

Minutes of 140th SLBC meeting of
State level Bankers' Committee, Madhya Pradesh
held on 27.08.2010 at Central Bank of India, Zonal Office, Bhopal.

140th Meeting of State Level Bankers' Committee Madhya Pradesh was held on 27th August, 2010 under the chairmanship of Shri S. Sridhar, Chairman and Managing Director, Central Bank of India, in the Conference Hall, of Central Bank of India, Zonal Office, Bhopal and Co-chaired by Shri R. Parsuram, Principal Secretary, Government of Madhya Pradesh, Panchayat & Rural Development Department. Shri Shivraj Singh Chouhan, Hon'ble Chief Minister of Madhya Pradesh was the Chief Guest. **List of participants is annexed.**

Shri B. Mondal, Convenor and General Manager, Central Bank of India extended hearty welcome to Shri S. Sridhar, Chairman and Managing Director, Central Bank of India, Shri Rajesh Verma, Regional Director RBI, Shri R. Parsuram, Principal Secretary, Rural Development, Shri G.P. Singhal, Principal Secretary, Finance, Shri K. Sayed Ali, General Manager, NABARD, other government officials and senior executives from RBI, NABARD and Banks. He informed that this forum is grateful to Hon'ble Chief Minister for having spared valuable time from his busy schedule to share his views and expectations from the Banking sector for further development of State of Madhya Pradesh.

He informed the forum that the concept of specific theme agenda for SLBC meeting was introduced in 139th SLBC meeting. Taking forward this initiative, two theme agenda namely (1) Financing to Rural & Urban poor for Housing purposes (2) Finance to horticulture sector has been presented before the house for deliberation. He informed that both these sectors would get the desired impetus as a result of this initiative. On

behalf of all member banks he assured that banking fraternity would come up to government expectations and there will be mutual cooperation between both the organization to realize the goal of an economically vibrant and prosperous Madhya Pradesh with Financial access to each and every house hold in the State. He requested Shri Sridhar to address the house.

Shri S. Sridhar, Chairman and Managing Director, Central Bank of India extended a very warm and hearty welcome to Government, RBI, NABARD Banks and Financial Institutions. He extended his gratefulness to Hon'ble Chief Minister for his gracious presence in the meeting. He informed the house that, with the active involvement of Directorate of Institutional Finance of Government of Madhya Pradesh this forum has initiated steps to address certain issues that the Hon'ble Chief Minister has raised in the meeting with Hon'ble Union Finance Minister in Mumbai in 28th June 2010 assured that progress on these fronts would be visible soon.

Taking forward the concept of specific theme Agenda for each SLBC meeting, two topics of significant importance have been presented before the house for deliberation.

1. M.P. State mission for Rural Housing and habitat and
2. Finance to horticulture sector.

He informed the house that it is heartening to know that Government of Madhya Pradesh has come out with a subsidy scheme and offering affordable and eco-friendly housing to the rural poor. This scheme has the potential to change the life of rural people who live in Kuchcha / Semi Pukka house. The Scheme will ensure safety and give protection

to the habitants from a number of ailments caused by seasonal changes and vagaries of nature.

He informed the house that better living conditions in the rural areas, coupled with improved road connectivity through construction of rural roads, would help to check migration to urban areas, thus easing the pressure on civic infrastructure in the cities while simultaneously facilitating developmental activities in the rural areas.

As the scheme envisages giving land rights to the beneficiary, one of the main concerns of the bank regarding security has been addressed. Hence banks would be happy to lend to such beneficiaries within the frame work of their policies. The State Government may also consider offering Government guarantee like SME to cover some risk of such loans.

He stated that total horticulture area in the state is about 5.57 lakh hectares where fruits, vegetable, spices, flowers and medicinal and aroma crops are grown, with a total production of about 45 lakh tons (2007-2008). He added that the credit needs of horticulture sector (approx. Rs.39 crores for Financial year 2010-11) can be adequately met by the banking sector, subject to viability of the projects. He mentioned that the request for a special financial product for meeting the capital requirements for plantation, orchards, nurseries etc can also be considered, for which SLBC is willing to coordinate with NHB and State Government. He further mentioned that the suggestion for modification of qualification criteria for Kisan Credit Cards to include Nursery and orchard owners is worth considering addressing the issue of financial requirement for development of orchards / plantation.

He informed the house that 16170 villages are now 100% financially included. All 50 districts of the state have been allocated to respective Lead Banks for smooth and expeditious implementation of the drive in the state for 100% financial Inclusion. This decision may be ratified by the forum as it would avoid confusion and cross functionality which the earlier arrangement was causing. It has been reported that 3 districts viz. Bhopal, Indore and Sheopurkalan have achieved 100% Financial Inclusion. However DLCC's confirmation is yet to be received. He informed that as desired by Government of India the Road map of villages of over 2000 population has been uploaded at SLBC website.

He mentioned that 50 new bank branches were added to the existing network of 5347 branches taking the total to 5397 branches as at the end of June 2010 quarter. ATM network of the bank is also expanding in the State at a fast pace i.e. 2464 as on 30.06.2010.

During the same period, the Total Advances were up by Rs.1764 crores, from Rs.79259 crores to Rs.81023 crores, at a growth rate of 2.22%.

