

Minutes of the Special SLBC Meeting held on
26.02.2014

A Special meeting of the State Level Bankers' Committee (SLBC) in the State of Madhya Pradesh was held on 26.02.2014 to review the progress under Govt. Sponsored Schemes, as per the decision taken in the 153rd meeting of SLBC. The meeting was held in the Conference Hall of the Central Bank of India, Zonal Office, Bhopal.

The meeting was co-chaired by Shri. Anthony De' Sa, Chief Secretary Govt. of Madhya Pradesh, along with Shri. Animesh Chauhan, Executive Director, Central Bank of India (Convenor Bank).

Other dignitaries present in the meeting were, Shri. P.K. Dash, Addl. Chief Secretary, Industries and Employment, Shri. M.M. Upadhyaya, Agriculture Production Commissioner & Addl. Chief Secretary, Shri. Rakesh Agrawal, Addl. Chief Secretary, Rural Industries, Shri. Ashish Upadhyaya, OSD & Commissioner Institutional Finance, Shri. Sanjay Shukla, Commissioner UADD, Smt. Alka Upadhyaya, C.E.O., Madhya Pradesh Rural Road and Housing Development Agency, Shri. Sanjeev Jha, Secretary Panchayat & Rural Development, Govt. of Madhya Pradesh, Shri. Murli Radhakrishnan, Regional Director, Reserve Bank of India and senior State Govt. Officials of Various Departments, State Heads of various Banks etc.

Shri. Umesh Kumar Singh, Convenor State Level Bankers' Committee Madhya Pradesh & Field General Manager, Central Bank of India welcomed all participants, with special introductory mention of Shri. Murli Radhakrishnan, incoming Regional Director, Reserve Bank of India. He mentioned the efforts made by banks in the camps arranged at Block Levels by the administrative machinery from 01/02/2014 to 17/02/2014, which had galvanized the progress in the Govt. Sponsored Schemes. He also expressed that there is a need of re-engineering some of the schemes with regard to their features and the process of delivery. Thereafter he invited Shri. Animesh Chauhan to deliver the key-note address.

Shri. Animesh Chauhan, Executive Director, Central Bank of India expressed his privilege and pleasure at the opportunity at being a part of the developmental process of the State, but at the same time felt disappointed at the need for the call of a Special SLBC meeting to galvanize the momentum in the sanction and disbursement of Govt. Sponsored Schemes. Progress of different schemes under the Special Camps were encouraging. A synchronized determination of both partners, the Administrative Machinery and Banks, has shown good results. The gap in achievement of targets could be bridged by the end of March, 2014.

He clarified that the code of conduct was not applicable for financing under the schematic lending and instructions should be reiterated to the field functionaries so that the continuity could be maintained. He also expressed his concern for the NPA of banks and commended the role of the government machinery in the State for assistance in recovery of bank dues.

After key-note address of Shri. Animesh Chauhan, Shri. Umesh Kumar Singh requested Shri. Anthony De'Sa, Chief Secretary, Govt. of M.P., for his guidance and observations. Shri. De'Sa extended his regards to all senior Bankers and commended the good works done by them in the camps held during the period 01/02/2014 to 17/02/2014. During this focused period, certain issues came to light. Re-engineering to improve the delivery process had to be explored. He further clarified that the implementation process of on-going schemes would continue during the Model Code of Conduct for the ensuing Lok Sabha Elections. Though the overall progress of Madhya Pradesh was above the average level, it was not an all round success story. Much desired to be done. The bankers role had been laudable in realizing the goal of the meet.

Speaking on the occasion, Shri. Murli Radhakrishnan, Regional Director, Reserve Bank of India stated that disbursal of loans under Govt. Sponsored Schemes is a way to bridge the income disparities between the rich and the poor besides achieving the goal of Financial Inclusion. He stated that though there has been considerable progress in sanction and disbursal of cases under Govt. Sponsored Schemes during the last month, banks and the sponsoring agencies could have ensured that targets under various Govt. Sponsored Schemes were achieved evenly throughout the year. He also stated that though NPA in Govt.Sponsored Schemes is a cause of concern, the same is disproportionately lower vis-à-vis NPA of loan disbursed to large ticket borrowers in the industrial sector. He also expressed concern over the tardy progress of banks under Education Loans and desired that the same should also be reviewed during the meetings of the District Level Consultative Committees. Thereafter discussion was initiated by Shri. K.C. Nayak, Dy. General Manager, Central Bank of India on the Agenda for the meeting.

The minutes of the 153rd meeting of SLBC were adopted by the House. As per the decision of the 153rd meeting of SLBC, Credit Camps were held in all the 51 districts of the State from 01/02/2014 to 28/02/2014. Camp information during the period 01/02/2014 to 17/02/2014 was collected and presented in the House. It was informed that as per the information received from the districts more than 55,000 cases have been disbursed in these camps.

