

**MINUTES OF 141<sup>st</sup> SLBC HELD ON 20.12.2010 AT CONFERENCE HALL,  
CENTRAL BANK OF INDIA, ZONAL OFFICE, BHOPAL**

141<sup>st</sup> Meeting of State Level Bankers' Committee, Madhya Pradesh held on 20<sup>th</sup> December, 2010 under the Co-chairmanship of Shri R. Parasuram, Additional Chief Secretary, Government of Madhya Pradesh and Shri S. Sridhar Chairman and Managing Director, Central Bank of India.

**List of participants is annexed.**

Shri B. Mondal, Convenor & General Manager, Central Bank of India extended hearty welcome to Shri S. Sridhar, Chairman & Managing Director, Central Bank of India, Shri R Parasuram, Additional Chief Secretary to Government of Madhya Pradesh, Shri G.K. Singhal, Principal Secretary (Finance), Shri M. M. Upadhyay, Principal Secretary (Agriculture and Co-operatives), Shri Rajesh Verma, Regional Director, RBI, Bhopal, Shri S. Akbar, CGM, NABARD, Bhopal, Shri P.B. Vaze, Sr. Vice President, Banking Codes & Standards Board of India, and other government officials and senior executives from RBI, NABARD and banks.

Shri Mondal mentioned that a lot of importance is given by Government of India to Education Loan Scheme. An interest subsidy scheme of Govt. of India is already in operation. The Government of Madhya Pradesh is also taking keen interest in the scheme so that meritorious students of poor families reap the benefits of the scheme. As an added encouragement, the State Government has come out with an Education Loan Guarantee Scheme for the meritorious students belonging to poor financial background. This topic has been chosen as the theme agenda for today's meeting to generate needed awareness about the new initiatives and reiterate the need to extend loans to all eligible students.

Another area where banks need to do more work is loans under ISHUP scheme. Two rounds of review meetings have been held by Govt. of India & National Housing Bank recently in this respect. Going by the feedback from banks, lack of flow of applications from district nodal agencies appears to be the main cause for the tardy progress under the scheme. He drew the attention of concerned Department of State Government for needed action in this respect. He requested Shri S Sridhar, CMD, Central Bank of India to address the house.

Shri S Sridhar Chairman and Managing Director, Central Bank of India welcomed senior government officers, top executives from RBI, NABARD, Banks and financial institutions. Shri P. B. Waze, Senior Vice President, Bank Code and Standard Board of India attended the meeting as special invitee.

In his key note address the CMD conveyed sincere thanks to all senior government officers from M.P. Government and top executives from RBI, NABARD and banks

and financial institutions and also to media representatives for making the event more purposeful.

Shri Sridhar referred to the announcement by RBI to reduce the SLR requirement by 1% in its recent midterm review of monetary policy, which is expected to improve the liquidity position and RBI's assurance that they will keep the liquidity in such a manner that no production activity is short of liquidity of fund. Given the lower accretion of deposits in banking system, interest rates on deposit have been increased by most banks between the 75 basis points to 100 basis points. It is also getting reflected in the increasing lending rates which have also been revised by many banks in last month or so. Due to the prevailing inflationary pressures in the economy, there was no immediate possibility of reduction in the lending rates.

He expressed his great concern over slow growth of deposit and credit in the State as compared to national growth. He observed that CD ratio is very good benchmark to look at financial health. He advised all participants to initiate the remedial action both in short and long term, which can be taken up. He pointed out that urban area has lower growth in percentage terms wherein the industries can do something for urban area. The State is proactive to see greater investment. There is greater need for medium and small-scale industries, which have direct impact on CD ratio rather than heavy and large industries. Dissatisfied over the progress, he observed that deposit growth at National level is 14 to 16% but in MP it languished at 3.58% and as far as credit growth at national level is concerned, it has shown a growth of 20%, whereas here it is 0.24% only. Hence, for a prosperous MP there should be increased deposit and credit.

He told that the theme for today's discussion is education loan. But Financial Inclusion has its own importance. There is some progress. However, it needs more attention for expeditious action.

Referring to his talk with Principal Secretary, Government of Madhya Pradesh, Finance Department, he told that they have taken the matter with Government of India as to how to expedite the coverage under financial inclusion in as far as Rural Area is concerned. It is a matter of anxiety that out of 52 thousand plus villages only 2736 villages are taken. He observed that MP is predominantly rural and agricultural area whereas the urban area is also growing. Unless financial inclusion programme in terms of efficiency of services is achieved, Government programmes cannot be dovetailed faster. He was in favour of intermediate level target for Madhya Pradesh for financial inclusion.

Referring to Hon'ble Chief Ministers' participation in previous SLBC meeting he said that house was advised with errant hope to achieve some tangible results sustainable to our State.

Another area which needs to work is Interest Subsidy Scheme for Housing the Urban Poor (ISHUP Scheme). A Meeting was held between NHB and GOI recently in this respect. As per feedback received from the Bank there is lack of flow of loan application from nodal agency to the banks. This is the main cause for poor progress under the scheme. Immediate attention of concerned State Government Department is drawn to ensure needed action in this respect.

Going through the data of 1<sup>st</sup> half, the trend obtained is in contrast to what we are seeing at national level. Nationally, the credit growth is out-placing the deposit growth where deposit growing around 14 to 16 % per annum, credit growth has exceeded 20% on year basis.

But in our state the credit growth is about 0.24% as against the growth of 3.58% in Banks deposit. So Banks in MP has lagged behind in credit and deposit growth both. This is a matter of concern that the credit growth is very low and CD ratio is also coming down to 59% from 61% even below to the national norm.

Since minimum threshold level for any sort of decent banking activity has to be at least 60%. Hence, CD ratio coming below is a matter of serious concern.

As banker, we need to look at this analysis. Look at the data of different districts as position of some of the districts is very bad and given to very support to staff of state government and its various officials and agencies down the line that we have received tremendous cooperation we need to work with them very closely to change this position by March 2011.

One of the preliminary analysis shows that urban sector's credit does not grow or in some of the area the credit has been booked in from outside state like Mumbai, Delhi or some like that.

We need to look at little bit more carefully back at the national level where the growth figures look much better which not only shows a growth figure but because these are indicators which can tell us that we are doing what we have set ourselves the agenda to achieve.

Mr. R. Parasuram Additional Chief Secretary, Government of Madhya Pradesh in his speech mentioned that the theme agenda viz: Education Loan Scheme aims at to generate awareness about the need to extend loan to all eligible students. Interest Subsidy Scheme of GOI is already in operation. The Government of MP is keen to ensure that meritorious students of poor families get encouragement by taking benefit of the scheme. State Government has come out with a novel scheme to give guarantee on education loan for meritorious students with poor financial background.