Further he mentioned that the C:D Ratio stood at 60% as against 61% as of March, 2010. The drop was mainly on account of decrease in agriculture advances [by Rs.918 crores] and in Other Priority Sector [by Rs.230 crores] as during the first quarters, farmers usually sell their crops in the market and use the sale proceeds to adjust bank loans etc. In subsequent quarters the farmers will again avail limits for farming activities.

He added that 2 districts out of the 8 districts with low C:D Ratio viz. Alirajpur [44%] and Dindori [41%] have now achieved the minimum C:D level of 40%. LDMs of remaining concerned districts have been suitably

advised to ensure implementation of special measures to improve the C:D ratio of respective districts.

He mentioned that the ratio of Priority Sector advances to Total Advances stood at 62% as against the National Norm of 40%. The share of Agricultural Advances was 36% against the stipulated level of 18%. Advances to the weaker sections constitute 14% of the Total Advances, against the national norm of 10%.

As regard advances to women beneficiaries he informed that it stood at Rs.5609.52 crores, constituting 6.85% of total advances which is well above the goal of 5%.

It is heartening to note that the share of girl students in education loans is on the increase. Of the 2498 loans amounting to Rs.58.54 crores sanctioned by the banks in the first quarter, Rs.21.27 crores went to 872 girl students, i.e. approximately 37%.

He mentioned that under Annual Credit Plan, as against the annual target of Rs.21662 crores, the achievement in the first quarter was Rs.7178 crores, thus achieving 33% of the original target. The revised targets under agriculture sector in terms of decision taken in the previous meeting have since been communicated to the banks.

As regard Kisan Credit Card, he mentioned that the Banks issued 137085 KCCs in the first quarter against the annual target of 868697 cards. Some of the banks in the private sector have failed to issue even a single KCC. They are requested to apprise SLBC about their strategies to issue cards.

He mentioned that 29 R-SETIs are now functional in the State. The remaining Institutes should also be opened at the earliest so that benefits of such training institutions percolate to the entire State. Banks that have already set up the R-SETIs are requested to submit their claim to NIRD, Hyderabad.

Regarding DRI advances, he mentioned that DRI advances increased to Rs. 30 Crores with a growth of 30% but this figure is still much less than the national goal of 1%.

He mentioned that aggregate deposit increased by Rs.4007 crores from Rs.130267 crores as of March 2010 to Rs.134274 crores as of June, 2010 reflecting a growth of 3.07%.

Principal Secretary Panchayat and Rural Development informed that presence of Shri S. Sridhar, CMD is heartening as well as encouraging to all the bankers and also Government officials. He expressed his satisfaction over the progress achieved. He added that in last meeting it was decided to adopt the theme based agenda on emerging challenges and express his happiness on acceptance of two theme based agenda for discussion.

As regard RSETIs, he mentioned that RSETIs are meant for entire sector skill building for rural as well urban people. He desired RSETIs be opened in all the districts at the earliest and informed that Ministry of Rural Development Central Government has threatened to close the window soon. Bank should submit the claim for grant of Rs. 1 crores at earliest to NIRD Hyderabad otherwise they may lose the opportunity.

He welcomed the progress done with regard to Financial Inclusion, but express concern over progress in opening of MNREGA account. He informed that payment of NAREGA labour or any social sector programmes are to be made through Banks. He expected from Bankers to expedite the financial inclusion programme so that payment to NAREGA labour or any beneficiaries can be made fast. For this he took the view on table agenda presented by Panchayat and Rural Development Department regarding rollout plan to be submitted by Banks to cover the villages allotted to them through BC model for payment of MNREGA wages with MOU attached with Agenda. He further expressed concern over programme of providing Banking services in villages having population of 2000 and above and presented in house, keeping in view of Hon'ble Chief Minister and geographical situation of villages in MP State, banking services should be provided in villages having population 1000 and above.

Agenda Item No. 1: Confirmation of the minutes of the 139th meeting of SLBC held on 29.06.2010.

One amendment regarding enhancement of ACP 2010-2011 was received from the DIF. A corrigendum was issued by the Convener Bank. With this amendment, the minutes of previous meeting approved.

Agenda Item No. 2: Follow up action on decision of earlier meeting.

Action Point NO. 2.1: Implementation of 100% coverage of KCCs.

Shri Sridhar informed the house that during the quarter 1,37,085 KCCs have been issued against annual target of 8,68,657, which is satisfactory. He also added that contribution of Private Sector Banks operating in the State is only 425 cards. He informed that Union Finance

Minister has emphasized on growth of issuance of KCCs up to the minimum level of 20% or more. On the issue Principal Secretary Finance pointed out that time frame should be fixed for issuance of KCC at which Shri Sridhar clarified that in previous 139th SLBC meeting it has already been resolved that the time limit for up to Rs. 25000/- KCC is two weeks and bankers were informed to adhere to it. Further on issue raised by Principal Secretary regarding waiver of collateral security up to Rs. 1.00 lakh to KCC he informed that RBI has already issued the guideline. Regarding issue for sanction of fresh loan to ADWDR beneficiaries raised by Principal Secretary Finance, he clarified that RBI has issued guidelines on this issue and bankers can also noted in last SLBC meeting and they should ensure to issue KCC to all eligible farmers.

It was resolved that:

- Private Sector Banks operating in the State will accelerate their activities for issuing KCCs
- Banks will ensure that growth of issuance of KCCs should be up to the minimum level of 20% as envisaged by Hon'ble Finance Minister, Government of India.
- The resolution of 139th SLBC meeting fixing time limit for up to Rs. 25000/- should be adhered to by all banks
- Sanction of fresh loan to ADWDR beneficiaries should be ensured.

