

MINUTES OF 129TH MEETING OF
STATE LEVEL BANKER'S COMMITTEE, MADHYA PRADESH
HELD ON 08.09.2007 AT CENTRAL BANK OF INDIA
ZONAL OFFICE, BHOPAL

The 129th meeting of State Level Bankers' Committee, Madhya Pradesh was held on 08.09.2007 at the Conference Hall of Central Bank of India, Zonal Office, Bhopal to review the performance of Banks for the quarter ended June 2007. The meeting was chaired by Ms. H.A. Daruwalla, Chairperson and Managing Director, Central Bank of India. Shri Shivraj Singh Chouhan, Honourable Chief Minister, Madhya Pradesh was the Chief Guest. Shri Pawan Kumar Bansal, Hon'ble Minister of State for Finance, Government of India had specially flown in from Delhi to address the forum and interacted with the members, sharing his views and giving valuable guidance and suggestions on various issues before the forum. Shri Raghavji, Hon'ble Finance Minister, Madhya Pradesh also addressed the members and actively participated in the deliberations of the House, enumerating State Government's views and expectations from bankers on different points.

Welcome address by Convenor:

At the outset Shri P.C. Tiwari, Convenor SLBC and Zonal Manager, Central Bank of India extended a warm welcome to Shri Shivraj Singh Chouhan, Hon'ble Chief Minister, Madhya Pradesh, Shri Pawan Kumar Bansal, Hon'ble Union Minister of State for Finance, Shri Raghavji, Hon'ble Finance Minister Madhya Pradesh and Ms. H.A. Daruwalla, Chairperson & Managing Director Central Bank of India and Chairperson of SLBC, and other dignitaries from State Government, Reserve Bank of India, NABARD, Banks and Financial Institutions present in the meeting. Shri Tiwari also thanked the representatives of electronic and print media for their presence.

Release of Annual Credit Plan 2007-08:

After the address of Convenor, and floral welcome of esteemed dignitaries by the Chairperson, the Annual Credit Plan – Madhya Pradesh for the Financial Year 2007-08 was released by Shri Raghavji, Hon'ble Finance Minister, Madhya Pradesh. The Plan entails a total credit outlay of Rs.12622 crores for Priority Sector Advances in the State, out of which the share of Agriculture is Rs.8905.23 crores.

Address by Hon'ble Chief Minister, Madhya Pradesh:

Shri Shivraj Singh Chouhan extended a warm welcome to Shri Pawan Kumar Bansal, Hon'ble Union Minister of State for Finance on his visit to Bhopal. In his address, the Chief Minister stated that the State Government attaches great importance to the forum of SLBC and his very presence in the meeting, despite a scheduled 'Jan Darshan' programme in Shajapur district on the day, bears testimony to this effect.

Referring to the C:D Ratio in the State, the Hon'ble Chief Minister observed that though the overall position is satisfactory, but the position of three districts with large concentration of people belonging to scheduled castes and scheduled tribes with a C:D ratio of less than 40% is a cause for concern. He urged banks to take suitable steps so that C:D ratio in these districts is substantially improved.

The Hon'ble Chief Minister congratulated the banks for their excellent performance under certain parameters and also appreciated the efforts being made by banks to cover all eligible farmers under the fold of Kisan Credit Card (KCC). Till June, 2007 banks have covered more than 40 lakh farmers. The Government has issued a roadmap to all the Collectors for accomplishment of the goal set by SLBC to cover all the eligible farmers in the State under the fold of KCC during 2007-08. The Central Government's effort to provide KCC loan @ 7% interest to farmers is laudable, but many farmers are not able to avail the benefits of this scheme owing to one or the other reason, which drives them to the clutches of private moneylenders. Referring to the initiative taken by Reserve Bank of India in this direction, the Hon'ble Chief Minister, therefore, urged the Banks to take suitable steps in this direction so that farmers do not have to approach moneylenders for their financial needs.

The Hon'ble Chief Minister also urged Banks to come forward and provide loans to farmers for permanent electricity connection, as owing to paucity of funds majority of the farmers are forced to avail temporary connection which is more expensive and also result in wastage of electricity.

Shri Shivraj Singh Chouhan congratulated the Banks for their commendable performance in the area of Doubling the flow of Credit to Agriculture Sector by achieving the same in two years instead of the stipulated three years.

Emphasizing the importance of SME sector in the economy, and referring to the drive initiated by Banks for doubling the credit to SME Sector in five years, the Hon'ble Chief Minister asked banks to find suitable ways to accelerate the pace of credit to this sector.

Observing that Madhya Pradesh is having more than 4 lac SHGs, the Hon'ble Chief Minister stated that many of these groups are still to be brought under credit linkage. These groups mainly consist of women and tribal people. Welfare of all sections of society and a prosperous State are on top of the agenda of the State Government for which the support of Banks is vital. The State Government is marching forward on many fronts and the effort is to complete goals in lesser time than stipulated, and with the continued support of all concerned, the Government aims to build up a prosperous State.

While concluding his speech, Shri Shivraj Singh Chouhan thanked Shri Pawan Kumar Bansal, Hon'ble Union Minister of State for Finance, for his visit to Bhopal and hoped that the forum will get a new direction by his able guidance.

Introduction of Shri Pawan Bansal, Hon'ble Union Minister of State for Finance:

Shri P.C. Tiwari, Convenor, extended a hearty welcome to Shri Pawan Kumar Bansal and stated that he felt proud in introducing such a famous dignitary whom he had seen while he was working in Punjab and Haryana. Shri Bansal has been elected thrice to Loksabha and once to Rajyasabha and his sole motto is upliftment of poor. SLBC, MP was proud to have his presence in the House and expressed the confidence that if banks follow his suggestions and guidance, then, undoubtedly Madhya Pradesh will rise to a new height.

Address by Shri Pawan Kumar Bansal, Hon'ble Union Minister of State for Finance:

Speaking on the occasion, Shri Bansal stated that he took immense pleasure to be present in the meeting. It is not his belief but the belief of whole country that banks play a very vital role in the growth story of the country. In fact Banks can be termed as a veritable vehicle of growth and in that context the SLBC meetings have to play a significant role. These are the platform where different officers of Govt. and representatives of different banks in State get together to share their views, appraise the work done, and then determine further strategy and planning to achieve the set goals.

Shri Bansal recalled his participation in 13 SLBC meetings all over the country and stated that he had a very heartening experience wherever he attended SLBC meetings.

Emphasizing the importance of Financial Inclusion, Shri Bansal stated that the Hon'ble Prime Minister has repeatedly emphasized the fact that financial exclusion leads to social exclusion also. Every person needs to have affordable banking service in the country. Sharing the experience of other states, Shri Bansal stated that a State like Himachal Pradesh, which is considered as relatively backward, had opted for 100% financial inclusion and is among the first to achieve this distinction. Though as per RBI guidelines, one district in each State is to be selected for 100% Financial Inclusion but Banks on their own voluntarily accepted to cover more number of districts than the stipulated one. Every State should take up this task at least in one district – as pilot projects. Three States viz. Himachal Pradesh, Punjab and Andhra Pradesh, besides Union territory of Pondichery from where RBI started the work, have opted for 100% Financial Inclusion. In other States, banks have opted for 50% of the districts. Though at present only two districts, Ratlam and Jhabua, are selected for 100% Financial Inclusion in Madhya Pradesh, the Hon'ble Minister desired that at least 50% i.e. 24 districts should be selected for this work in the State.

