

**Minutes of the special SLBC meeting of Madhya Pradesh held on
29/07/2022 under the Chairmanship of Hon'ble Chief Minister**

Special SLBC meeting to review the banking developments and status of financial inclusion in Madhya Pradesh was held under the Chairmanship of **Shri Shivraj Singh Chauhan, Hon'ble Chief Minister** of Madhya Pradesh on 29th July 2022 at Kushabhau Thakre International Convention Centre Bhopal. Shri Mahesh Kumar Jain, Deputy Governor of Reserve Bank of India, the Chief Secretary to GoMP and Prof. Sachin Chaturvedi, Vice Chairman of AIGGPA also attended the meeting.

A list of participants is placed at annexure-1.

Following are the actionable points:-

I. Banking in Madhya Pradesh: Physical Infrastructure

1. The penetration of the branches/BCs/ATMs in MP is not uniform. About 25% of the ATMs are located in only two districts and there is a need of more ATMs across the State. Banks may make concerted efforts in this direction.
2. To assess effectiveness of the BCs in the state, identification of the active and inactive BCs may be reviewed based on predefined parameters (e.g. frequency of transactions). Further, efforts may be made to enrol more women as BCs (e.g. Bank Sakhi).
3. Hon'ble Chief Minister directed the banks to strengthen the BC network.
4. The number of bank branches per lakh population in the state is less than the national ratio; hence there is a need of around 2181 new branches. Necessary steps need to be taken by the banks to bring it at par with the national ratio.

Action Point no. (I-1 to I-4): All Banks

II. Review of business growth and Credit-Deposit Ratio of banks

1. It was observed that only 10 banks contribute to two-third of the business in the State. Other banks may be encouraged to play more proactive role in providing banking services in the State.

Action: All Banks

2. A detailed analysis may be made for increasing CD ratio in the 14 districts with CD ratio less than 50%. Cooperative banks and RRBs need to improve their CD ratio and achievement of ACP targets.

Action: Sub Committee on improving CR Ratio/Union Bank of India

III. Review of progress under Annual Credit Plan

1. The Deputy Governor of RBI emphasised further rationalisation of the Annual Credit Plan (ACP) by consultation with all stakeholders. The credit absorption capacity of the individual districts should be analysed to come up with a realistic ACP.
2. The Executive Director, Central Bank of India stated that the ACPs should be prepared keeping in view the outstanding dues of banks and the achievements made by them in the last few years.

Action: SLBC, NABARD, DIF, RBI, LDMs & Member Banks

3. It was observed that while the Primary Sector Lending (PSL) target was underachieved, the non-PSL credit overshoot the target. The banks need to pay greater attention towards the priority sector lending.

Action: All Banks

4. Targets of micro-financing schemes should be higher for Small Finance Banks (SFBs) and Regional Rural Banks (RRBs), given their mandate for priority sector lending.

Action: LDMs

5. Hon'ble Chief Minister directed for the mapping of KCC with the help of Agriculture department. He directed that all eligible farmers should be treated as the target.

Action: All banks and Agriculture and Farmer Welfare Dept.

6. Hon'ble Chief Minister directed to include the employment loan schemes of SC and ST welfare departments, in the regular agenda of SLBC.

Action: SLBC

IV. Review of progress of self-employment generation schemes

1. It was directed that the Mudra scheme beneficiaries, who are also eligible under "Mukhyamantri Udyam Kranti Yojana" should be given the benefit of Udyam Kranti Yojna. The MSME department will issue detailed directions in this regard.

Action: All Banks, MSME Department

2. Hon'ble Chief Minister expressed displeasure with the performance of private sector banks in government sponsored schemes. It was directed that they should increase their participation in the self-employment generation schemes.

Action: All private sector banks

3. To strengthen the women empowerment, more focus should be on Self Help Groups (SHGs) financing.
4. Second installment should be released to the eligible self-help groups without delay.
5. "Rozgar Diwas" (Employment Day) is organized every month in the state. All banks should participate in the Rozgar Diwas and strive to achieve the target.
6. For bank financed schemes annual targets should be divided into monthly targets and the progress should be reviewed on monthly basis.

Action point no. (III-3 to 7): All Banks

V. Financial Inclusion

1. The allotment of opening new bank branch in 54 identified locations has been made by SLBC to the member banks. The concerned banks were directed to open these branches at the earliest. The due date for the banks to provide the time line is 31st August 2022.

Action: All allottee banks

2. To achieve saturation in PMJSS, the banks should fulfil the targets scheduled for them by SLBC.

Action: All Banks

VI. SVAMITVA Scheme

Hon'ble Chief Minister stated that the objective of the SVAMITVA scheme is to make rural India financially strong. The ownership rights given by the government under the scheme have legal validity. Banks should consider loans to eligible beneficiaries under this scheme. Banks were directed to issue instruction/guidelines in this regard to their branches.

Action - All Banks

The meeting concluded with a vote of thanks by the Chief General Manager, State Bank of India.