Action Point 2.1.1: Crop Insurance Scheme:

Shri Sridhar urged upon the member banks to ensure and monitor the Branches for 100% compulsory coverage under crop insurance scheme.

It was resolved that:

- Banks will ensure and monitor for 100% compulsory coverage under Crop Insurance Scheme

Action Point 2.2: Issuance of KCC to Kotwars:

Out of 28000 Seva Bhumi Kotwars KCC has been issued to 20055 Kotwars i.e. approximately 72%. Apex bank informed that they have already issued more than 11000 KCC out of 20055.

It was resolved that:

- All eligible Kotwars must be issued KCC.

Action Point 2.3.1. Financial Inclusion in all 50 Districts of M.P.

Action Point 2.3.2: Providing Banking Services in villages having population of 2000 and above

After deliberations, it was resolved that:

- Banks will adhere to the time schedule in providing banking services and will submit monthly progress report through Convener to DIF and RBI.
- Banks will submit their action plan for providing banking services in urban areas to the Convener for onward transmission to the DIF/RBI. Convener & DIF will upload the action plan on their website.

Action Point 2.3.3: Information Technology Enabled Financial Inclusion:

The House was informed that 704128 saving accounts of job card holders have been opened and 16030 villages have achieved 100% Financial Inclusion. All the Banks assured to attain 100% Financial Inclusion as desired by Hon'ble Chief Minister.

SLBC has informed all Banks' head with copy to LDM regarding review the allotment of villages with population of 2000 and above on account of distance beyond 30 KM from base branch, it should be mutually reallocated and got approved by DLCC.

DIF is of view that for 100% FI responsibility and accountability should be entrusted to Lead Banks of respective district under concept of **one Bank one District**. Principal Secretary Finance informed that there is difficulty in collection of data for declaration of 100% FI. He urged that declaration of 100% FI should be certified by village level workers and on basis of this certificate DLCC may ratify it. Principal Secretary Rural Development sought clarification regarding Financial Inclusion on which Regional Director, RBI clarified that a member of household of the village should have any kind of connection with bank for any type of banking service, on which Principal Secretary Rural Development emphasized that banking services should be available on demand, financial inclusion at distant place is only theoretical and it will not be meaningful since labourers or old pensioners may not go at distant place for their payment. Regional Director RBI said that this process of Financial Inclusion will take time. Presently the process to connect every household with banks which will be gradually up scaled. On behalf of all bankers the Chairman Sridhar assured the house that although the task is tough but bankers are committed to achieve it. He informed that Ministry of Finance and the RBI are monitoring month wise progress. He added that many Banks are tied up with difference agencies for IT enabled Financial Inclusion. Many Banks have come out with loan facility, OD facility, and Micro Finance facility to No Frill account holders. He informed that three districts have been reported 100% financially include while certification by DLCC in cases of two districts is

awaited. DIF suggested that DLCC meeting should be attended by State Level Chief Executive of the Bank at which the Chairman suggested that DLCC meeting should be attended by Zonal Heads of the Banks. CEO, NAREGA mentioned that village with above 2000 populated are only 7% while 93% villages are left un-covered under financial inclusion while there is no restriction for banker to go for Financial Inclusion through BC in these villages. He informed that enthusiastic progress has been reported in this regard. For this a table agenda has been presented by Panchayat and Rural Development Department for allotment of district to provide banking services to unskilled labour through BC model and for the purpose float will be provided to these banks and MOU will also be signed. In this agenda view / suggestions has been invited from the bankers on draft MOU. On this issue Regional Director, RBI informed that up to March 2013 all the villages are to be provided banking facilities in the State. On the issue of Financial Inclusion, the Regional Director, RBI expressed his dissatisfaction over not achieving 100% Financial Inclusion in the State. He said that even though the process had started in the year 2007, Indore was the only district which had achieved 100% Financial Inclusion and had also declared the same in DLCC meeting. Other districts also should take a lead and complete 100% Financial Inclusion. The base level officials may complete the survey and a certificate may be obtained from the Sarpanch / Sachiv regarding 100% completion of the village. Similarly a certificate may be obtained from CEO Jilla Panchayat and the district may be declared as 100% financially included in DLCC meetings. Shri Sridhar CMD resolve the issue on ground that detailed discussion will be held in SLCC. Regarding IT enabled FI, Principal Secretary, Finance informed that subsidy is being provide by State Government on BC and Bio Metric ATM but bankers are not taking interest so he requested to all bankers to take

part in the FI programme over 2000 popularized village and beyond through these models.

Regional Director, RBI informed the house that progress of IT enabled FI is very dismal while project has been started two years back on pilot basis in approx 12 districts at behest of RBI in 2008 and it was expected that afterwards the pilot would upscale to cover the other districts. However after the initial launching of pilots the momentum has been lost. Since a long time has elapsed and the banks have gained necessary experience, they should now make efforts to have the infrastructure in place to achieve ICT based Financial Inclusion. Some cards were issued but not operationalised. The Chairman pointed out that very few TSP are available in the market and BC model service is not profitable proposition. Principal Secretary, Finance suggested that CSP may also be appointed as BC. Principal Secretary Rural Development told that however viability expect is necessary for all but financial inclusion of the poor people can't be ignored and for this he suggested the other model like mobile banking may also be taken into consideration for providing banking services in remote villages. Shri Sridhar CMD assured the house it will be taken into with faster pace.