Shri Bansal complemented the Banks for achieving CD ratio of 68% but showed his concern over three districts where CD ratio is below 40%, which the Hon'ble Chief Minister had also referred to in his address. He advised Banks to plan for block-wise, village-wise improvement in C:D Ratio for these three districts having large concentration of people belonging to scheduled castes and scheduled tribes. Banks should ensure that these three districts are given special attention so that their C:D Ratio catches up with national norm of 60%. He also advised the banks with lower C:D ratio to improve their position and reach the level of minimum 60%.

Shri Bansal observed that the benchmark for performance can never be static. When we have a particular level of achievement that should not really lead to creeping in some sort of complacency thinking that we have done our best. One benchmark should form the basis from where we move further and set more benchmarks. In this context, the Hon'ble Minister complemented the banks for achieving a level of 34% under Agriculture Credit to net advances of Banks against the national goal of 18%. He also lauded the performance of banks in the area of doubling the flow of credit to Agriculture sector in 2 years instead of the stipulated 3 years and opined that this performance has encouraged banks to raise the target further.

Referring to the scenario obtaining in the country as a whole in the sphere of credit flow to agriculture sector, Shri Bansal stated that the base figure was Rs 86000 Crore three years back for the country and we reached Rs 2,03,000 Crore last year and present year target is

Rs 2,25,000 Crore, for which he expressed the confidence that banks would surpass. Banks have target of adding 50 lacs new farmers every year and he hoped that banks would certainly achieve it.

Oral lessee, tenant farmers, marginal farmers etc. make up 2.5% of total farmers. Shri Bansal suggested that credit flow to this section of the farmers should be a regular part of the SLBC agenda.

Commenting on advances to Weaker Sections, the Hon'ble Minister expressed satisfaction that Banks have achieved a level of 13% against the stipulation of 10%, which is a good performance. He referred to Reserve Bank of India's latest guidelines including minority communities in weaker sections so that they should also get their share.

There are 103 districts identified as minority concentration districts in the country, out of which in Madhya Pradesh there is only one district i.e. Bhopal. Banking sector should respond to the needs of these communities in Bhopal to fulfill avowed goal of Reserve Bank of India.

Echoing the remarks of Hon'ble Chief Minister in his speech, Shri Bansal complemented Banks for 100% issuance of Kisan Credit Card in Ratlam district which was selected by banks themselves. However, in Jhabua district, 18000 farmers still remain to be covered. He hoped that Banks would have covered these remaining farmers also in the intervening period, as the statistics furnished in the agenda were two months old.

The Hon'ble Minister referred to a news item appearing in The Hindustan Times, Bhopal stating that achievement under financial inclusion is not satisfactory in the State. The report had also mentioned that in Ratlam and Jhabua districts, the performance is much below the expected level. On their own, the Banks have set for themselves a time frame of 90 days for completing the entire process for issuance of Kisan Credit Cards, right from survey to disbursement of the loan. Shri Bansal urged the Banks to replicate the same in case of financial inclusion. Since the survey for KCC was already in process, the task to cover 100% Financial Inclusion is not too difficult, including the people who are not farmers and thus not eligible for KCC, but by opening No Frill Accounts, issuing General Credit Card and other facilities to be extended to them. This task may be undertaken village wise.

Self Help Groups is another innovative and successful model of micro financing and financial inclusion. 3,70,000 SHGs are formed. Credit linkage is only 1,12,000 i.e. only

30% are credit linked. Mere formation of SHG does not serve the purpose until they are credit linked. Banks must provide credit linkage to these groups. Credit linkage of such groups is a must for capacity building. Lack of motivation and awareness should be overcome and financial literacy should be imparted. The underlining idea is to raise the living standard of these people. He urged banks to credit link all the SHGs groups and encourage such groups to start some worthwhile economic activities.

The Hon'ble Minister also dealt in detail the subject of performance under Differential Rate of Interest (DRI) Scheme. Stating that stipulation of 1% of total Bank Credit under the scheme as the national norm, Shri Bansal desired that Banks are expected to achieve this norm. However, with an achievement index of only 0.1% in all States, the present position is not satisfactory. The reason for this poor performance may be two-fold. Ceiling of loan till last year had been very low i.e. Rs. 6500 only. Now in the last budget it has been raised to Rs.15000 to Rs.20000, to be disbursed to the identified beneficiary. For identification, the income ceiling is Rs. 6400 for rural households and Rs.7200 for urban poor per annum, which is also seen as an impediment in implementing the scheme effectively. The Government of India is seized of the issue and is in the process of finding ways to get more people benefited under the scheme. The Hon'ble Minister requested Banks to ensure flow of 1% of total credit to DRI segment @ 4% and also to ensure that 40% of this 1% goes to SC/ST. This is our social responsibility and despite competition which the Banks are facing it has to be achieved. He suggested that top up housing loan may be given under DRI.

The Hon'ble Minister laid great stress on end-use of credit. This aspect is very important but is not being monitored appropriately in Govt. sponsored schemes and even in the cases of tractor loan. Such situation should be avoided. Diversion of funds should be checked. Such types of cases of diversion of loan were common in Jhabua district where availability of credit had led to greater debts. The situation could be avoided by timely monitoring and by taking some remedial measures if loan is diverted for some other activities.

In his concluding remarks, Shri Bansal expressed thanks to Ms. H.A. Daruwalla for providing a platform to him for interacting with Bankers and Government officials in the State. He hoped that the presence of Hon'ble Chief Minister and Hon'ble State Finance Minister would pave the way for a purposeful interaction and strengthen the bond between Banks and the Government who are working together for common cause.

Address by Shri Raghavji, Hon'ble Finance Minister, Madhya Pradesh:

Extending a warm welcome to the Hon'ble Union Minister of State for Finance, Shri Raghavji stated that Shri Pawan Kumar Bansal has visited many parts of Madhya Pradesh and possesses vast knowledge on the Banking subject as could be gauged from his speech. He expressed the confidence that Madhya Pradesh would definitely progress in the direction desired by Shri Bansal. The State has done well in many areas. The State achieved the target of doubling the flow of credit to Agriculture sector in just 2 years, which is indeed a matter of proud to all. One of the areas that require special attention is lower percentage of term loans to agriculture sector. Crop loan share is more than 83% whereas Term Loan comprises only 17%. Banks have to give long-term loans, which create permanent assets. Financing tractors are not so attractive nowadays but in the areas of irrigation and tube well, financing has to be increased.

Referring to the requirement of Banks having to open new 100 accounts per rural and semi urban branches, Shri Raghavji hoped that banks would surpass this target, as the average for the first quarter was 24. Quoting statistics, Shri Raghavji stated that Bank accounts in Madhya Pradesh are 39 per 100 adults which is on the lower side when compared to certain other States like Jharkhand, Uttaranchal etc. In the Union Territory of Chandigarh, the ratio is 225 per 100.

In Madhya Pradesh, density of population is low. Tribals are more in remote areas. Habitats are small and though it is difficult to reach/ access these areas but it is necessary that banking services are reached to these far flung areas. MP and Chattisgarh require lot of improvement in this direction. Like wise average density ratio is 59 for all India while it is only 20 in MP, which require immediate attention.

Banks are not opening new branches in rural areas and instead are closing down branches in some areas. If branches are not opened in rural areas then the very task of bringing rural population in the banks' ambit will be difficult. If opening of branches is not viable, then Banks should think of appointing private agencies as has been done in other States. He requested Shri Bansal to look into this aspect in consultation with RBI. Self Help Groups are in large number but credit linkage is very few. SHGs are meant for creating new dimensions of employment and removing the poverty particularly in weaker sections. Women are actively involved in these SHGs. Attention should be paid to micro financing which includes artisans and rural cottage industries. Number is not so important. What is important is credit linkage of the groups formed; otherwise the groups will become defunct

slowly. Employment generation programme is to be formulated at Govt. level for rural and urban poor, which in turn will also come under Bank finance.

