

MINUTES OF 138th MEETING OF
STATE LEVEL BANKERS' COMMITTEE, MADHYA PRADESH
HELD ON 27.03.2010 AT
CENTRAL BANK OF INDIA, ZONAL OFFICE, BHOPAL

The 138th meeting of State Level Bankers' Committee, Madhya Pradesh was held on 27th March 2010 under the chairmanship of Shri Avani Vaish, IAS, Chief Secretary to Government of Madhya Pradesh, in the Conference Hall of Central Bank of India, Zonal Office, Bhopal. The meeting, inter alia, reviewed the progress of implementation of various poverty alleviation Government sponsored schemes, Annual Credit Plan and performance of Banks operating in the State of Madhya Pradesh for the quarter ended December, 2009. The meeting was attended, amongst others, by Shri M.K. Roy, Additional Chief Secretary and Agriculture Production Commissioner, Smt. I.M. Chahal, Additional Chief Secretary, Rural Industries, Shri I.S. Dani, Principal Secretary, Farmer Welfare & Agriculture Development and Co-Operative, Shri G.P. Singhal, Principal Secretary, Finance, Shri Satya Prakash, Principal Secretary, Commerce & Industries, Shri Alok Shrivastava, Principal Secretary, Housing & Environment, Shri R. Parasuram, Development Commissioner and Principal Secretary, Panchayat and Rural Development, Shri M.M. Upadhyay, Principal Secretary, Revenue, Shri Anil Srivastava, Principal Secretary, Horticulture & Food Processing, Mrs. Sudha Choudhary, Managing Director, Women & Child Development, Smt. Rashmi Arun Shami, CEO-MP State Employment Guarantee Council, Shri Nitesh Vyas, Director, Institutional Finance, Shri R.P. Mishra, Managing Director, Backward Class & Minority, Smt. Dipali Rastogi, Director, Directorate of Handloom Corporation, Shri Rajesh Verma, Regional Director, RBI, & Shri Syed Ali, GM-NABARD. List of participants is attached.

Shri I.P.S. Oberoi, Convener, extended a very warm and hearty welcome to Shri Avani Vaish, IAS, Chief Secretary to Government of Madhya Pradesh and Shri Ramnath Pradeep, Executive Director, Central Bank of India. He also extended a hearty welcome to Shri Rajesh Verma, Regional Director, RBI, other government officials, senior executives from Reserve Bank of India, NABARD and Commercial Banks.

The Convenor, stressed the need for more focused attention by the member Banks for faster and better implementation of different schemes /programs and also to analyse the causes of the shortcomings and their remedial measures.

The Convenor reiterated assurance on behalf of all member banks to continue concerted efforts for improvement of socio-economic conditions of the people, specially the downtrodden, in realizing the goal of making Madhya Pradesh a prosperous State with flourishing economy.

Shri Ramnath Pradeep, Executive Director, Central Bank of India while welcoming the participants, extended a special welcome to Shri Avani Vaish, who had recently assumed charge as the new Chief Secretary to Government of Madhya Pradesh. He placed on record the rich and commendable contribution of Shri Rakesh Sahni, the outgoing Chief Secretary to Government of Madhya Pradesh, with his valuable advices, guidance and suggestions from time to time during his tenure.

Referring to important developments on the economic front, Shri Ramnath Pradeep mentioned that a number of developments have taken place in the Indian Economy in general and the financial sector in particular, in the recent times. He stated that the Monetary Policy of Reserve Bank of India and Union Budget are the key guiding factors that determine the general direction in which the financial sector takes its course. He also drew the attention of the house towards the key announcements made in both the documents and subsequent developments, including the recent hikes in repo and reverse repo rates, announced by RBI. He further informed that the stimulus package of the Government, announced at the height of worldwide economic down turn of 2008-09, is likely to be rolled back gradually.

Shri Ramnath Pradeep gave a bird's eye view of the performance of Banking Sector in the State during the quarter ended December, 2009, as under:

- ◆ The branch network of Commercial Banks has shown a significant growth with a net addition of 130 new branches in the State in this financial year.
- ◆ Aggregate deposits have increased by Rs.11636 crores, from Rs.108366 crores as of March, 2009 to Rs.120002 crores as of December, 2009, reflecting a growth of 10.74%.
- ◆ During the same period, the total advances increased by Rs.6436 crores, from Rs.67975 crores to Rs.74411 crores, at a growth rate of 9.47%.
- ◆ Credit Deposit Ratio stood at 62%, as against the national norm of 60%.

- ♦ The ratio of Priority Sector advances to total advances stood at 63% as against the National Norm of 40%. The share of Agricultural Advances was 38% against the stipulated level of 18%.
- ♦ MSME (Micro, Small and Manufacturing Enterprises & Services) Advances have shown a sharp rise of 28.65%, from Rs.6659 crores as of March, 2009 to Rs.8567 crores as at December, 2009.
- ♦ Advances to Weaker Sections constitute 15% of the total advances, against the national norm of 10%.
- ♦ Under Annual Credit Plan, as against the annual target of Rs.18115 crores, the achievement up to December, 2009 is Rs.14819 crores, an achievement index of 82% in the nine months' period. I am confident that the Banks will be able to surpass the annual target by a comfortable margin.