Shri G. P. Singhal, Principal Secretary Finance has raised the issues of low CD Ratio in tribal districts, low degree of issuance of KCC by banks other than cooperative Bank and slower progress of education loan in comparison to last year's progress. This shows that education loans are not given due attention.

On the security aspect in education loan, banks were asked to look into the problems and sort it out as students are denied education loan for security. Our share in education loan in comparison to National Level is very low.

He also mentioned that the State Bank of India alone has contributed to declining trend in CD ratio because their credit has gone down by about Rs. 4,000 crore. SBI must examine the reasons of substantial decline in credit whereas other banks have increasing trend.

Thereafter, agenda was discussed.

#### **PART I: REGULAR AGENDA ITEMS**

##### **AGENDA ITEM NO. 1: CONFIRMATION OF THE MINUTES OF THE 140<sup>TH</sup> MEETING OF STATE LEVEL BANKERS' COMMITTEE HELD ON 27<sup>TH</sup> AUGUST 2010**

Since no objections/comments were received, the minutes of the previous meeting was approved.

##### **AGENDA ITEM NO. 2: FOLLOW-UP ACTION ON DECISIONS OF EARLIER MEETINGS**

###### **Action Point 2.1: Implementation of 100% coverage of KCCs:**

The House was informed that Commercial Banks have achieved 54% of target of Kisan Credit Card but overall achievement is 32% only. The performance of RRB and DCCB is average. Private Banks' performance is very poor. The House desired the private banks to inform reasons of not doing well. If need be, the matter will be taken with their higher authorities. As per RBI norm 150 KCC must be issued per branch. Renewal and issuance of KCC should also be reviewed suitably.

Shri Verma, RD RBI said that Cooperative Bank's contribution was only 24 % of total KCCs issued. Private Banks' performance in this regard is dismal and they should gear up their act.

Concluding the agenda point Chairman asked all banks to give thrust on KCC so as to achieve the target.

It was resolved that:

- Private Sector Banks should pull into the height for issuance of KCC in the State.

- SLBC will take up the matter with their corporate offices.
- RBI norm to issue 150 KCC per branch has to be achieved by all banks including private sector banks.
- Renewal and issuance of KCC should be reviewed suitably.
- Problem encountered and complaints received from the farmers should be looked into.

### **Action Point 2.1.1: Crop Insurance Scheme:**

Shri Bargaiyan, RM, AIC, Bhopal informed that four districts (viz: Sehore, Ujjain, Indore & Bhind) have not settled insurance claims. The matter regarding nine districts has been taken up with District Committee as farmers are facing problems. Regarding compulsory coverage, he informed that total coverage by commercial banks is encouraging this year as compared to last year.

Regional Director, RBI said that the field level feed back from LDOs indicate that farmers are very unhappy about the situation as the premium ranges from Rs1000 to Rs 5000 even for small and marginal farmers. There are many complaints that coverage is made mandatory but many farmers who have actually suffered loss could not get any compensation as the compensation rules were very stringent and the farmers /banks were not aware of the same. He further advised Shri Bargaiyan to present the statistics relating to MP in the next meeting.

Representative from Agriculture Department, M. P. Government asked about statistical data of claim given to farmers as the coverage under Crop Insurance is good. He said that information received from SDOs that premium is very high ranging from Rs. 1000 to Rs. 5000 for small and marginal farmers. Farmers are making complaint for not receiving compensation claims after suffering actual loss. Shri Bargaiyan informed that under CCSS since 1985 till Kharif 1999 AIC received claims of Rs. 36.00 Crores and disbursed Rs. 98.92 crores.

39 lakh farmers have got claim out of 1.93 Crores farmers covering 20% farmers who got benefit under the scheme. Under NAIS since inception of scheme to Rabi 2009-10 AIC received premium of Rs. 753 Crores from farmers and compensated about 1078 crores out of this total coverage of farmers is 2 crores and have paid claim to 41 lakh farmers.

Principal Secretary, Deptt. of Agriculture, Govt. of M P stated that out of the total 68-70 lakh families 15.5 lakh farmers have been covered under Crop Insurance Scheme and only for 6 crops. It should be extended to all the crops being raised in the State. There are technical difficulties as there is no crop cutting which farmer wants to cover. On this Mr. Bargaiyan AIC told that there are 40 crops including fruit crop, vegetable crop and horticulture crop being raised in the State but coverage is available only to 19 crops in Kharif and Rabi both. Hence, 100% coverage is not possible as entire area and crops are not notified under the scheme.

CGM, NABARD mentioned that some BMs, in enthusiasm, give more credit for sowing crops which are having high scale of finance but are not eligible for insurance and are not being raised in field actually, thereby putting farmers in trouble. When crops fail and since the crop actually raised are not covered then eligibility for insurance are not shown on records, resultantly they are not able to take insurance benefit.

Additional Chief Secretary advised to take up the matter in SLCC for agriculture and allied activities. Agriculture Department may convene the meeting sometime in January 2011 wherein Horticulture, Revenue Department should be invited for discussions. The minutes could be ratified by SLBC.

Principal Secretary, Agriculture mentioned that 139<sup>th</sup> SLBC resolved that a Sub-Committee has to be constituted. Regarding chairmanship of the sub-committee Additional Chief Secretary added that department can take initiative to convene the meeting.

It was resolved that:

- All the LDMs should ensure 100% coverage for insurance of notified crops in notified Tehsil, if loan has been disbursed to raise these crops. Controlling heads of Banks to issue necessary directives.
- The SLCC on Agri. and Allied activity as also the Sub-Committee constituted by 139<sup>th</sup> SLBC should be convened sometime in January 2011 by Agriculture Department.
- Farmers' complaint for not receiving compensation claims should be dealt with promptly.

**Action Point 2.2: Issuance of KCC to Kotwars**

The House was informed that only 70% of Kotwars were covered with KCC. Hence Lead Bank of each district should ensure 100% coverage of Kotwars.

It was resolved that:

- Banks to ensure 100% coverage of eligible Kotwars under the Scheme.