Central Government has formulated Education Loan scheme for higher education but it is seen that students from poor families with no collaterals to mortgage, who secure admission in engineering and medical institutions and who genuinely need loan for higher studies find it difficult to secure such loans. He requested Shri Bansal to have liberalized norms in this direction so that such poor students can get bank loan without the need for collateral security.

Shri Tiwari, Convenor intervened to inform the Hon'ble Minister that up to Rs.4 lakh no collateral is required for getting education loan.

Address by Chairperson :

Speaking on the occasion, Ms. H.A. Daruwalla, Chairperson stated that speeches delivered by honourable dignitaries prior to her had set the trend for the day's proceedings and therefore did not wish to go in to more details. On behalf of Central Bank of India and fellow bankers Ms. Daruwalla assured the House that Banks would not spare any stone unturned in making Madhya Pradesh a prosperous State, and would actively implement programmes such as Financial Inclusion, Kisan Credit Cards, No frill accounts, General Credit Card, Long term loans under Agriculture, DRI Loan, Irrigation Projects, Credit Linkage of SHGs, Education Loan etc. so that benefits of these schemes reach the targeted groups.

Address by Shri Pradeep Bhargava, IAS, Additional Chief Secretary, Govt. of M.P.:

Shri Pradeep Bhargava, Additional Chief Secretary to Govt. of M.P. and Development Commissioner, congratulated bankers for achieving all the targets allotted, even in the field of SHGs. Last year banks had an achievement index of 111% of target, which had been the case for last 2 – 3 year. He hoped that the trend would continue in this financial year, too. In MP our object is to create an environment where bankers can do a lot of work having so many schemes to provide facility to the needy people. Banks' Recovery Incentive Scheme (BRISC) helps in the recovery of dues and MP is banker's friendly state.

Shri Bhargava highlighted the article in The Hindustan Times regarding progress under Financial Inclusion in the State. Coverage by commercial banks requires a little bit improvement particularly from the point of view that rural connectivity has increased. In the

last five years the State Government has constructed new roads to new destinations. Approximately 16000 kms., 4500 villages with population of 1000 plus in rural areas and 500 plus in tribal area have been connected by all weather roads. This has led to opening up of countryside. He requested Finance Ministry and RBI to have a fresh look on opening of more commercial banks branches since connectivity has greatly improved.

Another point highlighted by Shri Bhargava was credit linkage of Common Interest Groups (CIGs) or Producers' Companies set up as an umbrella federation of these groups under the District Poverty Initiative Project launched by the Government of Madhya Pradesh with World Bank funding. The membership of some of these companies extends to 7000 to 8000 farmers. He stated that Commercial Banks can use the opportunity to extend financial assistance to the CIGs or producers' companies so that their activities get a boost and the members of the Groups, who are from poor background, are benefited and their standard of living gets uplifted. Some Banks like Central Bank of India and ICICI Bank have already come forward in this endeavour and other Banks can also follow the suit.

Speaking on Micro Finance, Shri Bhargava emphasized the need for segmentations in terms of banking opportunities in tribal areas. Commercial banks lend fund for Self Help Groups. However, lending should be based on loanee's needs. Malwa Division, Hoshangabad Division, Jabalpur Division and parts of Bhopal Division are extremely developed and would compare with other parts of country. There are areas, which are not much developed and should get focused attention by Banks for speedy progress.

Address by Dr. K.V. Rajan, Regional Director, RBI:

Dr. Rajan in his address clarified that there is no restriction from RBI for opening of branches. It is left to the Boards of Banks to decide, based on the viability and other business considerations.

As regards Financial Inclusion, in Jhabua district banks have to do more. In Ratlam district good progress has been achieved. In tribal belts like Jhabua we have to make some innovative experiments like business correspondent, business facilitator etc. We need credit counseling centers and should also form the sub group with more participants as 24 more districts are to be added for Financial Inclusion. He requested SLBC to take a positive step towards the same.

ITEM NO.1 CONFIRMATION OF THE MINUTES OF THE 128TH MEETING OF STATE LEVEL BANKERS' COMMITTEE HELD ON 28.06.2007

The minutes of the 128th Meeting held on 28.06.2007 were circulated vide Convenor Bank's letter no. 93 dt. 16.07.07 to all members. Since no amendments/ comments were received from any quarter, the house has confirmed the same.

ITEM NO.2. FOLLOW UP ACTION ON DECISION OF EARLIER MEETING

Action Point 1 : Doubling of Agriculture Credit

1.1 Progress in Doubling the Flow of Agriculture Credit upto June 2007

Convenor informed that Banks have surpassed the targets of Doubling of Agriculture Credit in two years instead of three years.

Shri Pravesh Sharma, Principal Secretary, Agriculture, Government of M.P. stated that a lot of appreciation from State Government was made on the outstanding performance of Banks in agriculture credit. However, one important aspect that has to be looked in to is the low 'per capita investment' among the borrower farmers in the State. As per the statistics available, agriculture credit of about Rs.8000 crores has been extended to around 41 Lakh farmers. The average credit per borrower farmer for the State, therefore, comes to about Rs. 2000/- whereas in other states like Punjab the same is Rs 8000/- per capita, which is four times to MP. Therefore, suitable measures should be taken to further increase the credit to farmers.

Financial Inclusion in MP cannot be achieved till some debt relief or waiver measures for indebted farmers are launched. In some districts the farming household defaulters come close to 60%. If this issue is not thought of, then more number of farmers will be left and trend of growth we are thinking is not possible.

Hon'ble Finance Minister MP Shri Raghavji once again stressed the need for increasing long-term loan in place of Crop loan.

Convenor informed that this year the ratio of crop loan and term loan is kept at 72:28 in annual credit plan 2007-08. NPA under agriculture is 6% and even accounts of 2003-04 are classified as Standard Assets because of rephasing and rescheduling.

Shri Sanjay K. Singh, General Manager, State Bank of Indore informed that through OTS scheme they have settled some cases after rephasing and rescheduling. Good response under OTS scheme is essential as otherwise RBI norms will not permit banks to treat standard assets. Hence, OTS scheme should be implemented vigorously so as to reduce NPA by creating awareness about the terms of the scheme; lest such borrowers fall in the traps of moneylenders. This treatment is to be given to standard assets which had in actual term become NPA. He added that they are still in the process and by October – November, 2007 the position will improve.

(Action – All Banks)

1.2 Financing to New Farmers.

Commenting on financing to tenant/ oral lessees, Convenor said that for oral lease some type of certificates are required from revenue deptt., Govt. of MP so that banks may finance to such type of persons.

Banks have started financing to Kotwars for crop loan on their Sewa Bhumi.

Commercial banks have extended Rs. 548 crore to 44367 new farmers by 1643 rural and semi urban branches, which works out to 27 new farmers per branch. The total number of new farmers financed comes to 90796.

1.3 New Investment Projects Financed

7115 new investment projects have been financed by 1643 rural and semi urban branches of Commercial Banks during quarter ended June 2007, making average of 4 projects per branch, total projects financed comes to 9317 projects with an average of 2 project per branch.

1.4 Financing to Agri Clinic/ Agri. Business

Banks have financed 71 cases since inception of the scheme. Shri Sanjay R. Desai, representative from NABARD said that the scheme is extended for the year 2007-08 also. The eligible entrepreneurs can avail 25% capital subsidy and interest subsidy for the initial two years.

Banks are, therefore, requested to extend credit support and submit claims for availing the eligible subsidy under ACABC in respect of financed units.

Shri Desai informed that adequate number of graduates is not coming forward to set up agri-clinics/agri-business centers. The progress is very poor.