Financial Inclusion and establishment of R-SETIs are two important vehicles for inclusive growth and development of rural economy. He informed that in Madhya Pradesh, 35 Districts with a total of 39914 villages were identified for 100% financial inclusion. Till December, 2009, 11105 villages have been able to achieve the above goal. In the remaining villages, it is understood that major work has already been done by the banks but the absence of specific information about remaining households is causing delay in achieving 100% financial inclusion. He requested the State Government to extend a helping hand to banks in this task by identifying the left out households through its local machinery so that all the 39,914 villages can be declared as financially included at the earliest.

As regards establishment of R-SETIs in every district, he underlined the need for banks to accord top priority to this subject. Allotment of land on priority basis for this purpose by the district administration will help in speeding up the process of establishment of R-SETIs in all districts and streamlining their operations for accomplishing the underlying objectives. He expressed satisfaction that 17 such Institutes have already started functioning in the state in rented buildings pending construction of their own buildings.

Delving on the subject of making available banking services in all villages with a population of 2000 and above, Shri Ramnath Pradeep expressed the satisfaction that in Madhya Pradesh there are no unbanked blocks, but there are underbanked blocks for which SLBC has already circulated list of villages to be covered in the State to all concerned banks, RBI and State Government. He urged upon the Banks concerned to prepare the required roadmap by 31.03.2010, as advised by RBI.

He concluded his address requesting Shri Avani Vaish to give key note address for the benefit of the house.

Shri Avani Vaish, Chief Secretary to Govt. of M.P., while expressing his thanks for the warm welcome accorded to him, informed that he is not new to SLBC. He had occasions to participate in SLBC meetings in the past when he was handling different departments in the Government of Madhya Pradesh, before moving to Government of India. Referring to the vast expansion in activities, in programmes and in exposure of Government of Madhya Pradesh to the developmental works, he acknowledged that a sea change has taken place in terms of development, including institutional outreach to the poorest, in the State during the period he was away from the State. He informed that since Indian economy is now back on its track and growth trajectory is almost recovered, a number of ambitious development plans of Government of India are on the anvil in the coming financial year and so does the Government of Madhya Pradesh. He expressed the hope that the benefits of these developmental activities will trickle down to the poorest among the poor with the active co-operation of banking sector through financial inclusion, institutional credit, rural development programmes and social sector programmes etc.

Shri Vaish further informed that the State Government is planning to go in for institutional credit in a big way for infrastructure development like housing, health, education, rural roads etc.

Addressing the house, Shri.Rajesh Verma, Regional Director, Reserve Bank of India Bhopal extended hearty welcome to Shri Avani Vaish, Chief Secretary, on behalf of Reserve Bank of India and on his personal behalf, for taking over as Chief Secretary to the Govt. of Madhya Pradesh and also as the Chairman of SLBC. He expressed the hope that under his stewardship the SLBC will get a new focus and will be able to attain its objective.

Shri Verma informed that SLBC is poised to undergo a major revamp. In this context, he referred to the high power committee appointed by RBI under the Chairmanship of Mrs. Usha Thorat, Deputy Governor, RBI. The Committee has come out with certain recommendations which entailed some revamping in the functioning of SLBC in the sense that there will be certain sub-committees which will be constituted for discussing various issues that cannot be discussed at length in the SLBC. On the

recommendations of such sub-committees, the focused views will be placed before the SLBC for its consideration which will make SLBC more effective in discharging its functions.

He further informed that in Madhya Pradesh all the sub committees have already been constituted by the Convenor Bank and their first meetings have already taken place. He looked forward to receiving some good recommendations from the sub-committees before the next SLBC meeting.

Commenting on the tasks cut out for SLBC, Shri Verma stated that financial inclusion and financial literacy being policy thrusts of Government of India and RBI, need focused attention from SLBC in the coming years.

He further suggested –

1. Financial Inclusion & I.T. enabled Services: - As per budget announcement, all the villages having population of 2000 and above must get banking services at the door step by 2011. Towards this end, RBI has issued guidelines to the banks to come out with board approved plan as how they are planning to go about it.
2. Financial Literacy –Financial literacy cum counseling centres are to be opened in all the districts of the State. It has been observed that there has not been much progress on this count. Detailed discussions on the subject be held in the House.

As regards financial inclusion, the relative subject is IT enabled services. In several districts, the movement has been taken forward by the Banks. Shri Verma lauded the initiatives taken by some banks such as Union Bank Of India, State Bank of India and Central Bank of India. They have operationalised Biometric / smart cards in some of the districts.

He further opined that only the issues coming out from the sub committees be discussed in SLBC; otherwise the issues lose focus. Shri Verma also stressed on the need to have a theme for each of the meeting based on the policy thrust of the State

Government, Govt. of India, and Reserve Bank of India and each of the theme can be decided in advance by the house. He hoped to have recognition of this idea by the house. Shri Verma wrapped up his address by highlighting Platinum Jubilee celebrations which RBI is observing, in the current year.

Thereafter, the agenda was taken up for discussion.

ITEM NO.1 **CONFIRMATION OF THE MINUTES OF THE 137th MEETING OF STATE LEVEL BANKERS' COMMITTEE HELD ON 07.11.2009**

As no amendments/comments were received from any member, the minutes of the meeting were approved.

ITEM NO.2 **Follow Up Action on decisions of earlier meetings**

Action Point 2.1: **Implementation of 100% coverage of KCC.**

Progress was reviewed by the house.