It was resolved that

- Banks will obtain certificate from Sarpunch and Gram Sachiv jointly to project that the village has achieved 100% Financial Inclusion.
- Responsibility and accountability entrusted to Lead Banks of respective district under concept of **one Bank one District**. To facilitate acquisition of data for declaration of 100% FI. He urged

that declaration of 100% FI should be certified by village level workers and on the basis of this certificate DLCC will ratify it.

- Serious efforts will be made wherein that banking services will be available on demand by reducing distance facilitating labourers or old pensioners may not go at distant place for their payment.
- DLCC meeting should be attended by Zonal Heads of the Banks.
- Banks will take effective steps to popularized FI programme in villages having over 2000 and beyond through BC/Bio-Metric ATM models and submit their claims for re-imprudent subsidy being provided by State Government on BC and Bio Metric ATM. Other model like mobile banking may also be taken into consideration for providing banking services in remote villages

Action Point 2.4 – Settlement of SLR Bonds.

Principal Secretary Finance informed the house a meeting will be held soon to solve the issues.

Action Point 2.5 – R-SETI

It was resolved that:

- Banks will take effective steps for opening R-SETIs in remaining districts within this fiscal, since the project is already running behind schedule envisaged by Government of India
- Banks will submit their claims to concerned Zilla Panchayat for release of training fee for BPL members @ Rs. 200 per candidate for the year 2009-10
- Banks will submit their claims for release of Rs. 1.00 crores to NIRD, Hyderabad
- R-SETIs will take up Need Based Entrepreneurship Development Training Programmes or Skill Development Training Programmes for improving the living standard of the trainees

Action point 2.6: ADWDR

Shri Sridhar informed the house that 12.91 lakh farmers covered under waiver are now eligible for fresh KCCs. He told all banks should confirm that all grievances of the farmers have been attended within time frame. He informed the house that during previous SLBC meeting the Convenor as well as representative of RBI, NABARD and DIF has requested all the controlling heads of bank to initiate suitable steps to disburse fresh loans to the beneficiaries of debt waiver scheme.

It was resolved that:

- ADWDR beneficiaries should get fresh loans.
- Banks should ensure that all grievances of the farmers are attended within time frame.

Action point 2.7: Reverse Mortgage Scheme.

It was resolved that:

- Banks should take active steps popularizing and implement the scheme and send the progress details of scheme regularly.

Action Point 2.8: ISHUP:

The House was informed that a number of steps have been taken by NHB to popularize the scheme. However, despite innovative, the Scheme is not picking up. Commissioner UADD told that Central Bank of India has taken lead in Ratlam District by sanctioning 129 cases. He requested all the bankers to sanction loan under this scheme to urban poor particularly when the all issues regarding stamp duty, security, tenure for mortgage has been sorted out. Shri Sridhar told that income

certificate has to be given by DUDA/ Urban Local body. Commissioner, UADD informed that urban local body is empowered to issue income certificate and any application sent by Nagar Palika, Nagar Nigam or Nagar Panchayat presumption is, they are appended. Shri R. Parsuram, Principal Secretary, RD informed that in MP State income certificate issued by Revenue Department is acceptable for everything. It was informed in house all the issue related to this important scheme was resolved in last SLBC. Shri Sridhar requested all the banks to take up this important scheme of Govt. of India.

It was resolved that:

- Banks will ensure maximum output under the Scheme

Action Point No. 2.9: Quarterly Public Meeting and Grievances redressal.

It was resolved that:

- Banks will issue necessary instructions to their LDMs for convening quarterly public meeting for grievances redressal.

Agenda Item No. 3: Decisions/recommendations of various sub-committees constituted by the SLBC

The House was that sub-committee on IT enabled Financial Inclusion have already discussed. Meeting of other sub-committee could not be held.

It was resolved that:

- The recommendations made by the IT enabled Financial Inclusion Sub-Committee was ratified by the House
- Convenor will ensure that meetings of all the Sub-Committees will be held in September

Agenda No. 4: Review of Annual Credit Plan

The house was informed that in quarter June, 2010 the achievement was 157178 crores i.e. 33% out of which commercial banks' achievement is 15.27%, Co-operative Banks achievement' is 46% i.e. much better. RRB achievement is also much better. It was further informed that enhanced target for agriculture loan has been circulated to all state level heads of all banks and LDMs. LDM should convene the DLCC meeting and accordingly allocate the target to commercial banks branches in their districts.

It was resolved that:

- LDM should convene the DLCC meeting and accordingly allocate the target to commercial banks branches in their districts.

Agenda Item No. 5: Performance of Banking Sector in Madhya Pradesh.

Shri Sridhar informed that progress is not satisfactory. He informed that at national level the progress in first quarter was somewhat low due to tightening of money supply by RBI. Principal Secretary Finance informed the house that only 3 RRBs out of 8 have been migrated to CBS platform. Shri Sridhar mentioned that is the responsibility of sponsor Bank. SKGB informed that 100% migration to CBS platform will be up to Sept. 2010. RBI has directed to RRBs for migration to CBS platform before September 2011.