**Action Point 2.3 Financial Inclusion in Madhya Pradesh**

**Action Point 2.3.1 Financial Inclusion in all 50 districts of Madhya Pradesh**

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

**Action Point 2.3.3 Information Technology Enabled Financial Inclusion**

Minutes of the Sub-committee meeting held under chairmanship of Additional Chief Secretary was sent to all members on 25<sup>th</sup> September 2010 for implementation of IT enabled FI, 100% FI and one district one bank. State Government has clarified modalities for support from State Government for Information Technology enabled

Financial Inclusion (Technology Fund). NABARD has also supplied information on system of support to be given for ITeFI.

As per revised FIP, the number of villages with population over 2000 in MP increased from 2615 to 2736. Banks will cover villages below 2000 population during next year. About 55-60% villages with more than 2000 population have been covered which is expected to reach 70% by March 2011.

Shri Sheo Shekher Shukla, Chief Executive Officer, Rural Road Development Authority, MP Govt. said that villages with above 2000 population constitute only 7% of total number of villages in MP. He requested SLBC to cover all above 2000 populated villages during 2010-11 and covering of villages with above 1000 population be done during 2011-12. Thus it would cover 1/4<sup>th</sup> of villages by March 2012. MOU has to be rectified and modified. SBI chose one district Chhatarpur, which mapped all the villages to cover by March 2011 for the purpose of both Financial Inclusion & MNREGA. Similarly, other public sector banks are requested to come forward to chose one district for 100% Financial Inclusion for saturating it completely. Government is working closure with the other banks also.

Private Sector Banks, e.g. ICICI Bank etc, has shown a lot of keenness and is much faster and more agile in taking Financial Inclusion to villages.

Shri Nitish Vyas, Director, DIF told that Government of India has also desired that left wing effected districts like Balaghat should also be brought in the fold of Financial Inclusion. Hence SLBC should roll out Financial Inclusion Plan for Balaghat. State Government is contemplating to provide additional security to the banks. District administration has been instructed to coordinate with lead district managers for locating the banking outlets near Police Station/ Police Post etc.

It was informed that 7 more districts have been added in the list. Most of them are tribal dominated districts namely Mandla, Dindori, Shahdol, Anuappur, Umaria, Sidhi, Singrauli. Lead Banks of these districts should ensure liaison with district administration.

Chairman told that all Banks have given month-wise Financial Inclusion Plan for implementation. DGM, Union Bank of India informed that his Bank has already appointed BC for entire state of MP and appointed FINO as BC and is already in contact with them. Bank has identified villages out of allotted by SLBC. Officers in some selected villages are there to control the operations of BC.

ICICI Bank informed that out of 14 villages allotted to them, 3 villages are not viable with few beneficiaries and hence Bank is unable to take certificate of Sarpanch and Gram Sachiv. Rest 11 villages will be completed by February 2011.

GM, SBI informed that they have launched unique method of covering of villages allotted under FIP by launching 2 Mobile ATM cum Kiosk Van. Each van will cover around 12 villages. Presently the Method is operating in Tikamgarh and Hoshangabad districts. Connectivity on moving van is difficult and because of it Kiosk operation is a little bit difficult. He requested that Telecom and IT Ministry, GOI to put van with mobile V-Sat for improvement of connectivity and to take up the matter with Reliance and BSNL also. He hoped that the Bank would cover entire villages by March 2011.

Shri Srivastava, BSNL Officer told that that V-Sat can be mounted on mobile devices for extensive use providing easy connectivity. He assured that the BSNL will have detailed discussion with Ministry of Telecommunication and clarification will be released soon.

He informed that they do not have networking equipment and sufficient trained manpower and that is why managing fixed lines and wireless telephone is not at par with other service providers. Hence, BSNL is going on a state-wise networking with 2 or 3 carriers who will provide service whereas BSNL collaborate on that count. Wireless connectivity so far as SWAN is concerned it can be taken drop wire connectivity.

Addl. Chief Secretary suggested to SBI to take a step forward, make a reference and give details to Mr. Srivastava who in turn give the same to the Ministry of Telecommunication and IT, GOI, New Delhi. He further said that they will hold meeting with BSNL in first week of January 2011 and will invite SBI also. He enquired if any other bank can look for Chhatarpur model as Union Bank of India for Rewa. Mobile ATM is good. District Administration could be asked to align the bank's account with ATM also. It is useful for urban sector also. Viability will increase with increasing connectivity.

Convener/ General Manager, Central Bank of India clarified that Central Bank of India has been allotted 299 villages having above 2000 population for Financial Inclusion. The project has been started in 179 villages in 13 districts with the help of 73 BCs. 10500 smart cards have already been issued. 123086 enrolments have been made. Two more districts would also be provided with BCs. Speed is yet to pickup with BC. Hence, by March 2011 Central Bank of India and other banks would pick up better for better figures to that of now.

DGM, PNB informed that bank has also finalized vendors and by this week their bank is going to hold meeting of all the branches and assured that within 4 -5 months they will implement this.

DGM, BOB informed that In Jhabua district they have 32 villages and have finalized service providers as HCL Technologies.

BOM informed that bank has also finalized BCs.

DIF informed that they have not received Micro Plan from PNB till date. DGM, PNB assured that the FIP would be sent by the end of this month.

DGM, BOI informed that out of total villages allotted, work in 17 villages has already been completed under FIP. Certificate from Sarpanch is awaited. In remaining villages, 60-70% account opening has already been done. BCs have been appointed and opening of accounts through BCs are on. HCL, TCS and Integra have been appointed as vendors in MP. They have started doing the work of issuing smart card. Deadline has been given for opening of accounts also by 31.12.10 in all villages and remaining work would be completed by 31.03.2011.

Regional Director RBI pointed out that RRBs are allocated approximately 1000 villages i.e. 1/3<sup>rd</sup> of total village above 2000 population. He was apprehensive whether RRBs would be able to accomplish it since their resources are limited. It has to be examined whether RRBs are adequately equipped to complete the job within the prescribed time schedule. Sponsor banks may review the position in the quarterly meetings.

Chairman said that he is closely and personally involved in Financial Inclusion Project. As far as BSNL is concerned, there is very serious problem. They are though interested, but structural difficulties are there. He assured that he will take up the matter with Secretary, Telecom, Government of India. But even then at operating level there is serious problem. We have to look at the carrier with BSNL to find a solution to this. BSNL has rightly analyzed on this.

He added that service providers themselves are little slower. Now that larger companies are coming but earlier bigger companies were not interested at all. Whereas small companies, which did not have the capacity and mobilizing capacity, they had not work. Now, they also got cushion of finances etc. But slowly we are getting around.

BC management issue is also a serious issue. BC training, BC Audit, overall channel management are also posing lot of inconvenience. But during last 17 months the banks are very seriously working on. The momentum has got clearly started and that is why Finance Minister has also look at and announced 2012 in his budget speech as the target.