2.2.1 Progress of issuance KCC in all District of MP

Banks have issued 5,18,557 Kisan Credit Cards out of which 1,94,468 were issued by Commercial Banks, 75,294 by RRBs and 2,48,801 cards by Cooperative Banks during the quarter ended on December 2009.

Poor performers were the State Bank of Bikaner & Jaipur, Punjab & Sindh Bank, Indian Overseas Bank and Corporation Bank. Except Bank of Rajasthan, HDFC Bank and Axis Bank, no other private sector bank has issued any credit card.

The Principal Secretary - Agriculture informed the house that reporting being made is not the factual one. Even the closed and renewed cards are being reported as freshly issued. Convenor requested the banks to recheck the data and submit the same to SLBC, ensuring accuracy of figures reported.

(Action –Banks / Convener bank)

2.2.2 Issuance of KCC to Kotwars

Out of 28,000 Sewa Bhoomi Kotwars, 19,829 have already been issued KCC by the Banks. It came to the knowledge of the house that Co-Operative Banks are not issuing KCC to Sewa Bhoomi Kotwars. Convenor requested the Cooperative Banks to issue the same on priority basis.

(Action – Apex Bank)

2.2.3 Financial Inclusion in 35 Districts of M.P.

In Madhya Pradesh, 35 districts with a total of 39,914 villages were identified for 100% financial Inclusion. Till December, 2009, 11105 villages have been brought under the net of financial inclusion. In remaining 18809 villages almost 90 to 95% inclusion work is completed. The State Government was requested to lend helping hand to the banks in this task by identifying the left out households through its local machinery.

During the discussion, the Regional Director, RBI laid emphasis on extending credit facility by way of overdraft / General Credit card to at least one member of each family, in addition to the opening of “No Frill Accounts.”

The Chief Secretary advised the Banks that the initiative be extended to all 50 districts from the present 35 districts.

(Action –Banks / SLBC/DLCC)

2.2.4 IT ENABLED FINANCIAL INCLUSION PROGRAMME

The house was informed that the progress of different banks under the programme is not in tune with the expectations. Only five banks have initiated action in this direction. It was decided that the banks who have not yet started this exercise, should take up the same on priority basis.

Summing up the discussions on the subject, Principal Secretary, Rural Development suggested that banks should accelerate the pace of IT enabled financial inclusion, penetrating into the villages on wider plane. He assured to extend all possible help from the Government side. As a matter of fact, the Government desired to add some more services to be covered under the scheme such as NREGS payment, Insurance,

Mid-day meal, Anganwadi payments, scholarship payment to students etc. State Bank of India informed that they are facing difficulties in finding suitable premises at villages to render the services under the scheme. The Principal Secretary advised to submit the proposal for redressal of the problem. The Chief Secretary suggested to Convene next meeting on this scheme only so that things could be discussed threadbare and related problems could be sorted out effectively.

(Action all Banks / Govt. of MP, RD Deptt.)

2.2.5 (A) Settlement of SLR Bonds

The issue was discussed by the House. Executive Director, Central Bank of India requested the Government to effect ad-hoc payment at least, pending decision of the Court. The Chief Secretary informed that since two states i.e. M.P. and Chattisgarh are involved and litigation is going on it is difficult to take decision independently by one state.

(B) Discounting of SIDBI / IDBI bills

Progress was reviewed and discussed.

2.2.6 Rural Self Employment Training Institutes (R-SETIs)

The Convenor informed the house that presently 17 RSETIs are officially functioning. The rest will come up after allocation of districts among the banks.

As on date, R-SETIs are functioning in rented buildings at the following centres:

No	Name of the bank	Name of centre
1	Bank of Baroda	1. Jhabua
2	Bank of India	1. Khandwa 2. Ujjain
3	Central Bank India	1. Hoshangabad 2. Jabalpur 3. Chhindwara 4. Ratlam
4	Canara&Syndicate	1. Bhopal
5	Punjab National Bank	1. Datia
6	State Bank of India	1. Chhatarpur 2. Panna 3. Damoh 4. Tikamgarh
7	State Bank of Indore	1. Guna 2. Shivpuri
8	Union Bank of India	1. Rewa 2. Sidhi
	Total	17

The following member Banks had given their consent in the sub-committee meeting held on 11.02. 2010, to open R-SETIs at the centres mentioned against their names, and allotment of the districts to banks as stated hereunder was approved by the House:

No	Name of the bank	Name of centre
1	Allahabad Bank	1. Satna
2	Bank of Baroda	1. Alirajpur
3	Bank of India	1. Badwani 2. Burhanpur 3. Dewas 4. Dhar 5. Rajgarh 6. Sehore 7. Shajapur 8. Khargone
4	Bank of Maharashtra	1. Betul
5	Central Bank of India	1. Anuppur 2. Balaghat 3. Bhind 4. Dindori 5. Gwalior 6. Mandla 7. Mandsaur 8. Morena 9. Narsinghpur 10. Raisen 11. Sagar 12. Seoni 13. Shahdol
6	State Bank of India	1. Harda 2. Katni 3. Umaria
7	State Bank of Indore	1. Ashok Nagar 2. Neemuch 3. Sheopurkalan 4. Vidisha
8	Vijaya Bank	1. Indore
9	Union Bank of India	1. Singrauli
	Total	33

It was pointed out that allotment of 0.5 acre land for opening of RSETIs is not sufficient to develop future banking / training infrastructures. It was requested to allot atleast 1 acre land for the purpose. The Principal Secretary, Rural Development informed the house that a proposal has been forwarded to the Government of India. He further informed that initially the scheme envisaged allotment of 0.5 acre land only as it is difficult to find 1 acre land at district places, that too in cities/in the vicinity of cities.