It was resolved that:

- Sponsor Banks will take effective steps ensuring that their RRBs migrate to 100% CBS

Action Point 5.1: Branch Expansion

It was resolved that:

- Plan for branch expansion should be conveyed to State Government through the Convener Bank
- SLBC will assess the actual requirement of an area with a view to combat decrease in number of rural branches

Agenda Item No. 5.4, 5.5: Credit Deposit Ratio / Low CD Ratio.

Shri Sridhar mentioned that over all CD ratio of Banks in the State of Madhya Pradesh is 60% as on 30.06.2010. In seven districts it is below 40%. He told that, this is the responsibility of lead banks to coordinate with all other banks there to make them enable to shift.

Principal Secretary, Finance, informed that there is falling practice in area of CD Ratio in comparison to previous years. Principal Secretary, RD informed that these district are in NE area of State and reason should be looked into. SLBC has advised to all concerned LDMs to revive sub-committee and to improve CD Ratio, DIF has also advised State Level Heads of concerned banks to revive sub-committee with specific agenda and specific target.

It was resolved that:

- LDMs will revive sub-committee and improve CD Ratio
- State Level Chief Executives will ensure revival of district level sub-committees with specific agenda & target

Agenda Item No. 5.6 to 5.8: Advance portfolio

Shri Sridhar mentioned that Priority Sector advances decreased by 585 crores in June 10 but in a agriculture sector growth appears 20% in comparison to June 2009 to June 2010 likewise there is commendable growth of 55% in MSME Sector advances in comparison to June 09 to June 2010.

Director, DIF informed that during meeting of Chief Minister with Union Finance Minister an issue was there that is, in each district at least one SME (specialized) branch should be there. At present there are 9 districts in which specialized branches are.

It was resolved that:

- Banks will ensure that at least one specialized SME branch operates in each district
- Convener will consolidate list of SME branches and submit it in tabular form in the agenda note of ensuing SLBC meetings

Agenda Item No. 5.9, 5.10: Advances to weaker sections/DRI

Shri Sridhar mentioned that growth in weaker Section advances and DRI advances are 10% and 30% respectively in comparison to June 09 to June 10 but overall growth is not satisfactory. RBI and Government authorities have been showing their concern above the low progress under the DRI scheme on not achieving national goal i.e. 1%. He requested the member banks to take up the matter with their branches and to initiate suitable steps for achieving the target allocated at DLCC level.

It was resolved that:

- Banks will initiate suitable steps for achieving the target allocated at DLCC level.

Agenda Item No. 5.12, 5.13: Recovery

Bank members informed the house about increase in NPA, UBI informed that there are increase of 40 crores NPA in 2000 agriculture account, in 13 district of MP out of 50 districts despite giving 15% waiver by Bank over 25% waiver facility of Government of India. BOI informed that they have to account write off of Rs. 60 crores under ADWDR Scheme and bank has to struggle with NPA.

Agenda Item No. 5.1: Implementation of BRISC Scheme:

Shri Sridhar informed the house that there are 936032 RRC of Rs.1982 crores are pending. Principal Secretary, Finance mentioned that Bankers has used RRC as dumping ground. He suggested that if there is no recovery in RRC cases within 2-3 years, banks should contact recovery authority and withdraw the RRC & issue fresh RRC rather than dumping them. Director, DIF informed that Web-enabled BRISC Software Application programme for paperless automation of Revenue Recovery Certificates has been introduced in 35 districts which will be scaled up to all 50 districts within a month and on this website Bank as well as revenue authority can access. In putting data of 9 lacks RRCs several discrepancies are coming out. State Chiefs of Banks should follow up their branches that they should get included in this system at the branch level right from creation of RRC to their disposal.

Point of interference of lower courts, police authority was raised by banks in SARFAESI cases. Principal Secretary Finance told, it is a part of judicial system. Shri Sridhar informed the house that Hon'ble Supreme Court has given a strong judgment on this subject and it should be referred in such cases. On question of instructing Collectors for assisting recovery in SARFAESI cases, Director DIF informed that they had already written letter to District Collectors. On demand of specific cases by Principal Secretary Finance, Banks informed the case of Dhar District.

Agenda 6 (6.1): PMEGP

KVIC representative requested to the State Level Chief of RSKGB, JDKGB, Canara Bank, IOB, OBC, UCO Bank, and Andhra Bank to expedite disposal of cases under the scheme.

Agenda item No. 6.2: SGSY.

- Banks will see that unutilized/un-adjusted amount of subsidy pending with them is immediately addressed
- Banks will ensure to issue Cash Credit Limit to every eligible SHG account for which the Revolving Fund has been issued by Zilla Panchayat

Agenda Item No. 6.3: SJSRY.

Shri Sridhar informed about very low achievement. Govt. officials informed that under मुख्यमंत्री हाथडेला रिकशा चालक कल्याण योजना, 50000 persons have been targeted to provide bank assistance. He also informed about subsidy under the scheme and requested the banker to achieve 100% target.

Shri Sridhar mentioned that progress of scheme be monitored by SLBC.

Agenda Item No. 6.4: Antyavsayee Swarozgar Yojana :

Mrs. Salina Singh, Managing Director, MP Anusuchit Jati Nigam informed that large number cases are pending with Banks under Kapildhara Scheme. The Scheme is a focal point of Hon'ble Chief Minister Programmes wherein SC/ST farmers and NAREGA are the beneficiaries.