Chairman further told that there is degree of overlap in allocation of villages under Financial Inclusion in some states. MP Government has formed cabinet committee and also providing subsidy under EBT etc. This is encouraging step.

Chairman further mentioned that 72 lakh bank accounts have been opened under MNREGA. He advised that Nodal Officer of each Bank should make all efforts to achieve 100% Financial Inclusion. State Government decided to take a joint certificate duly signed by Sarpanch and Gram Sachiv.

Mr. Singhal, Principal Secretary, Finance told that MP is only state which is doing it.

Chairman and CMD of Central Bank of India told that by September 2011 all RRBs should be 100% CBS. By June 2011 Satpura Narmada RRB would be 100% CBS.

It was resolved that:

- Villages with 2000 population & above will be covered by 31<sup>st</sup> March 2011.
- Villages with less than 2000 population will be covered in between 31<sup>st</sup> March 2011 & 31<sup>st</sup> March 2012.
- Private Sector Banks will be given suitable targets by respective DLCCs. This work will be accomplished by DLCCs in January 2011.
- Banks will optimise in getting State Government financial support
- All RRBs will adopt 100% CBS by September 2011.

#### **Action Point 2.4 Settlement of SLR Bonds**

It was informed that MPSEB has developed a strategy for OTS. A committee has been formed. The meeting will be held soon to solve the issues.

#### **Action Point 2.5 Rural Development and Self Employment Training Institutes (RUDSETI) – Now called R-SETI**

The House was informed that out of 50 districts in MP, R-SETIs have been established in 34 districts, land transferred in 31 and, claim sent to NIRD for 18 RSETI. It was further informed that by March 2011 rest of R SETIs would start. Director, RSETI would undertake training in need based programme and some hand holding would be done after training programme.

Mr. Ajit Kumar, Project coordinator, MPDPIP provided latest position on RSETI in MP. Training started in 35 districts now, land allotment in 32 districts. Grant allotment proposal submitted by the bank to NIRD in 22 districts, NIRD released amount in case of 13 districts.

ACS told that Banks demand land in heart of town which collector find very difficult to provide. It is a major bottleneck in land allotment/transfer to RSETIs. He advised bankers to avoid dragging the issue of land selection endlessly and opt for the second best land. In case of delay Central Government may close the programme further, since some states have done 100%.

It was informed that NIRD releases two types of funds - one for construction and another for temporary accommodation of RSETI. Banks were advised to avail the facility. State Level Bank Offices should coordinate with their RSETI for submission of claim for fund from NIRD.

Mr. Ajit Kumar, Project coordinator, MPDPIP informed that another training programme would be arranged for Managers of RSETI during month of January - February 2011 at State Institute of Rural Development, Jabalpur. CGM NABARD told that EDPs training through RSETI will be considered after looking the quarterly reports of RSETIs.

DGM, Canara Bank informed that they are running RSETI in rented building at Bhopal. ACS told that Land has been identified and kept in reserve and advised to follow with Revenue Department. Zonal Manager, BOI told that they are Lead Bank of Bhopal but RSETI have not been allotted to their Bank. ACS clarified that this is a historic legacy that RSETI is already running by Canara Bank and Syndicate Bank combine in MP state. These two are forerunner of the entire concept across the country. That is what inspired Ministry of Rural Development, GOI, New Delhi to start RUDSETI type institutes. They are running it in 5-6 places in India including south Canara district, Karnataka. So it is an exception to that.

It was resolved that:

- Banks will ensure that R-SETIs are established in all districts by March 2011 and started training programmes.
- Banks should not insist allotment/transfer of land to RSETIs in heart of town and opt for the second best land.
- State Level Bank Offices should coordinate with their RSETI for submission of claim for fund from NIRD.
- MPDPIP will arrange training programme for managers of RSETI during January-February 2011 at State Institute of Rural Development, Jabalpur.
- RSETI to build capacity to train people by inviting experts in the field. A new scheme NRLM could also be linked with RSETI because lot of funds are being provided for capacity building and training and we would work very closely on this.

#### **Action Point 2.6 AGRICULTURE DEBT WAIVER AND DEBT RELIEF SCHEME 2008**

It was resolved that:

- Banks would initiate suitable steps to disburse fresh loan to the beneficiaries of ADWDRS 2008 in terms of provisions contained in it.

#### **Action Point 2.7 Reverse Mortgage Loan (RML) Scheme**

It was resolved that:

- All the banks would take active steps for popularizing the Scheme.

#### **Action Point 2.8 Interest Subsidy Scheme for Housing the Urban Poor (ISHUP)**

Chairman told that somehow the Scheme has not been taken-off in Madhya Pradesh. Only Central Bank of India has sanctioned 129 cases for Rs. 106 lakh in Ratlam district in August 2010. But the disbursement is still pending due to reasons like verification of patta and completion of certain formalities. In last SLBC meeting

some of the minor issues were sorted out in terms of the formalities, which have to be completed by State Government, but somehow it is not moving.

Shri S. N. Mishra, Commissioner, Urban Administration and Development, MP said that the issues have been discussed in last 3-4 SLBC meetings. SLBC constituted a Sub-Committee. Sub-Committee report has been approved by SLBC, but nothing is happening. Around 3547 applications to the tune of Rs. 180 crores have been sponsored to different bank have been sent, but disbursement is nil. In all cases issues like allotment of the patta, House rent, and stamp duty have been resolved by the Government. Chief Secretary has also directed all District Collectors to convene DLCC meetings and resolve the same. He requested all banks to dispose-off all cases.

It was resolved that:

- Banks will ensure that resolutions of the Sub-Committee are implemented.
- Bottlenecks, if any, will be communicated to the concerned department to be removed.

**AGENDA ITEM NO. 3: DECISIONS/RECOMMENDATIONS OF VARIOUS SUB-COMMITTEES CONSTITUTED BY THE SLBC**

It was resolved that:

- The Convener, SLBC will ensure that meetings of all the sub-committees held periodically and minutes placed before SLBC for ratification.

**AGENDA ITEM NO. 4: REVIEW OF ANNUAL CREDIT PLAN OF MADHYA PRADESH 2010-11**

Chairman stated that banks have achieved 62% under ACP 2010-11 of which achievement under agriculture is 70%, Crop loan 67%, Agri TL 83% and MSME and OPS 39% each against their respective targets.

He stated the need to look into for the possibilities of substantial growth which also address the issue of low Credit-Deposit ratio.