He requested that wherever RSETIs have become functional, the banks should immediately forward their application to NIRD for sanction of funds for construction of building on priority basis.

(Action by Banks)

2.2.7 Drought Relief Measures - Payments of inputs subsidy for Kharif 2001 & Kharif 2002.

It requires reconciliation for refund.

(Action All Lead Banks)

2.2.8 AGRICULTURE DEBT WAIVER AND RELIEF SCHEME 2008

The scheme has been extended up to 30th June 2010 by Government of India as per budget announcement. Some of the bankers informed about non-receipt of official communication in this regard in response to which the RBI was requested to look into the matter.

Convenor once again requested the member banks to provide the districtwise data.

(Action by concerned Banks)

2.2.9 Drought situation.

The member banks were once again requested to follow the guidelines of RBI for extending relief measures and to inform the progress to SLBC for onward submission to State Government.

2.2.10 Reverse mortgage loan (RML) Scheme.

The House was informed that this is a unique scheme which provides an opportunity to house owners to avail of a monthly stream of income against the mortgage of their house, while remaining the owner and occupying the house throughout their lifetime, without repayment or servicing of the loan. Further, it has been clarified that reverse mortgage would not amount to transfer and stream of revenue received by the senior citizen, would not be considered as income.

The scheme has been adopted by 23 schedule banks and 2 housing finance companies in the country.

All the Banks have been requested to take active steps for popularizing the scheme.

The Convenor requested for submission of relevant data.

2.2.11 Interest Subsidy Scheme for Housing the Urban Poor (ISHUP)

The house was informed that State Urban Development Agency (SUDA) has been designated as a 'nodal agency' for the State. SUDA has advised all District Collectors and urban local bodies, including DUDAs, to identify the applicants and forward their applications to the Banks for sanction.

The Convenor once again requested the implementing agency to sponsor the applications for speedy sanction. Banks were also requested to grant merit based sanction of the cases expeditiously. Convenor requested the Govt. to examine the issue of exemption of stamp duty on creation of EM in order to extend relief to the poor urban people. The house was informed by the Principal Secretary (Housing & Environment) that a relative proposal is awaiting Cabinet decision.

ITEM NO.3: **PERFORMANCE**

3.1 Branch expansion

There is a net increase of 130 branches as of December, 2009 over March 2009. The Chief Secretary advised to open more branches in rural areas.

(Action by banks)

3.2 **Deposit growth**

During the period under review, the aggregate deposit of the banks in Madhya Pradesh has increased by Rs. 11636 Crores, from Rs.108366 crores as at March 09 to Rs. 120002 Crores at December 09, thus recording a growth of 10.74%.

3.3 **Credit Expansion**

During the period under review, gross credit in the State has surged by Rs.6436 Crores from Rs 67975 Crores as of March 09 to Rs.74411 Crores as of December, 09, thus exhibiting a growth of 9.47 %.

3.4 **Credit Deposit Ratio**

3.4.1 **LOW CD RATIO:**

In some of the districts in Jabalpur Division, the CD ratio level is below the benchmark of 40%. Bankers were requested to formulate special scheme to increase the ratio.

(Action by Banks)

3.5 **Priority Sector Advances**

During the period under review, the Priority Sector Advance of Banks in Madhya Pradesh grew by Rs.4492 crores.

3.6 **Agriculture Advances**

The Agricultural Advances in the State during the review period have registered a growth of Rs.1951 Crores from Rs.26225 Crores as of March 09 to Rs. 28176 Crores as of December, 09, thus showing a growth of 6.51%.

3.7 **MSME Advances**

The advances to MSME sector during the period under review have registered an increase of Rs.1908 Crores, from Rs.6659 Crores as of March 09 to Rs 8567 Crores

as of December '09 thus showing a growth of 28.65%. Principal Secretary, Industry mentioned that the growth in some of the districts is very tardy and requested that DLCC should discuss the issue and formulate strategies to increase the growth rate.

(Action by Lead Banks)

3.8 Advances to Weaker Sections

During the period under review the advances to weaker section has increased by Rs. 906 Crores, from Rs. 10030 Crores as at March 09 to Rs.10936 Crores as at December '09, thus showing a growth of 9.03%.

3.9 Advances under Differential Rate of Interest.(DRI)

The DRI advances have increased by Rs.1 crore from Rs.22 crores at the end of March 2009 to Rs. 23 crores at December, 2009 registering a growth of 4.55%

The Convenor requested all the banks to initiate suitable steps for achieving the target.

(Action by banks)

ACHIEVEMENT VIS-A-VIS NATIONAL GOALS – Highlights

1. The ratio of Priority Sector Advances to the total advances as of December, 09 stands at 63% against National Goal of 40%.
2. The share of agricultural advances to total advances, as of December 09 is 38% against the National Goal of 18%.
3. The advances to weaker sections constitute 15% of the total advances against the National Goal of 10%.
4. The 64% CD Ratio in rural & semi urban area as of December, 2009 is well above the National Goal.
5. During the period under review, the DRI advances increased by Rs.1 crore in absolute terms. Bankers are requested to increase the DRI advances to the targeted level.