Progress under Chief Minister's Rural Housing Mission was reviewed, and Smt. Alka Upadhyaya, C.E.O. Madhya Pradesh Rural Road and Housing Development Agency informed the House that during the past one month there was a dramatic improvement in the progress under the scheme. Sanction in the scheme was 93% and disbursement was also 71%, which was a big improvement . 6 banks had achieved targets under sanctions. She commended State Bank of India and Narmada Jhabua Gramin Bank on their improved performance, whereas requested Punjab National Bank, Allahabad Bank, Union Bank of India and Oriental Bank of Commerce to ensure achievement of targets as these banks were lagging behind.

Commissioner Industries, Shri. Arun Bhatt, informed the House about the progress under Mukhya Mantri Yuva Swarozgar Yojna. Sanctions under the scheme was 74%, but disbursements were slow. The issues raised by Banks were taken up by Shri.P.K. Dash, Addl. Chief Secretary , Industries and Employment. He assured that the training process will be completed by the 15th March,2014 of all sanctioned cases, and the district level administrative machinery will assist in completion of the documentation of the applications. Mostly cases with Rs.50,000/- unit cost have been forwarded to banks. Ownership of shop for carrying on the activity should not be insisted upon for these cases. Applicants have rented the places, but disbursements are not taking place. Qualitative sponsoring was another issue of the banks. In this context, Shri. Dash pointed out that banks had agreed to identify 10 cases from each branch but nothing had materialized as on date. There was an urgent need to gear up the disbursement part of the scheme. He also informed the House that coverage by CGTMSE for loans under business and trading sector was also in the pipeline. A separate interaction session of the Honorable Chief Minister with bankers is in the offing for strategic and systematic issues under MMYSY. Shri. Animesh Chauhan assured that the targeted cases for up to Rs.50000/- will be completed, the issues are with cases for more than Rs.50000/-

The Prime Ministers' Employment Generation Programme(PMEGP) was taken up for review. Shri. De'Sa gave instructions to the concerned Departments to sponsor sufficient number of cases to achieve the financial target. Rejection rate of applications was very high, therefore, qualitative sponsoring, data quality and proper monitoring was necessary. Shri. Animesh Chauhan suggested for appointment of one coordinating officer for the three sponsoring agencies under this programme.

Shri. De'Sa gave instructions that the data should be reconciled at least seven days in advance before the meeting between the banks and Govt. departments, so that the House can look for a meaningful solution.

Review of Tanyta Bheel scheme was taken up by Smt. Veena Ghanekar, MD Adivasi Vitta & Vikas Nigam. The scheme did not require Margin Money and Collateral, but banks were demanding the same. This has given a slow momentum to the scheme. Shri. Animesh Chauhan suggested that the scheme may be reiterated to the ground level functionaries.

Under National Rural Livelihood Mission, instructions of the GOI for interest subvention was informed by Shri. Animesh Chauhan. Shri. De'Sa advised the department to allocate financial targets in schemes where the review was required to be done with financial achievement. At present the achievement was far below the target. It was also pointed out that sufficient number of cases should be sponsored by the Department to help banks in achieving the target.

Progress under Rani Durgawati Self Employment scheme and Deen Dayal Rozgar Yojna had registered low scale. The department viewed that this was due to the similarity of Mukhya Mantri Yuva Swarozgar Yojna launched by the State Govt.

Swarn Jayanti Shahri Rozgar Yojna will be operative up to 31.03.2014. Shri. Sanjay Shukla, Commissioner UADD informed that the applicants were unable to go to the banks as per the convenience of the banks, therefore , one uniform time slot may be fixed in all the banks for disposal of cases and completion of all formalities which require the presence of the applicant.

Under Weavers Credit Cards, the progress of the scheme was 38% against targets. Sufficient number of cases were not sponsored by the department branch-wise. And hence there was a need for the same.

For financial review under Mukhya Mantri Karigar Yojna, the department was instructed to send the updated figures to Directorate of Institutional Finance by 03/03/2014.

Under Education Loan, banks assured to achieve the targets by the end of March,2014.

The proposed State Credit Plan was presented in the House. The plan included 48 Govt. schemes with financial lay-out of Rs.666095.57(Lacs) inclusive of bank loan. Shri. Animesh Chauhan said that the 48 number of schemes were too many and similar schemes should be merged.

Shri. Ashish Upadhyaya further requested banks to continue with the lending process upto May,2014 for the pending applications of 2013-14 as during the first quarter fresh applications were not likely to be submitted to banks.

Shri. Himanshu Joshi, Field General Manager, Punjab National Bank proposed the vote of thanks to the Chair. He assured the Chair that the banks in the State along with the Administrative machinery will work towards the common goal of progress, as both were two wheels of the same cart of progress.

(Umesh Kumar Singh)
Convenor/Field General Manager