It was informed that a provision of Rs 8,653 cr has already been made in the ACP for the same (16.25% of agriculture term loan target).

- 2.3. Banks were requested to popularize the loan schemes of National ST Finance Development Corporation (NSTFDC) under Ministry of Tribal Affairs, GoI.

Action: All Banks

3. COVID-19 RELIEF MEASURES TO BORROWERS

The provisions of the Emergency Credit Line Guarantee Scheme (ECLGS) 4.0 and Resolution Framework 2.0 of RBI were discussed. The Chief Secretary directed that Indian Medical Association, Nursing Home Association, Medical Colleges etc. should be informed about the scheme along with the relevant circular of DPIP, GoMP.

Action: SLBC, DIF, NHM & H&FW Dept, GoMP

4. ARRANGING COVID-19 VACCINATION CAMPS FOR BANKS EMPLOYEES

The Chief Secretary mentioned that LDMS should be in touch with District Collector for arranging the vaccination camps.

Action: All District Collectors & LDMS

5. PROGRESS UNDER GOVERNMENT SPONSORED SCHEMES

5.1. PM SVANidhi Scheme-

The CS congratulated Bank of India, State Bank of India and Central Bank of India for achieving more than the allotted targets under the scheme. He expressed displeasure over the non-achievement of the targets by some banks. Further, he expressed deep concern over the poor performance of the private sector banks.

Action: All concerned Banks

Principal Secretary-UADD informed that the Scheme guidelines provide for an enhanced limit, on timely or early repayment of the loan. Accordingly, banks were asked to enhance the limit of up to Rs. 20,000/- for the second tranche.

Action: All Banks

5.2. Mukhya Mantri Gramin Path Vikreta Yojana-

CS requested the banks to expedite disbursement.

Action: All the concerned Banks

5.3. National Rural Livelihood Mission FY 2020-21-

It was flagged that there is a huge difference between the figures reported by MPSRLM and National portal. The CS expressed concern over the gap between sanctioned and disbursed amount. He mentioned that until the cases are disbursed, there is no meaning of sanctioning the cases. Banks were advised to improve the performance in disbursement. The CS also mentioned that review should take place only on the basis of data on actual disbursement.

Action: All concerned Banks

5.4. PMAY-U Affordable Housing Project (AHP)-

PS, UADD informed that the housing loan to EWS Beneficiaries under PMAY (AHP)-Urban vertical, GoI provides subsidy up to Rs 3.00 lakh per unit. GoMP has made a provision of Tripartite Agreement amongst ULB, Bank and Beneficiary to facilitate the refund of Loan. Further, as per recent decision of the Government, now house can be mortgaged with the financing bank. Banks were requested to facilitate small loan to EWS & LIG beneficiaries.

Action: All Banks

5.5. PMEGP, Stand-Up India Scheme & PMMY FY 2020-21-

Progress noted by the house.

6. KCC SATURATION DRIVE

6.1. Coverage of KCC-

Convener, SLBC informed that there is a gap of about 25.40 lakh in KCC coverage in compare to total number of PM-KISAN beneficiaries and number of KCC issued. The CS asked the Convener to provide district wise data, so that the Government can take appropriate steps for 100% coverage.

Action: All Banks

6.2. KCC Dairy and Fisheries-

It was flagged that there is an issue of reconciliation of loan applications submitted in the bank branches and received or returned by banks. The Chief Secretary expressed concern and advised to develop an on-line system to collect and track the loan applications under government Schemes. The Chief Secretary requested the MD&CEO of Central Bank of India to take the lead in developing such online system. to resolve these issues before the next SLBC meeting. He mentioned to work on the online solution of loan application collection and pave the path for other banks.

Action: SLBC

A letter from HCM to the Union Finance Minister may also be sent regarding submission of online application form and receiving by bank branch at their end.

Action: DIF

7. FINANCIAL INCLUSION

7.1. Settlement of claim under PMJJBY & PMSBY-

The Joint Secretary, DFS mentioned that during the current pandemic, banks need to put in place a mechanism for early settlement of the claim particularly under PMJJBY & PMSBY.