3.10 **IBA Package on MSME, Housing & Auto Sector**

As per instructions received from Ministry of Finance, Government of India, special focus has been given on the implementation of Special Package for MSME, Housing and Auto Sectors, announced by Indian Bank's Association to deal with the impact of global financial situation on these sectors. SLBC has already submitted data to Union Ministry of Finance up to December, 2009.

AGENDA ITEM NO.4: RECOVERY

4.1 **NPA Position**

The Convenor has informed that NPA level is highest in PMRY scheme (36%) and in other schemes the position is SGSY (Group) 14%, SGSY (Individual) 15%, SJSRY 27%, Pratistha 28% and in Antyavyavastai 24%. Poor recovery under Government sponsored schemes is a cause of concern to all Banks. Concerned Department of the State Government was requested to assist banks in recovery of its dues.

(Action – All concerned Departments)

4.2 **Year Wise Position of Write- Off Accounts**

An amount of Rs 2649 Crores in 904437 accounts has been written off by the Banks till December, 2009.

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

The House was informed that all the Commercial Banks and Regional Rural Banks operating in the State are now members of the BRISC Scheme as per circular issued by the DIF. All banks should abide by the Rules and directives of the Scheme issued by the DIF from time to time. Bankers expressed deep concern over poor recovery and requested the DIF to issue instructions for accelerating the process of recovery as the number of cases pending as on December, 2009 is more than 8 lacs involving a huge amount of Rs.1777 crores.

ITEM NO.5:IMPLEMENTATION OF ANNUAL CREDIT PLAN 2009-10

5.1 The overall achievement under Priority Sector Lending under ACP 2009-10 up to December 09 was 82% for all the banks, while for commercial banks the same was 85%, RRBs 80% and cooperative banks 76%. Some of the banks like IDBI (27%), State Bank of Hyderabad (17%), South Indian Bank (15%), Laxmivilas Bank (0%), showed very low progress. Shri M.K. Roy, APC & Additional Chief Secretary informed that most of the farmers / entrepreneurs start their agro food processing units i.e. green houses / cold storages on their own without bank loan and claim subsidy directly from the respective Govt. Deptt. He suggested that the cases should be funded by the Bank and therefore subsidy should also be routed through the Bank only.

(Action – All Banks)

5.2 Doubling of Flow of Credit to SME's in 5 year finance to SME Sector

An amount of Rs.1445 Crores was disbursed in 28441 SME accounts. Target for doubling of credit in 5 years has already been achieved much ahead of the schedule.

(Action- All Banks)

ITEM NO.6: IMPLEMENTATION OF GOVERNMENT SPONSORED PROGRAMMES

6.1 Prime Minister's Employment Generation Programme (PMEGP)

A target of 3850 cases has been fixed for the State for the year 2009-10 under PMEGP. Banks sanctioned 1366 cases only, leaving a large gap to achieve the target. Banks were requested to clear the pendency expeditiously.

Smt. I.M. Chahal, Additional Chief Secretary, Rural Industries pointed out that the implementing agency has forwarded 3343 applications to the Bank whereas banks have sanctioned 1048 cases as of December 2009 out of which margin money released in 321 cases only. Applications pending for various reasons are 3022.

Bankers have been requested to claim subsidy in all sanctioned cases and dispose off the pending cases on priority basis. The Department advised all state level heads to claim the subsidy and dispose off pending cases immediately. Chief Secretary also underscored the need for speedy disposal.

(Action- All Banks)

6.2 **Performance under SGSY 2009-10**

Progress was reviewed by the house. It was found that the progress under the Scheme, in terms of percentage of sanction, is above 65%, of which disbursement is 60.48% till December, 2009. The Principal Secretary, Panchayat & Rural Development while expressing satisfaction on the performance under the scheme, showed his concern towards the laggard districts i.e. Vidisha, Sidhi, Shahdol, Burhanpur, Rewa, Rajgarh, Neemuch and Bhind and underlined the need for improvement.

He further informed that the matter will be taken up with District Collectors through DLCCs and Bankers should also take a serious note of it.

He further advised to delve in to the matter in a special SLCC.

(Action- All Banks)

6.3 **Swarna Jayanti Shahari Rozgar Yojana (SJSRY)**

The progress up to the third quarter was reviewed by the house. The Secretary - SJSRY stated that the performance under the scheme is not satisfactory and requested the bankers to speed up the process of sanction / disbursement. The Convenor informed the house that NPA level under this scheme is concentrated. He requested the department to sponsor only the bankable proposals.

(Action- All Banks/Department)

6.4 **Scheme for Liberation and Rehabilitation of Scavengers (SLRS)**

The House registered satisfaction over achievement of 100% targets under the Programme.

Antyav sai: Against the target of 10,000 only 2645 cases have been sanctioned. The Managing Director of the Madhya Pradesh State SC/ST Financial Development Corporation requested the bankers to speed up the progress. The Chief Secretary also stressed the need to take adequate care of SLRS & Antyav sai, because by doing so, we would be extending a helping hand to the neediest of the needy. He advised bankers to pay special attention to this aspect.

(Action- Banks)

ITEM NO 7: **IMPLEMENTATION OF SPECIAL FOCUS PROGRAMME**

7.1 Self Help Groups (Under NABARD Scheme)

Progress under the Scheme was reviewed by the house. Executive Director, Central Bank of India expressed concern over increasing NPA under the scheme. General Manager NABARD advised that instead of depending on NGOs, Bankers should also come forward to promote self help groups so that quality groups may come up.