Shri Bansal enquired about the reason as to why bankers are not getting the cases as Agricultural Graduates are not coming up for loan. Shri Pravesh Sharma informed the House that scheme was conceptually floated for Agricultural Graduates who want to work in villages in 11th plan period. But they wanted to come to cities with pesticides/ seed companies. Very few Agricultural Graduates are coming for loan. They want regular source of income so they are not coming forward even though the Scheme is good. Shri Desai informed that Banks have financed 72 cases but not a single case is submitted for claim of subsidy.

(Action – All Banks)

1.5 Kisan Credit Card

Banks have issued 94659 Kisan Credit Cards during the current financial year 2007-08 of which 47122 cards by Commercial Banks, 11387 by RRBs and 36150 cards by Cooperative Banks aggregating Rs. 2074 crores till June 2007.

Cumulative number of Kisan Credit Cards disbursement made is 4194634.

Hon'ble Union Minister of State showed satisfaction over the performance and said it is good enough at national level.

Shri Bhargava, Addl. Chief Secretary informed that all the Govt. Departments are extending full cooperation to banks in achieving 100% coverage of KCC to all eligible farmers.

1.6 Relief Measures provided to Farmers

The House reviewed the progress, which was found to be very slow. It was further emphasized that camps may also be organized for this purpose.

(Action – All Banks)

Action Point No.2. Noting of Charge on Land in Government Records

Convenor stated that the matter was discussed in the last meeting and it was decided that Revenue Department will issue a circular to Collectors directing Tehsildar to note the charges to avoid double financing.

Now upto loan of Rs. 50,000/- 'no dues' is not required. No mortgage is done. If noting is done in the revenue record then problem will be solved.

Shri Bhargava, ACS said that Rin pustika are kept by the bank branches and they are not returning to the farmers. Dr. Rajan said that a working group was constituted by RBI under the Chairmanship of Mr. Swarnakar, CMD Syndicate Bank, for simplification of procedure of Agricultural Loan. Committee has recommended and RBI approved that banks can obtain an affidavit from borrower attested by Village Panchayat/ Tehsildar, if it is acceptable to all.

Shri Bhargava mentioned that the issue was raised in previous SLBC meeting also. He assured to take up the matter with the revenue authorities so that a positive action is ensured.

(Action – DIF)

Action Point No.3 KVIC Margin Money Scheme

As per decision held in the 127th meeting of SLBC, CBI have lodged 2 claims but subsidy had not been received till date.

Representative from KVIB informed that case is in the processing of Board and they want certificate that unit was functional for 2 years so that they can release the subsidy. Convenor said that the certificates have already been sent to KVIC, however bank will again submit the same.

(Action – CBI/KVIC/KVIB)

Action Point No.4 Re-examining the cases of Waiver of Stamp duty on Golden Jubilee Rural Housing Finance Scheme (GJRHFS).

Convenor said that in the last SLBC meeting it was decided that State Govt. will solve the issue of waiver of stamp duty.

Shri Raghavji, Hon'ble State Finance Minister informed that State Government has reduced the stamp duty from 4% to 0.5% and are incurring losses of Rs 3 Crore per year. The decision was taken in the last Cabinet Meeting.

Action Point No. 5 Establishing Clearing House in Four Districts of M.P.

In the last meeting there was a suggestion from RBI to establish clearing houses at centers that have been left from the purview of clearing houses. It has been reported by Shri Bejalwar, General Manager, State Bank of India that they have established manual clearing in Anuppur and Jhabua, for Umaria and Dindori districts it is under process. RBI have issued guideline to convert manual clearing houses into MMBC which require code number by RBI and each branch has to buy a PC exclusively for their work and training is also required. It is in the process in coordination with RBI.

(Action – SBI)

Action Point No. 6 Implementation of 100% Coverage of Kisan Credit Cards.

a) Progress in Ratlam and Jhabua Districts

Ratlam District has already been covered while in Jhabua remaining 18212 farmers will be covered soon.

(Action – BOB)

b) Progress of issuance of KCC in all districts of MP

In the last meeting, it was decided to implement the scheme of coverage of 100% KCC in entire state of MP, Convenor SLBC vide their letter dt. 30.06.07 requested State Level Heads of all the banks having lead district responsibility in the state to instruct all their LDMs and branches to implement the scheme, DIF also advised all the collectors to implement action plan with immediate effect.

DIF also issued a detailed road map for the scheme. Convenor informed that two meetings of sub committee were already held and progress was monitored in sub group meetings.

In Jhabua some irrigation projects were failed and State Govt has made 50% relief in loan outstanding while for remaining 50% bank has offered OTS scheme.

Shri Rajan, Regional Director, RBI suggested Bank of Baroda to conduct a survey to identify eligible farmers for financial inclusion. DGM, Bank of Baroda informed that Lead District Manager is conducting the survey.

Convenor informed that BPL survey list has already been prepared in Ratlam and Jhabua districts.

Govt. representative informed that a scheme *Sandighth Dayitva Nivaran Yojana* has been prepared by which the State Government shall release an amount of Rs.10000/- in the accounts belonging to Scheduled Tribes, which have been categorized by banks as 'doubtful debts', and Banks shall consider waiving the remaining dues with the objective of making these borrowers eligible for fresh loans under the ongoing Financial Inclusion drive in Jhabua district. A committee has been formed under the chairmanship of Collector which shall make the payment as provided in the Scheme.

Convenor requested such type of relief from State Govt. in other districts also. DGM Bank of Baroda has informed that OTS scheme is under implementation for defaulters and action plan has already been prepared and will be completed by November 2007 and new loan will also be given.

(Action – All Banks and DIF)

c. Issuance of KCC to Kotwars

Work is started and Central Bank of India has issued 40 cards in Hoshangabad District.

Action Point No. 7 : Financial Inclusion in Ratlam & Jhabua district

In the last meeting it was decided to cover one block in each district and 64 blocks have been decided to cover under financial inclusion.

Honourable Union Minister of State for Finance desired that at least 50% i.e. 24 districts should be fully covered under Financial Inclusion and banks may continue to cover one block in remaining districts.

As such with the consent of various banks following districts have been selected to be covered under 100% financial inclusion:

Central Bank of India

Hoshangabad, Ratlam, Raisen, Mandla

Union Bank of India	Sidhi, Rewa
Bank of Baroda	Sagar, Jhabua
Bank of India	Khandwa, Khargone, Burhanpur
State Bank of Indore	Vidisha, Neemuch, Shivpuri
State Bank of India	Harda, Chhatarpur, Damoh
Allahabad Bank	Satna, Jabalpur
UCO Bank	Narsinghpur, Sheopurkalan
Dena Bank	Dhar
Punjab National Bank	Datia, Sehore
Oriental Bank of Commerce	Morena, Bhind
Canara Bank	Shahdol, Gwalior
Corporation Bank	Ujjain
Syndicate Bank	Guna
Punjab & Sindh Bank	Ashok Nagar
Bank of Maharashtra	Balaghat, Betul
Vijaya Bank	Indore
Indian Overseas Bank	Bhopal

In all, 33 districts have been selected for this purpose. Shri Bansal clarified that the Banks have to coordinate in the respective district and follow up with other banks. Lead Bank should depute some staff also because day-to-day work also has to be done. **Chairperson made it clear that Private Banks and other Banks who have not taken the responsibility for Financial Inclusion and have not been allocated any District will provide all support to the Banks who have taken more than two districts for Financial Inclusion. In this way, all the Banks operating in Madhya Pradesh should be fully involved in the task.**

(Action – All Banks/ DIF)

Action Point No. 8 : Settlement of SLR Bonds

Shri Ashok Das, Principal Secretary, Finance informed that MPSEB has already settled bonds of Rs. 340 crores. Some institutions have not deposited the original bonds and that's why payment has not been made because before making the payment these bonds has to be deposited in original. These banks are Canara Bank, OBC, UCO, UBI and other financial institutions.