Mr. B. Mondal, Convener, SLBC clarified further that in the light of Finance Minister's announcement the increased target under agriculture for commercial banks is annexed in separate sheet and requested member commercial banks to achieve it as per revised targets for agriculture.

Mr. Gupta, GM, Apex Bank said that cooperative banks have made tremendous progress in disbursement of production loan under Agriculture. During Kharif 2010 it has disbursed Rs. 2830 crores as compared to Rs. 2500 Crores last year, showing

growth of 52%. For Rabi 2010-11 Rs. 1100 crores have been disbursed against the target of Rs. 1550 crores for production loan under agriculture.

Chairman observed that the decision taken by the Empowered Committee meeting on MSME for MP state held on 20.09.2010 as also the guidelines for sanction of MSME sector up to Rs. 1 Crores guaranteed by CGTMSE. The advance to MSME sector has witnessed increase of 30% over Sept. 2009 but only 3% over March 2010. The report appears to be doubtful.

Shri P. K. Dash, Principal Secretary, Industry Department, M.P. Government has requested for rehabilitation of sick industries under new rehabilitation policy of proactive incentive package which M.P. Government has launched on 01.11.2009. This is to strengthen the package over 2004 policy.

He further added that SSI constitutes 90% of total industries and there is good scope for extending credit under CGFTMSE cover. He appraised the house that there are lot of investment projects coming for mining, industry etc. and informed that the projects of Rs. 2 lakh 44 thousand crores has been signed in Khajuraho summit and large units are looking for finance from outside the state. Hence, Bank should explore the opportunity to finance these projects. Details of projects are given on website thus it would add in increasing the CD ratio of the State.

He also drew the attention towards Delhi-Mumbai corridor where land acquisition is commencing during January 2011 and in next 3-5 years; Rs. 15000 crores investment is likely in Indore-Pithampur Region.

He added that there is wonderful opportunity for credit off-take in the state for infrastructure development in which banks can finance and there is need for participation of banks in infrastructure growth also. He informed that some of the AKVNs are interested for take off the loan and Government has signed an MOU of Rs. 1000 Crores with HUDCO for land acquisition and infrastructure development. He requested banks to participate in the above. He told that more than 20000 Hect. of land has been identified, which is being transferred to Industries Department.

Regarding revival of SLICs, Shri Rajesh Verma, Regional Director, RBI, Bhopal told that Industries Associations are interested in reviving the SLICs, but it appears that the State Government has some reservations about the same.

Replying to this, Principal Secretary, Industries, M.P. Government told that it is not possible because the demand of Industries Associations does not fit to the 2004 package policy of the State Government. However, Government is giving some comfort in 2010 package policy. Dialogue with Industries Association is going on.

Shri M. M. Upadhyay, Principal Secretary, Agriculture informed the house that a very large Agro-Fare is going to be organized from 03.02.2011 to 06.02.2011 at Lal Parade

Ground Bhopal, which is a business cum information fare exposing directly about 1 lakh farmers of 50 districts. Hence, he invited all the banks to be present there to have one to one dialogue focussing schemes to individual farmers and benefiting them.

He mentioned that we have huge market of agro engineering products and farm mechanisation. He again requested banks to attend the fare as all the large, medium and small players from the industries related to Agriculture would participate from all over India and banks may find tie up with local manufacturers or potential entrepreneurs.

It was resolved that:

- Commercial Banks should achieve revised targets for agriculture.
- Keeping in view the growth by 100% by commercial banks for the last 4 years they should tend to double of this year's achievement in Agriculture Financing.
- Banks should explore possibilities for rehabilitation of sick industries under new rehabilitation policy of proactive incentive package which M.P. Government has launched on 01.11.2009. It would add in increasing the CD ratio of the State.
- Banks should explore opportunity for credit off take in the state for infrastructure development in which banks can finance and there is need for participation of banks in infrastructure growth also.

## **AGENDA ITEM NO. 5: PERFORMANCE OF BANKING SECTOR IN MADHYA PRADESH**

### **5.1 Branch expansion**

The total number of branches operating in the State is 5438 as on 30<sup>th</sup> Sept. 2010. There is a net increase of 91 bank branches and 287 ATMs over March 10. Number of ATMs in Madhya Pradesh as on Sept. 2010 is 2602.

### **5.2 Deposit growth**

During the period under review, the aggregate deposits of the banks in Madhya Pradesh increased by Rs. 4672 crores from Rs. 130267 crores as at March 10 to Rs. 134939 up to Sept. 2010, thus recording a growth of 3.58%.

### **5.3 Credit Expansion**

The gross credit in the State increased by Rs. 190 crores, from Rs. 79259 crores as at March 2010 to Rs. 79449 crores as of Sept. 2010, thus exhibiting a growth of 0.24 %.

### **5.4 Credit Deposit Ratio**

The overall CD ratio of Banks for the State of Madhya Pradesh 59% as on 30.09.2010.

### **5.5 LOW CD RATIO**

Chairman requested the member banks, particularly the banks with lead bank responsibilities in 8 districts, which are mainly tribal dominated one, with CD ratio below 40% to push up their LDMs to have close followed up with Bank branches and government officials to improve CD ratio on war footing.

### **5.6 Priority Sector Advances**

Shri Sridhar mentioned that during the period under review, the Priority Sector Advances of Banks in Madhya Pradesh decreased by Rs. 260 crores.

### **5.7 Agriculture advances**

Shri Sridhar mentioned that the Agriculture Advances in the State during the review period has witnessed a decrease of Rs. 212 crores from Rs. 32272 crores as at March 10 to Rs. 30060 crores as at Sept. 2010.

### **5.8 Micro, Small & Medium Enterprises (MSME Advances)**

Shri Sridhar mentioned that the advances to MSME sector during the period under review has witnessed increase by Rs. 295 crores, from Rs. 9826 crores as at March 10 to Rs. 10121 crores as at Sept. 2010, thus showing a growth of 3%.

### **5.9 Advances to Weaker Sections**

Shri Sridhar mentioned that during the period under review the advances to weaker sections increased by Rs. 636 crores from Rs. 11216 crores as at March 2010 to Rs. 11936 crores as at Sept. 2010, thus showing a growth of 6.42%.

### **5.10 DRI Advances**

Chairman requested to take up the matter with their branches and ensure progress under this scheme and to initiate suitable steps for achieving the target and also to submit the progress to Convener Bank for review in the next meeting.