7.2 Housing Finance

a) Direct Housing finance

Banks have disbursed Rs. 1123 crore by the end of December. 09, in 18794 loan cases.

b) Golden Jubilee Rural Housing Scheme.

During the financial year 2009-10, financial assistance of Rs. 18.73 Crores has been provided under the scheme to 874 beneficiaries upto December, 2009. The poor progress is due to non-availability of the title deeds of lands. The Convenor requested for the intervention of the Chief Secretary to find a lasting solution to the problem.

c) **Interest Subsidy Scheme for Housing the Urban Poor (ISHUP)**

Convenor requested the M.P. Housing Board to identify local level nodal agencies in all the districts for identifying the beneficiaries and to forward the applications from the eligible beneficiaries to the banks for taking necessary action.

(Action- Banks/MP Housing Board/ Development Department)

7.3 & 7.4 **Financial assistance to Minority Communities in Bhopal District**

The progress was reviewed by the house.

7.5 **Financial assistance to Schedule Castes and Schedule Tribes**

An amount of Rs.3296 Crores is outstanding in 978180 accounts under financial assistance to SCs and STs. The Managing Director of MP SC, ST Finance & Development Corporation informed that State Govt. is preparing a new scheme for Denotified Nomadic Tribes (DNTs) and the same will be placed in the next meeting.

7.6 **Swarojgar Credit Card (SCC)**

A total of 4619 cards amounting to Rs.11.67 crores have been issued against the target of 15050 cards. The Convener mentioned that either the progress is poor or non-reporting/incorrect reporting by the branches has resulted in the low performance. All the banks were requested to verify and report the correct figures to SLBC/NABARD.

(Action- Banks)

7.7 **Artisan Credit Cards**

Against the target of 3475 cards, banks have issued only 832 cards till the third quarter. A total of 5813 cards have been issued since inception of the scheme. The House showed concern over the poor progress. General Manager NABARD informed that Banks are not reporting the figure correctly. Bankers were requested to report correctly. Mrs Deepali Rastogi MD, Handloom Corporation pointed out that some of the Banks have reported NIL progress under the scheme. Chief Secretary advised to discuss the issue separately in SLCC.

(Action - Banks)

7.8 **General Credit Card**

Banks have issued 5680 cards during the period under review against the self-set target of 14196. Total cards issued under the scheme since inception are 33770.

7.9 **Education Loans**

Banks have sanctioned 10527 education loans amounting to Rs. 261.62 Crores upto the quarter ended December, 2009, out of which Rs 66.69 Crores have been sanctioned to 2790 girl students.

DIF informed the house that State Government is providing 3% subsidy on education loans provided to the legitimate daughters of Class III and Class IV MP Government employees. Banks should come forward and submit their claims for the interest subsidy. The Chairman also endorsed the same. Convener informed the house that this is a very good scheme and bankers should pass on the benefit of the scheme to the beneficiaries.

(Action – Banks)

7.10 **Advances to Women Beneficiaries**

An amount of Rs. 5136.43 Crores is outstanding as advance to women beneficiaries which is 6.90% of the total advances, against a target of 5%. Chief Secretary suggested to increase the target from 5% to 7.5%

7.11 **National Horticulture Board / Mission**

The Agriculture Production Commissioner urged the bankers to pay more attention towards the schemes of Horticulture Department. Secretary, Horticulture, Government of Madhya Pradesh requested for the reconciliation of sanctioned cases as there is a variation in the figures available with Government and SLBC. He also informed that under Back-ended Scheme, NHB has released a part of its subsidy in many cases but certain cases are yet to be settled.

(Action – Banks)

7.12 Debt Swap - DEBT SWAP SCHEME FOR SMALL/MARGINAL FARMERS

Convener requested the banks to earmark 3% of the target for financing under the debt swap scheme. Director-Institutional Finance also mentioned that the Scheme is very important and requested the Banks to implement the scheme with a lenient view and approach.

(Action – Banks)

7.13 Dairy & Poultry venture capital funds.

The issue was discussed and views noted.

7.14 Farmers club, NABARD Agenda.

Promotion of farmers club.

For the year 2009-10 a target of 3107 farmers' clubs has been kept for the State, but no progress has been reported by the banks under the head. At least one club should be opened by each Rural / Semi-Urban branch of the banks in the State.

7.15 Disbursement of Scholarship.

The issue was discussed and resolved as under:

- ❖ Nodal Branches of Banks are not disbursing the subsidy to their branches in time. Nodal branches be advised to be prompt and particular.
- ❖ Account of the scholarship should be opened with minimum balance or with zero balance
- ❖ Disbursement should be made through cheques only instead of withdrawal form and per cheque charges of Rs. 1/- only be recovered.
- ❖ It is to be allowed to open the account of students below age of 18 years.
- ❖ Bankers are requested not to deduct any stationary or collection charges as they are not paying any interest on scholarship accounts.

7.16 Bank Guarantee in Rani Durgawati Yojna:

The issue was discussed and action desired as under:

- Under 'Rani Durgavati Yojna' submission of guarantee is a pre-requisite. However, for tribal beneficiaries it is difficult to fulfill this requirement. The Principal Secretary (Commerce & Industry) clarified that guarantee is required only in loan cases involving more than Rs.2 Lacs and for this purpose, plot/house in possession of the beneficiary is also acceptable.
- To ensure that in case of default, in tribal agriculture loan cases, at the time of auction, the land is not allowed to be transferred to non-tribal persons.
- Amount of finance for providing pump sets to be provided to tribal, in 'Stop Dam' built on nallas & rivers should be enhanced.
- In addition, special focus to be given on Tribal SHGs women groups for Handlooms & Handicraft development activities.
- Need for generation of alternative employment opportunities for which a tie-up arrangement may be made between concerned State Government Department and Banks for providing training to Women SHGs.