Convenor informed that some banks have not reported correct figures. He requested all Banks to check the figures and submit correct figures.

Principal Secretary, Finance assured that SLR bond is to be cleared on priority and non SLR bonds will be paid later on. Ms. Daruwalla opined that since a Committee has already been formed a meeting can be called to settle the issue.

Action Point 9 : Low CD Ratio

Only three districts namely Sidhi, Umaria and Anuppur are having CD ratio less than 40%. Convenor said that Anuppur is with Central Bank of India and the CD ratio will be more than 40% in the coming quarter.

The Hon'ble Union Minister pointed out that some banks are also having low CD ratio. Corporation Bank is having CD ratio less than 25% having only 11 branches and opened a Zonal Office at Bhopal. Shri M.G. Kamath, AGM said that they are making advances and will improve the ratio.

Indian Bank's CD ratio was 37%.

Vijaya Bank where CD ratio was 35%, assured to improve the same.

CD ratio of Bank of Rajasthan was 25% having 22 branches. Shri B.K. Goyal, DGM assured that they would improve the position.

Shri Bansal desired that the CD ratio of all the banks should be at least 60% and the banks should give a roadmap by which time these banks will attain CD ratio above 40%. Convenor said that these banks have given increased target under ACP 2007-08 over last year target. Chairperson stated that the target accepted by these banks are on the lower side but they have to achieve 60% CD ratio in any way.

It was pointed out that from the next meeting onwards, all RRBs are to be invited as these are having a bigger responsibility.

Ms. H.A. Daruwalla stated that a DO letter is to be sent to all Chairmen of the Banks whose representatives were not present in the meeting.

(Action – All Banks/SLBC)

ITEM NO. 3: PERFORMANCE OF BANKING SECTOR IN MADHYA PRADESH AT A GLANCE

3.1 Branch expansion

Net increase of 18 bank branches. Total number of branches operating in the State are 4797.

3.2 Deposit growth

Recording a growth of 1.30%, Total deposit stood at Rs 74183 Crores.

3.3 Credit Expansion

Exhibiting a growth of 1.24%, the Total Credit was Rs 49714 Crores.

3.4 Credit Deposit Ratio

Chairperson advised that Banks with low CD Ratio must improve their CD ratio in future.

State level heads of the banks are requested to adopt suitable strategies to improve CD ratio.

Hon'ble Union Minister of State for Finance desired that such Banks should improve their CD ratio immediately.

3.5 Priority Sector Advances

Priority sector advances decreased by Rs 337 crores due to recovery of loans particularly in agriculture sector.

3.6 Agriculture advances

Witnessed a decrease of Rs 394 crore from Rs. 17362 crores over March 2007 to Rs. 16968 in June 2007, showing a negative growth of 2.26%.

3.7 SSI Advances

Witnessed a negative growth of 17.57% due to misreporting of data by some banks.

(Action – Banks)

3.8 Advances to weaker section

During the period under review the advances to weaker section increased by Rs. 169 crores. Showing a growth of 2.67%.

ACHIEVEMENT VIS-A-VIS NATIONAL GOALS

- The ratio of Priority Sector Advances to total advances as at June 07 stands at 59 % as against National Goal of 40%.
- The share of agricultural advances to total advances, as at June 07 is 34% against the stipulated level of 18%.

- The advance to weaker section constitutes 13% of the total advances as against the stipulated level of 10%.
- The CD Ratio in rural & semi urban area is above the National Goal by recording a level of 68 % as at June 07.
- Though there is no variation in % terms in DRI advances but there is increase of Rs 2 crore in absolute terms.

ITEM NO. 4: RECOVERY

4.1 NPA POSITION

Convenor informed the house that recovery in Govt. sponsored schemes like PMRY (30%), SGSY Individual (21%), SJSRY (24%), Pratistha (26%), Antyavavsai (24%) was not up to the mark. He further mentioned that NPA in Agriculture Advance is 6% as most of the term loans have been rescheduled/rephrased and are shown as standard assets despite no recovery; otherwise, NPA would have touched 13%.

Shri Mohanty informed that in March 2007 the outstanding advances under Antyavyasai scheme were shown as 152 crore while at the end of this quarter it is reported as Rs 50 crore and it seems that there is some mistake in data compilation and that's why the NPA% has gone up to 26% from 7%. He further said that in last meeting disbursement was shown in 8273 cases by the department where as banks have reported the same as in 2000 cases by 43 banks. This time actual report was collected with dual signature of LDM and concerned district Offices by MPSCFDC from 37 districts and it comes to 6000 cases. Since the scheme is having importance being meant for schedule caste and schedule tribe, he requested to pay a little more attention to data transmission and data collection. Bankers should not report on lower side. Convenor clarified that SLBC is collecting data from the State Level Heads of Banks and he assured Mr. Mohanty that the Committee will cross check the figures.

Ms. Daruwalla advised that banks should check and correlate the data with last quarter if it does not match and take care in future.

(Action – Banks)

4.2 Year Wise Position of Write- Off Accounts

An amount of Rs 1940 Crores in 717614 accounts have been written off till June 2007.

4.3 Implementation of MP Public Money Recovery Act /BRISC Scheme:

Convenor informed the House that 947330 cases of 1580 crores is lodged in RRC up to June 07. Out of which 8992 cases amounting Rs 24 crores disposed off during the quarter.

The work of computerization of RRC data and implementation of BRISC MIS software was started in the year 2004-05. In spite of repeated discussions in last 4-5 SLBCs, CD's of 16 districts are still awaited. Shri Bajjalwar, GM, SBI informed that they have submitted the CDs of Damoh and Katni districts.

Banks were requested to submit CDs at earliest.

(Action – Banks)

ITEM NO. 5 : IMPLEMENTATION OF ANNUAL CREDIT PLAN 2007-2008

Convenor informed the House that overall achievement for total priority sector under ACP 2007-08 up to June 2007 was 32% for all the banks, while for commercial banks RRBs and cooperative banks it was 22%, 46% and 46% respectively. Some of banks like Andhra Bank (4%), Corporation Bank (8%), Punjab & Sindh Bank, United Bank of India, State Bank of Saurashtra, State Bank of Bikaner & Jaipur (3% each), Indus Ind Bank, Federal Bank, Mahakaushal RRB (2% eacg), UTI, MPSARDB (4% each) were having very low achievement.

Banks having 0% performance were State Bank of Mysore, Centurion Bank of Punjab, IOB, Laxmi Vilas Bank, Karur Vyasya Bank.

Convenor assured the house that whatever targets are being allotted will be achieved by all the Banks.

Annual Credit Plan 2007-08

For ACP 2007-08 targets are 97% of the PLP projections. The total plan target is of Rs. 12622 Crore of which agriculture consists Rs 8905 crores. Including some two to three banks of Indore district not taken in table no. 11.

5.1 Doubling of Flow of Credit to SME's in 5 year finance to SME Sector **Financing to SME's Sector**

Banks have achieved the given targets.

5.2 Banking Plan on Ericulture

Plan prepared by NABARD for Hoshangabad area for Ericulture and is under implementation.