### **5.11 Achievement in respect of Salient Parameters vis-à-vis National Goals**

- The ratio of Priority Sector Advances to total advances, as at Sept 2010, stands at 64 % as against National Goal of 40%.
- The share of agricultural advances to total advances, as at Sept 2010, is 38 % against the stipulated level of 18%.
- The advances to weaker sections constitute 15 % of the total advances as against the stipulated level of 10%. Classification of Weaker Sections should be ensured to be reviewed strictly by member banks in conformity with directives of RBI issued on this subject.
- The CD Ratio in rural & semi urban area is above the National Goal by recording a level of 66 % as at Sept 2010.

- Though there is no variation in percentage terms in DRI advances but there is increase of Rs. 4 crores in absolute terms.

#### **5.12 NPA Position**

#### **5.13 Year Wise Position of Written off Accounts**

Bank members informed the house about increase in NPA. Chairman requested State Government to help Banks in recovery.

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

Chairman discussed on recovery of dues and BRISC. He asked the way to dispose of 2069 crores pending RRCs in the state. He told that banks are facing slowly higher and higher NPA situation and hence we need to look at the best to recover our dues.

Shri G. P. Singhal, Principal Secretary, Government of MP, Finance Department suggested to have reconciliation of RRCs pending with banks because banks have no information to reconcile. So we must find some mechanism for reconciling the data. He requested that whatever RRCs have been filed they must be uploaded on the site and needed information may be downloaded from the site.

He told that RRCs pending for too long time is meaningless. Chairman advised to opt for new techniques of web enabled RRC filing and its follow up to recover the dues through RRCs.

It was resolved that:

- All banks will upload RRCs on the site.
- Opt for new techniques of web enabled RRC filing and its follow up to recover the dues through RRCs.

### **AGENDA ITEM NO. 6: Performance of Banks under various state sponsored programmes**

#### **6.1 Prime Minister's Employment Generation Programme (PMEGP) F.Y. 2010-11 Progress is as under: (2009-10)**

KVIB representative told that progress is very minimal and time for conclusion of this financial year is very short. There is no dearth of margin money but thing the disbursement of loan is not picking up. Hence she requested the SLBC to look into the matter to expedite the disposal. Zero performance of Banks like Dena Bank, Mahakaushal RRB, Punjab & Sind Bank, Sharda RRB, and Vidisha Bhopal RRB are major concerns. Banks were requested to dispose-off the pending cases lying in their branches at the earliest possible. Representative from Industry Department has requested bankers to expedite the cases sponsored by DITC urgently.

It was resolved that:

- Banks will dispose-off the pending cases lying in their branches at the earliest possible.

## **6.2 Performance under SGSY:**

Director, Rural Employment told that under SGSY, the progress is not good as against the target of Rs. 360.90 crores for 2010-11. Till now the achievement is only Rs. 120.98 crores, which is only 35.7%. He informed that the credit mobilization in Indian Bank and Dena Bank is less than 10%. Bank of Baroda, Apex Bank etc. have 10-19% and in large number of banks it is 20-30%. He requested the banks to look into it since 3 ½ months have been left for completion of the Financial Year.

He further told that as against the 114744 Self Help Groups, CC limit has been sanctioned only in case of 68593 SHGs i.e. 59% only. He mentioned that there are 4 districts in which the CC limit has been sanctioned to less than 20% of total SHGs formed.

Additional Chief Secretary further told about RSETI to build capacity to train even by inviting experts in the field. He told that the new scheme NRLM could also be linked with RSETI because lot of funds are being provided for capacity building and training and we would work very closely on this.

He informed that rolling out from SGSY to NRLM would be made gradually i.e. in next year SGSY and NRLM would go simultaneously for three years by identifying districts year-wise and likewise blocks would also be selected. He mentioned that in workshop he assured as bank should come and design for the same. Hence, people must participate for good exposure in it since workshop is very sensitive word.

Mr. Ajit Kumar, PO, DPIIP told that in fact SGSY and NRLM are the integral part of programme.

Chairman told that credit linkages of only 2977 SHG out of 29,245 SHG have been formed is very poor. Except Indian Bank, UBI, CBI, Other commercial banks have not paid much attention on it and it should be enhanced.

It was resolved that:

- Banks will ensure completion of targets in time.
- Banks will ensure to issue cash credit limit to every eligible SHG for which revolving fund has been issued.

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

Shri S. N. Mishra, Commissioner, Urban Administration & Development Department, M.P. Government requested the Banks to expedite the disbursement of loan to cycle rickshaw and handcart puller in Chief Minister's programme.

It was resolved that:

- Banks will expedite the disbursement of loan to cycle rickshaw and handcart puller in Chief Minister's programme.

### **6.4 Antyavayasayee Swarojgar and Kapildhara Yojana**

Mrs. Salina Singh, MD, SCST Corporation informed that under Kapildhara Scheme, sanction of loan is not going well as it should have. She requested the banks to cover the cases under Kapildhara.

ACS told that despite their direction to District Collectors to cooperate in the implementation of Kapildhara Scheme, it did not pick up where as the Rabi season is left with only three months. So within three months we have to push on this.

It was resolved that:

- Banks will expedite the disbursement under Kapildhara.

## **AGENDA ITEM NO 7: Performance of Banks under various special focus programmes**

House deliberated on each & every point.

### **7.1 Self Help Groups Under NABARD Scheme**

Concerted efforts should be made to implement the programme and sort out impediments in opening of savings bank accounts of SHGs.

### **7.2 Housing Finance**

#### **(a) Direct Housing Finance**

Concerted efforts should be made to implement the RBI guidelines.

#### **(b) Golden Jubilee Rural Housing Scheme & Rural Housing Mission**

Chairman told that Rural Housing mission is very important scheme taken up by state Government in MP and Government of India is also looking after some new bankable schemes. It is relying upon Indira Awas Yojana.

Mr. Dubey, Chief Executive Officer, MP Rural Road Corporation told that following last SLBC, the SLCC convened under the Chairmanship of Additional Chief Secretary thereby all banks and Lead District Managers were invited to discuss the issue and policy from beginning of the scheme to enable synchronisation between the Bank and the State Government.

He expressed his happiness over the Central Bank of India's lead to implement the scheme and finalization of MOU between State Government and Central Bank of India at the earliest, which can be signed anytime to come.

He further informed that SBI is also moving forward and they are also in process just as to get legal sanctions cleared from their own departments and after that Govt would be approving that.

He asserted that the two banks i.e. Central Bank of India and State Bank of India is way ahead of other banks that have shown the interest.