The house was informed that presently bankers are providing Agriculture Crop loan to the farmers up to Rs.50000/- without insisting for collateral security.

7.17 Availability of land record.

The DIF vide letter NO. 2378 dated 10.12.2009 has informed that Revenue Deptt has issued detailed guidelines for providing land records to farmers. The Convenor has, in turn, issued a copy of this letter to state level heads of all banks vide ZO/SLBC/2009-10/257 Dated 24.12.2009 for information.

7.18 Loans to Forest dwellers.

The matter was discussed and the house was informed that Bankers are providing Agriculture crop loan to the farmers up to Rs.50000/- without insisting for collateral security.

7.19 Review of lead Bank scheme – Banking facilities in every village by 2011.

DIF vide their letter No. SLBC/1/DIF/96/1766 dated 01.09.09 referred to the RBI press release No. 2009-2010/300 dated 24th August, 2009 stressing the need to recognize the slogan "there is growth and gold at the bottom of the pyramid" and ensure that the

Banks should aim at providing financial services at an affordable cost to vast sections of disadvantaged and low income groups in the unorganized sector. The press release laid down emphasis to draw up a roadmap to provide banking services in any form to every village.

The issue of providing banking services at the doorsteps of villages having population of more than 2000 was deliberated at length.

7.20 Agenda from RBI

1. Levy of licence fee by Bhopal and Indore Municipal Corporation on banks.
The issue was discussed in the house. Govt. authorities were requested to look into the matter.
2. Providing timely feedback to SLBC Convenor : The issue was discussed and the banks were requested to furnish the data on time.

मद सं.—08

राजभाषा नीति का कार्यान्वयन

मध्यप्रदेश में 50 बैंकों में से केवल 37 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 ।

(कार्यवाही – बैंक)

Vote of Thanks

While proposing the vote of thanks to the Chair, Shri Jambunathan, General Manager, State Bank of India LHO Bhopal stated that the timing of the meeting was meaningful and will be fruitful in implementation of various Government programmes. The active co-operation of Government Departments is all the more necessary for achieving the targets set under different programmes. SLBC meeting provides an excellent occasion to the bankers and various Government Departments to interact and implement the different government programmes in the best manner and in a big way.

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LIST OF PARTICIPANTS			
138th STATE LEVEL BANKERS' COMMITTEE MEETING			
HELD ON 27.03.2010			
S. N.	Govt. Deptt./Bank/ Institution	Name	Designation
G O V E R N M E N T			
1	Govt. of Madhya Pradesh	Shri Avani vaish	Chief Secretary
2	Agriculture	Shri M.K. Roy	Agri. Production Commissioner/ Add. Chief Secretary
3	Rural Industries	Smt. I.M. Chahal	Add. Chief Secretary
4	Finance	Shri G.P. Singhal	Principal Secretary
5	Panchayat & Rural Development	Shri R. Parasuram	Development Commissioner & Principal Secretary
6	Commerce & Industries	Shri Satya Prakash	Principal Secretary
7	Revenue	Shri M.M. Upadhyay	Principal Secretary
8	Housing & Environment	Shri Alok Shrivastava	Principal Secretary
9	Agri. & Cooperative	Shri I.S. Dani	Principal Secretary
10	Horticulture & Food Proc	Shri Anil Srivastava	Principal Secretary
11	Urban Administration Development Deptt.	Shri S.N. Mishra	Commissioner/Secretary
12	Directorate of Institutional Finance	Shri Nitish Vyas	Director, Institutional Finance
13	Deptt. Of Rural Industries / MP Khadi Board	Shri M.K. Singh	Managing Director
14	Deptt. Of Handloom & Handicraft	Ms. Dipali Rastogi	Managing Director, Handloom Corp.
15	Women & Child Development	Smt.Sudha Choudhary	Managing Director
16	Tribal Welfare / SC/ST Welfare Deptt.& PM SC Financial Development Corp.	Shri V.K. Batham	Secretary / Managing Director
17		Shri A.K. Upadhyay	Add. Director
18	NREGS	Mrs. Rashmi Arun Shami	CEO
19	Urban Administration & Dev.Deptt.	Shri P.N. Pandey	Joint Director
20	Agriculture	Shri S.K. Bhatnagar	Add. Director
21		Shri K.S. Thakur	Dy. Director
22	SC Development	Shri S.S. Bhandari	Add. Director
23		Shri Sanjay Khedkar	Asstt. Director