ITEM NO. 6: IMPLEMENTATION OF GOVERNMENT SPONSORED PROGRAMMES

6.1 Prime Minister's Rojgar Yojana - P.Y 2006-2007

- For the year 2006-07 up to June 2007 targets were achieved and disbursement comes to 78%. Whereas, in 05-06 it was 84% (period was extended up to November 06).
- **P.Y. 2007-08 Progress is 2.41% (Up to June 2007).**
- Hon'ble State Finance Minister stated that there were complaints that many people who had applied for loans did not get the same. Moreover, the number of applications sponsored are not much more as compared to the targets allotted.
- In PMRY if applicant is graduate or post graduate his case is to be considered. If candidate is having higher education then his case should not be rejected on the ground that only the 8th pass is eligible for loan. All Banks were requested to take note of the same and allow loans in such cases.
- Convenor informed the House that targets are reduced (15800). Banks have sanctioned only 380 cases and disbursement is done in only 13 cases. Convenor informed that targets are allocated in the month of July 2007. Hence, progress could not pick up.
- Convenor mentioned that not a single case was sent/ recommended by DTICs in Malanpur, Morena, Sheopurkalan, Guna, Ashok Nagar, Badwani, Bhopal, Mandideep, Damoh and Narsinghpur up to June 2007.
- Representative from Deptt. of Industries informed that TFC meeting could not be conducted hence cases were not submitted. As regards Malanpur and Guna last year's cases are to be considered. Last year total submission was 67000 against which only 25000 were sanctioned. Gap was of 32000 cases.
- Shri Sanjay Singh, General Manager, State Bank of Indore informed that all the pending cases were returned/ rejected as per RBI directions. They are not with

the bankers. They have disposed off the cases, so the cases are to be sponsored this year again. Long pendency causes dissatisfaction among borrowers.

- Shri Raghavji stressed the need for quick disposal of cases. Rejection for any valid reason should be done at the first instance itself. Applicants should not be made to run from pillar to post.
- The Hon'ble Union Minister of State for Finance emphatically stated that BLBC meetings are to be attended compulsorily by all the bankers and govt. officials.

(Action – All Banks/DIC)

6.2 Performance under SGSY 2007-08

Shri Pradeep Bhargava ACS disclosed the data up to July 07 which was as under:

Applications submitted	84 Crore
Loan sanctioned	19 Crore
Loan disbursed	13 Crore

Shri Bhargava observed that some applications are still pending for disposal. In certain districts, some banks have 0% performance – like Syndicate Bank, Indian Bank, Bank of Rajasthan, State Bank of Bikaner & Jaipur are 0% performance Banks. Their performance is very poor.

Back-ended Subsidy – Subsidy of approximately Rs.8 crores pending with the banks be returned.

Convenor assured that the matter would be taken up at earliest and necessary action is taken.

(Action – All Banks)

6.3 Swarna Jayanti Shahari Rojgar Yojana (SJSRY)

The progress was reviewed by the house.

Shri Malay Shrivastava, Secretary, Urban Development Deptt. Govt. of M.P. informed that Government of India have doubled the targets, which were reallocated to banks, entailing 50% more financial targets.

Progress up to June is very unsatisfactory. Only 33 cases sanctioned as against the target of 24000.

Per capita financing average as of last year was about Rs 23000/-. This year so far it is less than 12000/-. So financing is to be done at least @ Rs.50000 per borrower so that the position is improved.

Till July total disbursement is 650. We are already on the half way. It needs to be expedited so targets could be achieved.

Convenor assured the house that if bank-wise, district wise, list is provided, the Committee will take up the matter with Banks as more often than not the bankers inform that they have not received sponsored cases.

Shri Bansal desired that DLCC meeting is to be attended by District Collector. During his visit to various States he had observed that such meetings are attended by officials in the rank of SDM or Addl. Collector in most cases. Shri Malay Shrivastava informed that for Urban Housing Sector in MP the State Government is coming out with a huge programme for urban poor in housing. Three big towns as well as smaller towns have been selected for this purpose. Unit cost is Rs. 1,00,000/-. 30% contribution will be from beneficiary, 50% from Govt. of India and 20% from State Govt. That means only Rs. 30,000 loan is required. State Govt. is offering lands in core of the town. Approximately 50000 proposals are in progress.

Shri Bansal asked that banks should give consensus and a tripartite agreement is to be held with the bank. Shri Malay Shrivastav informed that tripartite agreement between bank, beneficiary and urban local bodies can be made. First, house will be constructed by Urban local bodies then transfer in the name of beneficiary. House is to be mortgaged and it should not be sold before loan is fully repaid.

(Action – All Banks/ Govt. Deptt.)

6.4 A) Scheme for Rehabilitation of Manual Scavengers (SRMS)

Progress was reviewed by the House.

B) Antvyavsai Swarojgar Yojana

Progress was reviewed by the House.

ITEM NO 7: IMPLEMENTATION OF SPECIAL FOCUS PROGRAMME

7.1 Self Help Groups (Under NABARD Scheme)

Scheme was reviewed by the house and performance is satisfactory. Shri Desai, representative from NABARD said that some groups are to be formed at Apex level in Bhopal itself and work is to be monitored because their feedback is that rating is not given to groups. So monitoring at apex level is very much necessary.

The Hon'ble Union Minister opined that monitoring at Apex level is a good idea and NABARD should do it.

(Action – NABARD)

7.2 KVIC Margin Money Scheme.

Progress was reviewed by the House.

7.3 Housing Finance

a) Direct Housing finance

Convenor informed that Banks have crossed the set target of 3% of incremental deposits.

b) Golden Jubilee Rural Housing Finance Scheme

Convenor said that due to non availability of title, progress is not observed.

(Action –DIF)

7.4 & 7.5 Financial assistance to Minority Communities

An amount of Rs. 1765 crore is outstanding to minority communities in the State. Financial Assistance to minority community in identified district i.e. Bhopal. Financing has been given to 24471 beneficiaries, comprising 4.97% of total advances and 8.90% of total priority sector advances.

Bhopal is one among the 103 Minority Concentrated districts notified by Govt of India, Shri Bansal advised that even though Bhopal is having a sizeable population of Muslim community, hence due care of other Minority Communities and Scheduled Castes and Scheduled Tribes should be taken while making advances.

Convenor informed that for reporting Bhopal district figure Jain community is excluded. It is not taken into account.

7.6 Financial assistance to Schedule Castes and Schedule Tribes

Convenor informed the House in this sector the performance is not up to up to mark and is less than national level percentage. He requested the govt. officials and fellow bankers to sponsor more number of cases of SC/ST beneficiary so progress could be made.

(Action – Govt. Deptt.)

7.7 Swarojgar Credit Card (SCC)

Progress was reviewed by the House. A scheme was prepared by NABARD. RRBs have done some cases but commercial banks have not done much. NABARD representative said that some banks like SBI and Bank of Baroda are doing well but they are not reporting. Hence progress is not reflected.

The Hon'ble Union Minister advised to look in to the position and inform actual progress.

(Action – Banks)

7.8 Artisan Credit Card

254 cards were issued up to June 2007. Since inception 3247 cards are being issued.

7.9 General Credit Card

1139 cards were issued up to June 07. Since inception 8029 cards are being issued. Shri Bhargava, Additional Chief Secretary said that the State Government will help the banks to achieve the targets of cards.

Convenor thanked for the same.

(Action – All Banks)

7.10 Education Loan

Banks have sanctioned 1476 Education Loans amounting to Rs. 41 Crores out of which Rs. 10 Crore have been sanctioned to 410 girl students. Convenor informed the house that as far as collateral security is concerned no guarantee is required up to loan of Rs 4 lacs and up to 7.5 lacs guarantee is required and above 7.5 lacs collateral security is required.