It was resolved that:

- Banks will ensure Kapildhara scheme is successfully implemented across the State. This programme will continue up to March 2013.

Agenda Item No. 7: Performance / Progress of banking sector under various special focus programme as decided by NABARD / State Govt. /Govt. of India.

7.1 SHG(NABARD SCHEME)

General Manager NABARD Shri S. Ali informed the house that concerted efforts are required to be made by Banks, Govt. Department and NGO to achieve the target of at least 25000 SHG during the year 2010-11. He mentioned that it is poverty alleviation programme. Principal Secretary, RD told that R SETIs may train SHG members and NABARD may come with programme. Mrs. Shikha Dubey, MD Mahila Vitta Vikas Nigam mentioned about the difficulties of SHG in opening of saving bank accounts in banks.

7.2 Housing Finance.

- Banks will ensure maximum coverage under the Scheme

7.3 & 7.4 Financial Assistance to Minority Community.

- Banks will ensure maximum coverage under the Scheme

7.5 Financial Assistance to SC/ST.

- Banks will ensure maximum coverage under the Scheme

7.6 Swarozgar Credit Card.

- Banks will maximize sanction and release of loans under scheme within stipulated time schedule and monitor it.

7.7 Artisan Credit Card

- Banks will ensure maximum coverage under the Scheme since it has good scope in MP State.

7.8 GCC

A total of 1921 cards have been issued up to June 10 against target of 14196 for year 2010-11.

7.9 Educational Loan

Shri Sridhar informed that the 58.54 crores loan have been sanctioned under the scheme to 2498 applicants and of which Rs.21.27 crores sanctioned to 872 girls students that is commendable.

Principal Secretary Finance submitted the Educational Guarantee scheme has been announced by State Govt. in MP State for the talented poor students who cannot produce security for loan over 4 lacks and he requested to banks for sanction loan under scheme.

7.10 Advances for women beneficiaries.

- Banks will ensure that maximum number of women beneficiaries will be covered.

7.11 Progress under National Horticulture Board Scheme:

Principal Secretary, Horticulture informed that subsidy are paid in various schemes of horticulture Department by NHB so he requested the bank's Head to advise their branches to sanction the loan proposals pertaining to horticulture in which letter of intent has been issued by NHB.

7.12 Debt Swap

Shri Sridhar requested the Banks to achieve the target for financing under debt swap scheme in respect of farmers indebted to Private money

lenders and also requested to provide the progress along with SLBC data every quarter.

7.13 Farmers' Club

GM NABARD told that during current year 2400 farmers club are planned to be formed in the State but only 179 clubs have come into existence so far. He informed the farmers club can be promoted by banks, NGOs. He further informed that 10000/- grants per club per year for 3yrs are given by NABARD.

AGENDA FROM RBI.

Regional Director, RBI informed that Government officials and banks should coordinate to LDMS in light of Thorat Committee report.

AGENDA FROM NABARD.

General Manager NABARD Shri S. Ali mentioned that proposal of Agri Clinic and Agri business are pending with Banks which are required to be disposed expeditiously so that unemployed agriculture youth may be benefited.

He informed that Govt. of India has launched a subsidy linked credit scheme. This is a National Priority Scheme SOLAR i.e. non renewable energy source required to be encouraged.

He told further that NABARD has formulized a scheme for small and marginal farmers who cannot access to the bank but by farming a small group; joint liability group, they can access to the bank for banking facilities. For promoting joint liabilities group NABARD is paying

promotional grant of 2000/- per group through NGO /RRB / Co-Op. Banks / Banks.

Computerization of Land.

Director DIF informed the house that computerization of recording the charge on land is in progress. Shri Sridhar mentioned that GOI has also taken in the matter. Some big banks are in process of forming a special purpose Vehicle; a company for this purpose.

Meeting was concluded for lunch break.

After Lunch Break Hon'ble Chief Minister Shri Shivraj Singh Chouhan, Madhya Pradesh joined the meeting. Shri B. Mondal, Convenor of SLBC welcomed the Hon'ble Chief Minister. The Chairman Shri S. Sridhar apprised Hon'ble Chief Minister regarding banking activity in the developmental progress of MP State and submitted the details of meeting.

Hon'ble Chief Minister expressed his satisfaction over the progress and thanked banking fraternity for their cooperation. He told that their target is समृद्ध एवं विकसित मध्यप्रदेश का निर्माण and for this he submitted the road map and expected the cooperation from Banks on following agenda:

- 1 Farming is to make profitable business for which loan for seeds and fertilizers are provided at 3% interest through Co-Operative Banks and informed that is farming is to make profitable then it will be necessary to do more.
- 2 Small Scale Industries and industrialists are given more loans on easy terms. As per RBI directives, in each district one SSI

branch should be there. While there is only 9 district with SME Bank Branch, all district should have a specialized branch. He suggested that each Bank should have such branch in their Lead District. He told that without extension of SSI we cannot achieve the goal of prosperity in MP State.