24	M.P. Matikala Board	Shri P.K. Jain	CEO
25	MP Financial Corpn. Bhopal	Shri A.K. Mehta	Dy. General Manager
26	Directorate of Institutional Finance	Shri Upendra Sharma	Joint Director
27		Shri Sultan Ahmed	O.S.D.
28		Shri G.S. Dubey	Programmer
29	National Housing Bank	Niladri Bose	Dy. Manager
30	NHB Bhopal	Shri Prem Narayan	Asstt. Director
31	I.G. Registration	Shri V.S. Mittal	SDR
32		Ms. Archana Chaturvedi	Dy. Registrar
33	National Cooperative Development Corporaton.	Shri J.B. Tyagi	Chief Director
34	Energy Deptt.	Shri Neeraj Agarwal	Executive Engineer
35	Horticulture	Mr. Prakash Umale	Asstt. Director
36	Agri.Insurance Corpn.	Shri Nanak Shrichandani	Dy. Manager
CONVENOR BANK - CENTRAL BANK OF INDIA			
37	Central Bank of India	Shri Ramnath Pradeep	Executive Director
38		Shri I.P.S. Oberoi	Dy. General Manager & Convenor
39		Shri A.K. Shrivastava	AGM
40		Shri I.M. Utreja	Asstt.General Manager,Raipur
41		Shri M.K. Shrivastava	Chief Manager-SLBC
R B I & OTHER INSTITUTIONS			
42	RBI	Shri Rajesh Verma	Regional Director
43		Smt. S.R. Chawla	Dy. General Manager
44		Smt. Suchitra Sukumaran	Asstt. General Manager
45	NABARD	Shri K. Syed Ali	General Manager
46		Shri R.K. Shrivastava	Asstt. General Manager
47	Ministry of MSME	Shri P.C. Yadav	Asstt.Director
48	SIDBI	Shri D.S. Deshpande	Asstt. General Manager
STATE BANK GROUPS			
49	State Bank of India	Shri N. Jamboonathan	General Manager
50		Shri B. Ranganathan	Dy. General Manager(RB)
51		Shri R.G. Bharadwaj	Asstt. General Manager
52		Shri A.K. Jain	Manager
53	State Bank of Indore	Shri G.D Kotgire	Dy. General Manager
54	State Bank of Travancore	Shri J.T. Deleep Kumar	Manager(Accts)
55	State Bank of Bikaner & Jaipur	Shri M.M. Lasod	Branch Manager
56	State Bank of Mysore	Shri Saurabh Kumar	Asstt.Manager

OTHER NATIONALISED BANKS			
57	Allahabad Bank	Shri U.S. Tripathi	Asstt. General Manager
58	Andhra Bank	Shri K.M. Rao	Dy. Manager
59	Bank of Baroda	Shri R.C. Verma	Dy. Regional Manager
60		Shri Atul Gupta	Officer
61	Bank of India	Shri Deepak Kumar Guha	Zonal Manager
62		Shri K.K. Gurnani	LDM
63	Bank of Maharashtra	Shri V.J. Gupta	Asstt. General Manager
64	Canara Bank	Shri K.M. Chandra	Dy. General Manager
65		Shri S.C. Tiwari	Manager
66	Corporation Bank	Shri Ramchandra Bhat	Senior Manager
67	Dena Bank	Shri S.K. Sharma	Dy. General Manager
68		Shri G.P. Chakrawarty	Manager
69	Indian Bank	Shri P. Barua	Chief Manager
70	Indian Overseas Bank	Shri Sameer Barua	Dy. General Manager, RO Jaipur
71		Shri A.K. Loothra	Chief Manager
72	Oriental Bank of Commerce	Shri S.C. Sharma	General Manager
73		Shri V.S. Thakur	Asstt. Regional Manager
74	Punjab National Bank	Shri S.K. Tuteja	Asstt. General Manager
75		Shri Man Mohan Lal	Senior Manager
76	Punjab & Sindh Bank	Shri Chandrakant N. Parchurkar	Officer
77	Syndicate Bank	Shri S.K. Taneja	Chief Manger
78	United Bank of India	Shri S.R. Garg	Senior Manager
79	UCO Bank	Shri S.L. Dixit	Zonal Manager
80	Vijaya Bank	Shri M.L.N. Shetty	Chief Manager
81		Shri Prakash Kotwani	Manager
PRIVATE BANKS			
82	Axis Bank	Shri P. Krishnamoorthy	Vice President
83		Shri Prashant Thakur	Manager
84	ICICI	Shri Kapil Bhatnagar	Regional Manager
85	IDBI Bank Ltd.	Shri V.M. Bhole	DGM
86		Shri Sumit Verma	Manager
87	Indusind Bank	Ms. Swati Mishra	Chief Manager
88	Bank of Rajasthan	Shri B.M. Baheti	Regional Head
89	HDFC Bank	Shri Vikas Vijayvargiya	Branch Manager
90	J& K Bank	Shri Mohan Lal	Officer
91	The Karur Vysya Bank Ltd.	Shri Tanay Indapurkar	Officer
92	Federal Bank	Shri P.G. Sukumaran	Senior Manager

COOPERATIVE BANK			
93	Apex Bank	Shri Sushil Mishra	Managing Director
94		Shri S.K.Gupta	General Manager
95	MPSARDB	Shri B.S. Shukla	OSD
REGIONAL RURAL BANKS			
96	Satpura Narmada KGB	Shri S. Sahasranam	General Manager
97	Mahakaushal RRB	Shri S.K. Behere	Chairman
98	Narmada Malwa Gramin Bank	Shri T.S, Patil	General Manager
99	Vidisha Bhopal RRB	Shri K. Mohan Rao	Chairman
100	Rewa Sidhi RRB	Shri S.D. Singh	Chairman
101	Sharda Gramin Bank	Shri M.K. Jain	Sr. Manager
102	Jhabua Dhar KGB	Shri B.S. Thakur	Senior Manager