He informed that amount of total cost of Rs. 70000/- of a house Rs. 10,000/- come from beneficiaries, Rs. 60,000 from bank of which Rs. 30000 would be repaid by the State Government. So it would not be budgetary allocation for initial amount of Rs. 30000/- subsidy. Both Borrower and State Government would repay the same in same terms and conditions and in same time period.

The pattas to be issued for this land has already got a clearance from the cabinet and the direction have been issued to the district authorities that all the beneficiaries are now being identified to be benefited under this scheme would be given legal right which can be mortgaged with the bank, the stamp duty would also be waved.

The Government is already considering it. Honourable chief Minister has assured positively and scheme is going to be launched in January 2011. He asked the remaining banks to come forward and get their MOU document ready so as it may be signed in one go.

It was resolved that:

- Banks should ensure implementation of the Scheme

**7.3 Financial assistance to Minority Communities (State)**

**7.4 Data on Minority Communities in identified district i.e., Bhopal**

Progress was reviewed.

**7.5 Financial assistance to SC / ST**

Progress was reviewed.

**7.6 Swarozgar Credit Card**

Progress was reviewed.

**7.7 Artisan Credit Cards**

Progress was reviewed.

**7.8 General Credit Cards**

Progress was reviewed.

**7.9 Education Loans**

Bank should ensure that the Scheme is implemented in its right perspective and no complaint of delay and/or harassing the students poured in.

**7.10 Advances to Women Beneficiaries**

Mrs Shikha Dubey, MD, Mahila Vitta Avem Vikas Nigam said that we have implemented Tejaswini Scheme in Six Districts like Chhatarpur, Tikamgarh, Panna, Dindori, Mandla and Balaghat and so far only Rs.2.01 Crores CC limit has been sanctioned against the target of Rs.35.38 crores under this scheme. She requested banks to look into their level best and to expedite the things at the earliest.

CGM NABARD told that SHG is main delivery mechanism for bringing the poor to our banking outlet whether it is BC or VSAT anything. He told that just opening of above points would not do until utilized fully. Hence, we should do much more.

Additional Chief Secretary told about the livelihood mission that they would give the programme electronically to Central Bank of India and Central Bank of India would circulate the schemes to the banks. This would percolate much faster. He suggested that above points would be discussed thoroughly in the special SLCC in which department, NABARD, Banks all would participate with full enthusiasm. They may take the subject matter especially with them if they feel so because in SLCC entire thing should be discussed thoroughly.

**7.11 National Horticulture Mission**

NHB representative informed that as on 30.06.2010, out of 15.26 crores 7.46 crores has been sanctioned at all India level and disbursed Rs. 5.48 Crores.

**7.12 DEBT SWAP**

Progress was reviewed.

**7.13 Farmers' Club**

Progress was reviewed.

**AGENDA ITEM NO 8: jktHkk"kk uhfr dk dk;kZUo;u**

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**PART II – SPECIAL THEME AGENDA**

- **Higher Education Loan Guarantee Scheme introduced by the Government of Madhya Pradesh**
- **Interest Subsidy Scheme launched by the Government of India**

Chairman showed his dissatisfaction over the poor progress in Education Loan in MP which is even lower than previous year's achievement. He showed his anxiety over large number of complaints against banks regarding education loan. He conveyed to the bankers that there are systems for education loan. Government guarantee in M.P. is available above Rs. 4 lakh loan amount and Government of India is providing interest subsidy to the meritorious students with family annual income of Rs. 4.00 lakh. The special sub-committee meeting of SLBC held in November 2010 wherein it was resolved that Bank should adopt broader views in accepting on line applications and acknowledging receipt of these applications.

RBI and Government of India instructions are there that collateral and margin cannot be demanded for loans below Rs. 4 lakh along-with time-schedule of 15 days for disposal of applications.

Banks told that education loan is becoming NPA in country but not in MP.

Principal Secretary, Government of Madhya Pradesh, Finance Department told that problem is not for loan above Rs. 4 lakh, since there is government guarantee. But problem is with loan below Rs. 4 lakh. He further informed that Hon'ble Chief Minister has received a number of complaints that "Bank not sanctioning loan".

Mr. Nitish Vyas, Director, Directorate of Institutional Finance informed that complaints are being received on (i) non-availability of loan application, (ii) non issuance of acknowledgement of loan application, (iii) diverting students to other bank branches, (iv) abnormal delay in sanction of application, (v) demand for collateral security for loan below Rs. 4 lakh, (vi) non-adherence of guidelines i.e. keeping house and land title deed in bank, (vii) demand of guarantee of third party, (viii) compulsory insurance coverage of students and parents, (ix) demand for interest during education period, etc. He further informed that they have received complaint through e-mail which was forwarded to different banks but response

from the banks is lacking. DIF has also circulated higher education scheme to state level heads of banks for further transmission to bank branches. He quoted the Judgement of Justice R. Sudhakar of High Court of Madras as bank should not reject the application arbitrarily from poor students and consider their cases sympathetically.

Officer from UCO Bank informed that banks are giving loan to meritorious students. He quoted the example of student admitted through management quota having poor academic records to which the education loan cannot be provided.

Principal Secretary Finance reiterated that loans should be given to eligible poor meritorious students as per RBI guidelines. Chairman said that now interest subsidy as partial guarantee is also available. Only the thing is that he should get gainful job. Problems should be solved through consultative mode. By and large banks are bullish on education loan.

Dy. General Manager, Union Bank of India objecting to the point for not making loan application form available by the banks informed the house that application forms are available at their website and students can submit it on line and acknowledgement and sanction is also given. Bank is not accepting collateral up to Rs. 4 lakh education loan and not asking for 3<sup>rd</sup> party guarantee. He clarified that incentive is given for payment of interest during education period of student as banks gives 1% interest incentive.

Additional Chief Secretary also affirmed that education loan should be performance based. Mr. Sanjay Singh, Secretary, Technical Education suggested that the data can be collected from educational institutions.

Chairman told that data given in Sub-Committee on education loan indicate that bulk of the business of education loan is below Rs 4 lakh each.

Additional Chief Secretary suggested that VCs of Technical Universities, professors from Engineering and Medical Colleges may also be invited to participate in meeting of Sub-committee on Education Loan.

Shri G. P. Singhal, Principal Secretary advised that the progress against the targets should be discussed in DLCC with concerned bank branch.

Chairman suggested that before next SLBC meeting, Sub-committee on Education Loan can meet again and review the problem if any and the complaints can also be reviewed.