Shri Bansal observed that banks are not doing loan for pilot training courses, though RBI have given clearance that finance should be given to such candidates. Shri Sanjay Singh, GM State Bank of Indore informed the House that in Pilot Training course much amount is involved, and if trained candidates do not get employment then large amount can become NPA. A certificate from Aviation Ministry is required for pilots. Further Shri Bansal advised Banks to take lenient view for education loan particularly for students going abroad, so that they get admission in time in foreign universities. He also advised bankers to put up stalls at the time of admission and counseling etc. so that we will get good number of cases.

Shri Raghavji stated that education loan is not given on agricultural property. Persons not having property to mortgage do not get education loan. Banks should provide education loans to such students also so that they are not deprived of higher education for want of money.

Convenor said bankers are eager to provide education loan and are also putting up stalls at the time of counseling/admission in Engineering College, Medical Colleges and even in Nursing Colleges.

Shri Mohanty, MD, MPSCFDC mentioned that limits for loan for studies abroad should be increased from the present Rs.15 lacs with the collateral security, as the cost of education abroad is much higher, often in the range of Rs.20 Lacs to Rs.40 Lacs. He requested RBI to take a note of the same and also requested the Govt. of India to think about raising the limits and pre payment also be allowed in such cases.

The Chairperson requested RBI to look into the matter.

(Action – All Banks)

7.11 Advances to Women Beneficiaries

Convenor said that advances to women beneficiary is Rs 3179 crores which is 6.39% of the total advances against the target of 5%. For women agriculture land is not in their name. It is generally in the name of Husband (male member of family) so women beneficiary ratio is not increased.

7.12 Progress under National Horticulture Board

Convenor said progress is quite satisfactory and this area is having ample scope and much potential is available in this area.

(Action – All Banks)

7.13 Loans to Ex-servicemen (SEMEX)

Balance of Rs 4 lac is outstanding in two accounts as of June 07.No applications are received.

मद सं.-08 राजभाषा नीति का कार्यान्वयन

मध्यप्रदेश में 51 बैंकों में से केवल 39 बैंकों ने राजभाषा नीति के कार्यान्वयन संबंधित तिमाही आंकड़े भेजे थे अतः संयोजक ने शेष सदस्यों से अनुरोध किया कि वे एस.एल. बी.सी. के प्रारूप में अपेक्षित आंकड़े समय से भेजना सुनिश्चित करें ।

(कार्यवाई - बैंक)

ITEM NO. 9: OTHER AGENDA ITEMS**1. Non-food license from Municipal Corporation for carrying Banking Business**

Canara Bank informed that Bhopal and Indore Nagar Nigams have issued Demand Notice for depositing license fee for running the branches. Regional Director, RBI, Dr. Rajan informed that they have written to State Govt. in the matter. Shri Malay Shrivastav disclosed that recently they had taken up the matter with Municipal Commissioner Bhopal and he has assured that the demand would be withdrawn but the decision has to be decided in general council in the context of Municipal Act. The decision of the Council will be forwarded to the Govt. Department.

In case of Indore the case is different. They are demanding commercial rate of property tax from where the ATMs are installed by Bank on such residential property. Shri Malay Shrivastava said that the notices are being issued under Shop & Establishment Act. However the matter will be sorted out. The decision is to be taken. ATMs are beneficial for public and if charges are of commercial rate it should be sorted out.

Commissioner Urban Development assured the House to take up the matter after examining the paper when received from Banks.

(Action –DIF)

2. Stamp Duty on different loan documents – Single Set System

Oriental Bank of Commerce, Regional Office, Bhopal has received a copy of circular, issued by IBA, on 29.09.06 to all member banks in Maharashtra. As per the said circular, banks have to obtain stamp duty only on one set of the documents on ad valorem basis and the remaining documents can be stamped with Rs 100 even if there are mortgage, hypothecation, personal guarantee and loan agreements.

Convenor requested DIF to take up the matter with the concerned authorities in MP.

(Action – DIF)

3. Village Adoption Scheme

It was decided that one village will be adopted by NABARD, one by lead district, one by lead bank along with some private banks. 89 villages in 37 districts have been identified by NABARD.

4. Setting up of Credit Counseling Centres on Pilot Basis

In MP, Ratlam district has been initially selected for opening of Credit Counseling Centre where Central Bank of India is having Lead Bank responsibility. Bank of Baroda have informed that they have also started this facility in 5 villages in Jhabua block under the district.

5. IRAC norms in Agril. Segments – NPA Date For Mono Cropping Area

State Bank of India has requested to decide the date of NPA for mono cropping areas. Convenor proposed that Sub Committee may take decision provided house approves it. Regional Director, RBI informed that SLBC can not decide NPA dates. SLBC can only decide cropping season, harvesting date etc.

After a lot of discussion, the Chairperson ruled that SLBC cannot decide the NPA date. However, cropping pattern can be decided by the Sub-Group and approved by SLBC.

6. **Revised guidelines on lending to Priority Sector**

RBI vide their letter No. RPCD No. Plan BC.84/04.09.01/22006-07 dtd. 30th April, 2007 revised the guidelines on lending to priority sector. From September onwards, data is to be submitted as per revised guidelines. Banks were requested to ensure submission of data as per revised guideline.

(Action – All Banks)

7. **Crop Insurance**

Regional Manager of Agriculture Insurance Corporation informed that crop loan disbursed are not fully insured. Recently Patwari Halka is notified for insurance coverage area in place of Tehsil. Large gap is observed between crop loan disbursed and sum insured. Total crop loan disbursed is Rs.6719 crore and sum insured is only Rs2300 crore. She requested banks to instruct the branches to get the insurance done in all the crop loan. She also informed that the percentage of cooperative bank is 41%, Rural Bank 29% and Commercial Bank is 31% respectively.

(Action – All Banks)

8. **Jatropha Plantation**

Shri Sanjay Singh from State Bank of Indore raised the issue of cost of cultivation of Jatropha crop and requested that the matter be decided in SLBC.

Convenor said that NABARD has prepared a model scheme.

NABARD representative informed that there is a model scheme prepared for Jatropha cultivation according to cost, climate & other parameter considered so that price can not be decided randomly.

9. **District Poverty Initiative Project**

Shri Pradeep Bhargava, Addl. Chief Secretary referred to the District Poverty Initiative Project, funded by World Bank, launched in 14 poor and backward districts in the State wherein Common Interest Groups (CIGs) were created on the pattern of SHGs. The only difference is that the minimum number of members is 5 instead of 10 and is activity based. The project has adopted a demand based approach, by strengthening the process of decentralisation at

the village-level. The Project targets the socially and economically disadvantaged group, especially women and families of the scheduled caste/tribe and the marginal farmers. About 65000 to 70000 groups have been set up so far with a total membership of 2.5 to 3 lacs. Most of the people have been given subsidy of Rs 20000/- per family. In addition to that infrastructural support in terms of backward and forward linkages is also provided. Subsidy is demand driven for their livelihood. The State Government is facilitating formation of federation of these groups and 16 producer companies have been set up and registered under Companies Act. Each company has 8000 – 10000 individual members. Their business planning is done by professionals. This initiative has opened up a new avenue to the Banks to lend to these companies.

Central Bank of India and ICICI Bank have come forward to lend financial assistance to these Groups in three districts and one district, respectively in the first phase. He urged the banks to avail this opportunity as more districts are to be covered in the second phase commencing from next financial year.

The meeting concluded with a vote of thanks by Shri Bejalwarji, GM, State Bank of India who expressed the gratitude of entire banking fraternity to the Hon'ble Chief Minister, Hon'ble Union Minister of State for Finance and Hon'ble Finance Minister, Madhya Pradesh and other dignitaries for their gracious presence in the meeting and valuable guidance provided to the members. He expressed the confidence that the gains from this meeting would definitely get reflected in the performance of Banks in the coming months.