- 3 Weaker Section requires governance, MP Govt. has prepared separate schemes for different group of poor/ weaker for example Hand Carters are to be made owner of hand cart, Cycle Rickshaw pullers are to be made owner of cycle rickshaw and under these scheme subsidy are being provided. Banks should provide loans.
- 4 Loans for higher education for poor and talented students who cannot provide guarantee/ security, Government take the guarantee of loan.
- 5 He expressed his concern over decreasing trend of CD Ratio. In 2007-08 it was 67% which is now 60%. He emphasized to increase it in MP State, especially in tribal populated district since tribals are 21% in this State. He told that if they are not built economically strong then our progress will not be meaningful. He indicated the intention behind it is to check their diversion to other direction like naxalism.
- 6 Credit Card system appeared to be satisfactory in the State but data shows that participation of Co-Operative Bank is 60% while other banks have shared only 40%. Eligible farmers are to be given KCC. ADWDR beneficiaries are also required to be

given KCC. 3 Private Banks are only cooperating in KCC. All Private Banks should be allocated target for KCC.

- 7 He emphasized the need for issuance of **KCC to nurseries/ farmers/ horticulture**. This sector require long term loan. So they are to be given KCC so that they can get long term fund since this sector take long time in production.
- 8 Hon'ble Chief Minister told that through Indira Awas Yojna cannot be achieved desire target, hence State Government has prepared an ambitious plan named **House for Poor** for urban as well for rural poor. He requested Banks to provide loans under the scheme easily.
- 9 Regarding **Advance to weaker section** he said that as per national standard, it is 10% while in MP State the achievement is 14% for which he thanked to bankers. However he told that MP is 3rd poor State in the Union and, as per data, above 37% people are BPL, whereas actually the BPL is approximately 50%, so suggested that the target for MP should 20% instead of 10%.
- 10 He urged upon Bankers that under **DRI** the poorest of the poor should be given at least up to 1%.
- 11 Regarding **Branch Expansion / Banking services** in Rural area, he emphasized the need to open a Branch in area of 2000 population as per Thorat Committee report. Wages payment of NAREGA labourers can be done if this measure is taken down to 1000 population. Through KIOSK, banking service can be provided.

- 12 **PMEGP** : Target has been increased from 1244 to 3866. Banks should provide loan on priority to educated unemployed under this scheme.
- 13 **RSETI** : Hon'ble Chief Minister emphasized the urgent need for establishment of R-SETIs in all 50 District.
- 14 **Recovery** : He assured the bankers to cooperate in recovery. BRISC has been planned in the State. Revenue officer will be cooperating on this issue.

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LIST OF PARTICIPANTS
140th STATE LEVEL BANKERS' COMMITTEE MEETING
HELD ON 27.08.2010

S. N.	Govt. Deptt. /Bank/ Institution	Name	Designation
G O V E R N M E N T			
1	Govt. of Madhya Pradesh	Shri Shiv Raj Singh Chouhan	Chief Minister
2	Gramodyog	Smt. I.M. Chahal	Add. Chief Secretary
3	Panchayat & Rural Development	Shri R. Parsuram	Principal Secretary
4	Finance	Shri G.P. Singhal	Principal Secretary
5	Agriculture & Co-operative	Shri M.M. Upadhyay	Principal Secretary
6		Shri B.M. Khan	ADA(SMS)
7	Revenue	Shri Subhash Jain	Additional Secretary
8	Urban Administration Development Deptt.	Shri S.N. Mishra	Commissioner/Secretary
9	MPPRDA	Shri Sanjay Dubey	CEO
10	MP Mahila Vikas /Vitta vikas Nigam	Shri Shikha Dubey	MD
11	Deptt. of RD, MNAREGA	ShriSheoShekharShukla	CEO
12	Horticulture	Shri Sevaram	Principal Secretary
13		Mrs. Rashmi Arun Shami	Director
14	MPSCFDC	Smt. Saleena Singh	MD
15		Shri O.P. Gupta	General Manager
16	Housing & Enviornment	Shri Ashish Upadhyay	Director
17	M.P. Hastashilp Evam Hath Kargha Vikas Nigam	Shri Ramakant Chaturvedi	General Manager
18	KVIC Bhopal Industries	Shri V.S. Raghuwanshi	Asstt. Director
19		Shri Veer Pal Singh	Nodal Officer
20		Smt. Shobha Bikrol	Joint Director
21	M.P. Matikala Board	Shri P.K. Jain	CEO
22	Directorate of Institutional Finance	Shri Nitesh Vyas	Director, Institutional Finance
23		Shri S.K. Gupta	Joint Director
24		Shri Sultan Ahmed	O.S.D.
25	NREGS	Dr. Rajeev Saxena	JCFA