**PART - III**

**A) AGENDA ITEM PROPOSED BY GOVT. OF INDIA**

**Provision of banking facilities in the left wing extremists affected districts (LWE). In MP State**

Banks should roll out specific Financial Inclusion Plan for left wing extremists affected districts viz: Balaghat, Mandla, Dindori, Shahdol, Anuappur, Umaria, Sidhi, Singrauli and submit the same to SLBC/DIF within a month.

**B) AGENDA ITEM PROPOSED BY GOVT. MADHYA PRADESH STATE**

**1. Opening of accounts of old pensioners**

- With a view to mitigate the inconveniences faced by the pensioners, there is a general consensus that Banks should have an arrangement similar to the one with Government of India. Under this arrangement, the Indian Banks' Association publishes the Government of India notification giving detailed schedule of pension relief. Based on this publication the Branches of Banks make arrangement to disburse pensions to the pensioners without waiting for any instructions from their controlling offices. Besides above arrangements, there are standing instructions to pension paying Banks from Reserve Bank of India ensuring least hardships to pensioners. Moreover, 139<sup>th</sup> State Level Bankers' Committee meeting held on 29<sup>th</sup> June 2010 resolved that henceforth "the pensioners will be compulsorily provided slip", whenever there is a change in quantum of pension.
- Chairman asked the banks for opening of account for all pensioners to avoid complaints.
- Additional Chief Secretary requested the banks to send strong signal to their Branch Managers to open accounts of all persons of the village, which includes pensioners also. These issues can be monitored by DLCC and a letter may be issued to LDMS on this score. He desired that non-opening of account in bank branches should not be a complaint in future.
- Director, DIF told that SC/ST accounts opening by students should be looked into.

**2. Housing Finance- Rural Housing Mission**

The issue has already been dealt with Golden Jubilee Rural Housing Finance Scheme.

**3. Financing to Horticulture Sector**

Chairman advised Convenor Bank to keep in touch with National Horticulture Board and SLBC will organize a workshop on Horticulture. He told that State Government will also participate in the same. Mr. Sewaram, Secretary, Horticulture told that there are three major issues:

- I. Kisan Credit Card should be designed especially for horticulture and crops of long duration.
- II. There are 2 schemes
  - State Level - Horticulture Mission's scheme, which requires less credit.
  - National Horticulture Board Schemes – which requires more credit?

Banks are financing under National Horticulture Board Scheme but are submitting subsidy claim very late. He requested the banks to look into the matter. Well to do farmers utilise their own resources and get subsidy while small farmers need credit and subsidy. Bank should, therefore, give credit to small farmers for Horticulture on priority basis.

- III. Bank gives loan to cold storage on commercial rate as commercial project whereas it is an infrastructural one. In some state, like Gujarat, it is treated as lending under agriculture sector and are charging lower rate.

He told that in next three years, about 5 lakhs hectare additional land area is expected to be covered under horticulture. So Banks should give more thrust on Horticulture i.e. for fruit and vegetables both.

Department will provide comprehensive data for Horticulture for state and district to SLBC.

Mrs. Rashmi Arun Sami, Director, Horticulture suggested that for all post-harvest management operations including green houses are treated as commercial loan, rate of interest is higher and banks are not accepting agriculture land as collateral and "Rin pustika" as title deed for these activities. Hence, it is tending to be more costly affair for the farmers. Therefore, Bank's policy be improved/ amended. She told that some banks like Bank of Baroda, SBI, CBI, RRBs are not submitting reports in respect of cases of NHB in time. Hence, subsidies are not released from NHB.

Additional Chief Secretary said that financing horticultural activities should be an attractive proposition. He told that horticulture should be linked with other programmes also. He told there is huge market if linked with market and because of non-availability of storage facilities, crops get spoiled and cannot get market resulting into loss to consumer as well as farmers. He advised that all these aspects should be discussed in SLCC.

**4. Return of Rin Pustika and issuance of new Rin Pustika-**

Mr. Ajit Kumar, PO, DPIP requested State Level Heads of Banks for issuance of instructions to their Branch Managers to release old "Rin Pustika" to the farmers for issuance of new "Rin Pustika" and cooperate District Administration. While returning "Rin Pustika" bank branch should clearly mark the loan's balance outstanding as on date so as the same may be recorded in new "Rin Pustika".

**Presentation from DPIP :** Shri Ajit Kumar, PO, DPIP presented the scheme of "Bank Mitra" which is world bank funded project of GOI objective of which is to empower the rural poor, improving their capacity and opportunities for sustainable livelihood through SHG. At present around 10 thousand SHGs have been formed under this project and they have 1500 BDCs i.e. federation of SHG.

He narrated limitations like less number of rural branches, shortage of staff and poor access to bank credit, lack of banking knowledge, waiting in bank branch for long time resulting into loss of wages and suggested Bank Mitra/ Bank Sakhi as the solution for financial literacy among villagers i.e. SHG members and MNREGA beneficiaries.

The details of suggestions made by him are annexed.

He informed that in Bihar, Rs. 1700/- is being paid to workers plus Rs. 200/- TA by DPIP, so banks have to provide only with table and chair with them.

Chairman suggested that the Bank Mitra will co-assist with FLCC run by banks in their Lead District.

Additional Chief Secretary told that trainers themselves should be trained thoroughly.

Representative of DPIP told that they will employ master trainer to train.

**C) AGENDA ITEM PROPOSED BY RBI**

Regional Director, RBI said that guidelines given by RBI regarding restructuring of account by banks on natural calamities is self-explanatory and bank should comply on them.

**D) AGENDA ITEM PROPOSED BY NABARD**

CGM, NABARD Shri S. Akbar said that centrally sponsored schemes of animal husbandry has given wide publicity at state and district level and hoped that necessary instructions have already been issued to branches by banks. He proposed to hold a bankers' meet for giving targets for schemes under FDSKK.

Further, he said that there is huge project of installation of solar off-grid where interest subsidy and capital subsidy is available for the purpose of lighting etc., which is more useful for far-flung areas. He told that classification of this project would be clarified by RBI.

**E) OTHER AGENDA  
SPREADING AWARENESS OF CODES AMONG BANKERS AND PUBLIC (BCSBI)**

Shri P.B.Vaze, Senior Vice President, Banking Codes and Standards Board of India told that BCSBI has a role to play in the development of state through the code of commitment particularly, through the code of micro enterprises. He requested banks to identify, train and finance micro entrepreneurs without collateral and have hand holding for graduating from micro to small and small to medium enterprises. BCSBI has devised a simple application form for micro enterprises and is available on website. Details are annexed in annexure.

Shri Mondal, Convenor SLBC and General Manager, Central Bank of India presented vote of thanks.

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