**LIST OF PARTICIPANTS
OF 129th STATE LEVEL BANKERS' COMMITTEE MEETING
HELD ON 08.09.2007**

S. N.	Govt. Deptt. / Bank/ Institution	Name	Designation
1	Chief Guest	Shri Shivraj Singh Chouhan	Chief Minister Madhya Pradesh
2	Special Guest	Shri Pavan K.Bansal	Union finance minister(State)
3	Special Guest	Shri Raghav ji	Finance Minister (Govt. of M.P.)
4	Central Bank of India	Ms. H.A. Daruwalla	Chairperson & Managing Director
5		Shri G.Gupta	G.M. (Priority Sector)
6		Shri P.C. Tiwari	DGM Bhopal & Convenor
7		Shri A.P.Shukla	Zonal Manager Raipur Zone
8		Shri D.L. Khanijo	A.G.M. Bhopal Zone
9		Shri K.M. Banerjee	Chief Manager - SLBC
10		Shri Dilip Jaimini	Senior Manager - SLBC
11		Smt. Usha Fernandes	LDM Hoshangabad

G O V E R N M E N T

12	Panchayat & Rural Dev.	Shri Pradeep Bhargava	Add Chief Sec.
13	Finance	Shri Ashok Das	Principal Secretary
14	Inst. Finance	Shri Srivastava	Secretary Finance & Commissioner Institutional Finance
15		Shri S.K. Gupta	Jt. Director
16		Shri Sultan Ahmed	OSD
17	Panchayat & Rural Dev.	Shri Shyam Singh	Joint Commissioner
18	Agriculture	Shri Pravesh Sharma	PS Agril.
19		Shri D.S. Kushwah	Addl. Director Agril.
20		Shri S.N. Mehra	DDA
21	Urban Admn. & Dev.	Shri Malay Shrivastava	Commissioner
22		Shri R.C. Joshi	Joint Director
23		Shri Dinesh Singh	ASO
24	MPKVIC	Shri P.K. Jain	DD

25	MPAVVN	Shri Anup Hirway	Manager
26	Women & Child Development Deptt.	Shri A.K. Shrivastava	Dy Secretary
27	Registration	Shri V.C. Semwal	IG Registration
28		Shri V.S. Mittal	O/O IG Registration
29	KVIC	Shri V.S. Raghuvanshi	Asstt. Director
30	Industries Department	Shri Deepak Khandekar	Commisionar
31		Shri O.P. Rawat	Principal Secretary
32		Shri D.S.Valre	Joint Director
33	Horticulture Deptt.	Dr. V.S. Niranjan	Commisionar Horticulture
34	Horticulture Deptt.	Shri Kamendra Singh	Dy. Director
35	Energy Deptt.	Shri R.K. Katare	Dy. Secretary
36	MPSCFDC	Shri S.R. Mohanty	MD
37		Shri O.P. Gupta	GM
38	MPSEB JBP	Shri S.K. Khare	A.O.
39	MPBC & MFDC	Shri M.L. Kaurav	MD
40		Shri Anil Mittal	Manager (Fin.)
41	AIC of India Ltd.	Mrs. Rajeshwari Singh	Regional Manager
42	Tribal Development	Shri O.P. Rawat	PS
43	MPKGB	Shri B.K. Thakur	PC
44	Handloom Deptt.	Shri Arun Kochar	Director
R B I & Other Institutions			
45	Reserve Bank of India	Shri K.V.RAJAN	Regional Director
46		Shri S.K. Sinha	DGM
47		Shri S.V. Satpute	AGM
48	NABARD	Shri Sanjay Desai	General Manager
49		Shri R.B. Ulke	AGM
50	SIDBI	Shri G. Sampath Kumar	Dy. General Manager
B A N K S			
51	State Bank of India	Shri S.B. Bejalwar	General Manager
52		Shri S.H. Iyer	Asstt.General Manager
53		Shri N.P. Shrivastava	Manager
54	State Bank of Bikaner & Jaipur	Shri A.K. Pradhan	Asstt.General Manager
55	State Bank of Hyderabad	Abhay Nath	Dy. General Manager
56	State Bank of Indore	Shri Sanjay Singh	General Manager (P&D)
57	State Bank of Mysore	Shri A.S. Hegde	Manager

58	State Bank of Travancore	Shri D.S. Chouhan	Chief Manager
59	State Bank of Saurashtra	Shri Kapil V. Trivedi	Chief Manager
60	State Bank of Patiala	Shri A.K. Sharma	Chief Manager
61		Shri Dalbir Singh	Senior Manager
62	Andhra Bank	Shri D. Chakraborty	Chief Manager
63	Allahabad Bank	Shri L.N. Choudhary	Dy. General Manager
64	Axis Bank	Shri Sushil Barjatya	AVP
65	Bank of India	Shri D.K. Guha	Dy. General Manager
66		Shri N.P. Parhate	Chief Manager
67	Bank of Maharashtra	Shri Ajit Kishore	Regional Manager
68		Shri A.C. Bhalawe	Manager (Agri)
69	Canara Bank	Shri Balbir Chand	Dy. General Manager
70		Shri Anshuman Dey	Manager
71	Corporation Bank	Shri M. Gokuldas Kamath	Asstt. General Manager
72	Dena Bank	Shri S. Sundarajan	Asstt. General Manager
73	Indian Bank	Shri H.K. Dubey	Asstt. Manager
74	Indian Overseas Bank	Shri Jerome Royappan	General Manager
75		Shri A.K. Shrivastav	Senior Manager
76	Oriental Bank of Comm.	Shri S.C. Gupta	General Manager
77		Shri A.K. Tangri	Dy. General Manager
78		Shri Jagdish Gosain	Asstt. Regional Manager
79	Punjab National Bank	Shri C.K. Prabhakaran	Dy. General Manager
80		Shri S. Chatterjee	Sr. Manager
81	Punjab & Sind Bank	Shri Gurcharan Singh	Zonal Manager
82		Shri Bishan Singh	Officer
83	Syndicate Bank	Shri P.V.V. Kamath	Asstt. General Manager
84	Union Bank of India	Shri Vijayendra	General Manager
85		Shri V. Goel	Asstt. General Manager
86	United Bank of India	Shri Manas Choudhary	Chief Manager
87	UCO Bank	Shri A.K. Sharma	Asstt. General Manager
88	Vijaya Bank	Shri G.V.K. Shetty	General Manager
89		Shri B. Jayanth Kumar	Senior Manager
PRIVATE B A N K S			

90	The Bank of Rajasthan Ltd.	Shri B.K.Goyal	Dy. General Manager
91		Shri A.K. Lohiya	Senior Manager
92	The Federal Bank Ltd.	Shri Rakesh Mathur	Chief Manager
93	Lakshmi Vilas Bank	Shri Naresh M.	Branch Manager
94	ICICI Bank	Shri S. Varshey	Chief Manager
95	IDBI Bank	Shri R. Venkatachalam	Asstt. General Manager
96	ING Vysya Bank	Shri P. Sreekanth	Manager
97		Shri D. Satyanarayan	Branch Head
98	J&K Bank	Shri R.A. Wani	Branch Head
99	Karur Vysya Bank Ltd.	Shri L. Murali	Chief Manager
100	Centurian Bank of Punjab	Shri Pankaj Arora	Regional Coordinator (North)
101		Shri Veerendra Sahu	Regional Manager
Cooperative Banks			
102	Apex Bank	Shri S.K.Mishra	Managing Director
103		Shri S.K. Gupta	Dy. General Manager
Regional Rural Banks			
104	Chambal Gwalior RRB Gwalior	Shri S. Sahasranam	Chairman