26	Planning & Rural Development	Shri Pradeep Ku. Sahu	Audit Officer
27	National Horticulture Board	Dr. P.K. Singh	Dy. Director
28		Mr. Prem Narayan	Asstt. Director
29	Co-Operative Deptt.	Shri R.C. Ghiya	Joint Registrar
30	Energy Deptt.	Shri A.K. Geetey	Dy. Secretary
31	Forest	Shri Rajesh Kumar	OSD
32	MSME-DI, Indore	Shri V.M. Kshire	Asstt. Director
33	Tribal Area Dev. Planning	Shri Ajeet Kumar	Director
34	Agri. Insurance Corpn.	Shri Nanakram Shrichandani	Dy. Manager
CONVENOR BANK - CENTRAL BANK OF INDIA			
35	Central Bank of India	Shri S. Sridhar	Chairman & Managing Director
36		Shri B. Mondal	General Manager, Bhopal Zone
37		Shri A.P. Dwivedi	General Manager, Raipur Zone
38		Shri I.P.S. Oberoi	MD, Cent Bank Home Finance
39		Shri Narender Singh	Dy. General Manager
40		Shri Chain Singh	Asstt. General Manager
41		Shri O.P. Singh	Chief Manager-SLBC
42		Shri Dhananjay Sharma	Senior Manager-SLBC
R B I & OTHER INSTITUTIONS			
43	RBI	Shri Rajesh Verma	Regional Director
44		Dr. S.R. Chawla	Dy. General Manager
45		Ms. Rani Durve	Asstt. General Manager
46	NABARD	Shri K. Syed Ali	General Manager
47		Shri R.K. Shrivastava	Asstt. General Manager
48	SIDBI	Shri G. Sampath Kumar	Dy. General Manager
STATE BANK GROUPS			
49	State Bank of India	Shri M. Bhagwanta Rao	Chief General Manager
50		Shri M. Jamboonathan	General Manager
51		Shri M.R.I Siddiqui	Chief Manager
52	State Bank of Indore	Shri G.D Kotgire	Dy. General Manager
53	State Bank of Travancore	Shri B.K. Garnaik	Chief Manager
54	State Bank of Bikaner & Jaipur	Shri P.P.S. Tomar	Asstt. Manager
55	State Bank of Hyderabad	Shri Ravindra Pathrabe	Branch Manager
56	State Bank of Mysore	Shri Manish Saxena	Asstt. Manager

57	State Bank of Patiala	Shri Vineet Kumar	Asstt. Manager
OTHER NATIONALISED BANKS			
58	Allahabad Bank	Shri U.S. Tripathi	Asstt. General Manager
59	Andhra Bank	Shri T. Nagamalleswara Rao	Chief Manager
60	Bank of Baroda	Shri R.K. Soni	Asstt. General Manager
61		Shri Atul Gupta	Officer
62	Bank of India	Shri Prem Kumar	Zonal Manager
63		Shri K.K. Gurnani	LDM
64	Bank of Maharashtra	Shri R.K. Bakshi	Senior Manager
65	Canara Bank	Shri T. Srikantan	Dy.General Manager
66		Shri S.K. Tiwari	Manager
67		Shri V.K. Aggarwal	Dy. General Manager
68	Dena Bank	Shri S.K. Sharma	Dy. General Manager
69		Shri G.P. Chakrawarty	Manager
70		Shri V.M. Bhole	DGM
71	IDBI Bank Ltd.	Smt. Bharati Sadhwani	Asstt. Manager
72	Indian Bank	Shri B.R. Gupta	Asstt. General Manager
73	Indian Overseas Bank	Shri P.K.Garg	Senior Regional Manager
74	Oriental Bank of Commerce	Shri R.K. Takkar	Dy. General Manager
75		Shri V.S. Thakur	Asstt. Regional Manager
76	Punjab National Bank	Shri Rakesh Kumar	Circle Head
77		Shri Man Mohan Lal	Senior Manager
78		Shri Bhagwan Choudhari	Senior Manager
79	Punjab & Sindh Bank	Shri Chandrakant N. Parchurkar	Officer
80		Shri Dileep Kumar Arora	Asstt. General Manager
81	UCO Bank	Shri S.L. Dixit	Zonal Manager
82	Union Bank	Shri C.S.P. Rao	Dy. General Manager
83		Shri H.K. Behera	Dy. General Manager, CO
84		Shri Rakesh Khare	Chief Manager
85		United Bank of India	Ms. Mamtha RB
86	Vijaya Bank	Shri H.M. Sutaria	DBM
87		Shri Anoop Kumar	Manager
PRIVATE BANKS			
88	Axis Bank	Shri Sridhara Purnachandar	Circle Head
89		Shri Vinod Gupta	Senior Manager
90	ICICI	Shri Rajendra Vanmali	Chief Manager

91		Shri M.C. Bagarwal	Regional Coordinator
92		Shri Saurabh Sangeene	Asstt. Manager
93		Shri Sanjeev	Officer
94	Indusind Bank	Ms. Swati Mishra	Chief Manager
95	Federal Bank	Mr. Biju K.	Asstt. Manager
96		Shri Rakesh Relan	Zonal Head
97		Shri Prateek Bhatnagar	Branch Manager
98	HDFC Bank	Shri Vikas Vijayvargiya	Branch Manager
99	J& K Bank	Shri Raghuvir Singh Janwal	Associate Executive
100	Karnataka Bank	Mr. Barelal Kamlay	Asstt. BM
101	The Karur Vysya Bank Ltd.	Shri Tanay Indapurkar	Officer
102	South Indian Bank	Shri Amresh Jha	Officer
COOPERATIVE BANK			
103	Apex Bank	Shri S.K.Gupta	General Manager
104	MPSARDB	Shri B.S. Shukla	OSD
REGIONAL RURAL BANKS			
105	Satpura Narmada KGB	Shri A.K. Singh	General Manager
106	Narmada Malwa Gramin Bank	Shri R.M. Prasad	Chairman
107	Vidisha Bhopal RRB	Shri R.S. Gupta	General Manager
108	Rewa Sidhi RRB	Shri S.D. Singh	Chairman
109	Sharda Gramin Bank	Dr. K.N. Pandey	Chairman
110	Madhya Bharat Gramin Bank	Shri G.C. Pande	Chairman
111	Jhabua Dhar KGB	Shri B.S. Thakur	Senior Manager