DIF informed that as regard Pradhan Mantri Jeevan Jyoti Beema Yojana, percentage of settlement of claims is less than 12% of the probable death of insured persons, calculated as per state death rate (0.8%).

Hence; eligible account holders might not be benefitted under the scheme. The reasons may be unawareness about the claim submission, documentation, etc.

The Chief Secretary instructed Panchayat & Rural Development Department to work on it and design a review mechanism in this regard. He further instructed DIF to issue instructions to Collectors for sharing the death information and lodgment of claims.

Action: P&RD Dept, GoMP & DIF

7.2. Atal Pension Yojana-

CGM, PFRDA appreciated the efforts made by the SLBC-MP to facilitate enrollments under the Atal Pension Yojana in the state during FY 2020-21 with achievement index of 124%.

Action: All Banks

7.3. Coverage of uncovered villages-

DFS has identified fresh 3 new uncovered villages (i.e. villages not having Bank Branch/Business Correspondents (BCs) within 5 km radius) namely Neemiya & Gudimai (Gudhi) and Pindrai Kalan in Betul and Chhindwara districts respectively. These villages have been allotted to PNB & Bank of Maharashtra for coverage. These banks were advised to cover the villages by 30th June, 2021.

Action: PNB & BOM

7.4. RSETI- Delay in reimbursement of expenditure for training-

It was informed to house that the claims for reimbursement by R-SETI are not settled timely. CS directed SRLM to reimburse the claims as per rules at the earliest.

Action: MPSRLM

8. CHIEF MINISTER RURAL HOUSING MISSION SCHEME (CMRHM)

Banks flagged that the NPA under the CMRHM Scheme is alarming (40.57% of the portfolio). The CS asked P & R D Deptt. to look into the matter at the earliest.

Action: P&RD, GoMP

9. LOW CD RATIO DISTRICTS

The Convener Sub-committee on low CD Ratio i.e. Union Bank of India was advised to hold the sub-committee meeting and review the performance invariably as per the action points suggested by NABCONS for improvement of the CD Ratio.

Action: Union Bank of India

10. DOUBLING FARMERS' INCOME BY 2022

In order to review progress made under this agenda, Sub- committee on Agriculture was requested to deliberate the same in next Sub-committee meeting and inform the SLBC.

Action: State Bank of India

11. ADOPTION OF MSME CLUSTERS BY LEAD BANKS

In order to review progress made under this agenda, Sub- committee on MSME was requested to deliberate the same in next Sub-committee meeting and inform the SLBC.

Action: PNB

12. RURAL HOUSING INTEREST SUBSIDY SCHEME (RHISS)

Member banks were requested to popularize the scheme.

Action: All Banks

13. DIGITAL DISTRICT

Banks were asked to implement the digital district programme as desired by RBI.

Action: All concerned Banks

14. DEVELOPING A STANDARDIZED SYSTEM OF DATA FLOW

RBI has directed Banks to make provision for uploading of district wise CBS data on the SLBC portal. 23 Banks are yet to migrate to the new data flow mechanism. These banks were requested to come on board.

Action: All the concerned Banks

15. OBTAINING 'DIVERSION ORDER' FOR FINANCING LOAN

Commissioner Land Record, GoMP informed that the following documents are sufficient to consider diversion of the land.

- i. A copy of the challan/receipt of payment of premium by Bhumiswami to Sub Divisional Officer.
- ii. Record of diversion entry made in the column 2, 3 & 12 of the Khasra of the respective land.

Convener, SLBC requested the CLR to issue a letter/order in this regard to SLBC/Banks.

Action: CLR, GoMP

16. MISCELLANEOUS

16.1.1 In next SLBC **Prof. Sachin Chaturvedi** from AIGGPA (Atal Bihari Vajpayee Institute of Good Governance and Policy Analysis) is to be invited as special invitee.

16.1.2 The CS instructed that in the next SLBC meetings, medium term trends such as growth/changes in the credit linkage over the last 10 or 15 years for specific sectors to be presented.

17. The meeting concluded with a vote of thanks by Shri Umesh Kumar Pandey, Chief General Manager, State Bank of India.

(Minutes approved by the Chief Secretary, Government of Madhya Pradesh)
