

**STATE LEVEL BANKERS' COMMITTEE
MADHYA PRADESH
145th MEETING
19th December 2011**

AGENDA

**PART 1
REGULAR AGENDA ITEMS**

AGENDA ITEM NO. 1: CONFIRMATION OF THE MINUTES OF THE 144th MEETING OF STATE LEVEL BANKERS' COMMITTEE HELD ON 28th Sep 2011

Minutes of the 144th meeting of SLBC held on 28th September 2011 was circulated vide Convener Bank's letter number ZO/SLBC/MP/2011-12/404B dated 27.10.2011 to all members of the SLBC and also placed on website of SLBC of MP (www.slbc_mp.co.in) and DIF's website (www.dif.mp.gov.in). No comments/amendments have been received from any member. As such, house may confirm the circulated minutes.

AGENDA ITEM NO. 2: ACTION TAKEN REPORT ON DECISIONS OF EARLIER MEETING

Convener vide letter no. ZO:SLBC:2011-12:404A dt:27.10.11 and ZO:SLBC:2011-12:444 dt.16.11.11 reminded all concerned to initiate follow-up action on decision taken in the 144th SLBC. Reports received are placed below.

S. no	Action Point	Action Required by	Action Taken
1	Branch Expansion: Banks will start opening of branches in unbanked areas as per their plan and expedite submission of progress report of Branch Expansion Plan 2011-12 to SLBC on monthly basis.	All banks to submit position of July, August & September for branch opening viz name of village, block,district, whether rural/semi urban / urban/tribal on the enclosed format.	Branch Expansion Plan of 307 Centers has been received from 26 Banks for 2011-12. Out of 303 Centers 112 Rural, 123 SU, 15 FI. Banks to initiate steps for opening bank at the earliest.
2	Since the work on CBS is over, hence. from 1st October 2011, RRBs should do for Financial Inclusion to cover up the deficit of the past.	RRBs	SNKGB: TSP have been appointed . MKGB: RFP engagement for BC has been finalized The interface of technology b/w CBS vendor and BC is going to be completely shortly. UCO Bank is also assisting MKGB to complete the deficit of FIP. JDKGB has also placed order to appoint TSP and project have been started to appoint BCs in 2 villages on pilot basis. NMKGB has appointed 23 BC.
3	Under FIP, the progress of coverage of 2000 and more population villages has not been found satisfactory. SLBC is committed to complete the more than 2000 population villages by September, 2011 and take up the 1000-2000 category villages simultaneously, so that the	All banks except SBI and BOI are required to give village-wise status of > 2000 and <2000but >1000 population villages in the prescribed format for the month of JULY AND AUG and	1495 Villages have been covered up to Sep-11 by all the Banks. Village wise Status of >2000 has been provided by CBI 213,220,223 for the month of July, Aug and Sep-11. UCO Bank is covering villages by Base Branches and in the meanwhile BCs would be also appointed.

	<p>allocated villages for 2011-12 are completed by March, 2012. Banks legging behind should accelerate their activities and provide banking services in villages allotted to them by March 2012.</p> <p>Bank of Maharashtra and Punjab National Bank should exert more in completing the job.</p> <p>It was decided that the issue will be placed before the sub-committee meeting of SLBC on Financial Inclusion for detailed discussion.</p>	<p>SEPT2011 separately.</p>	<p>JDKGB and ShardaGB FIP task of 2000+ will be covered by March-12.</p> <p>Legging RRBs have started appointing TSP. Bank of Maharashtra has covered 74 villages and PNB has started the process of FIP.</p> <p>A Sub-Committee meeting of banks has been convened on 31.10.11 wherein it was resolved that</p> <p>a) Low pace FIP of RRBs should be boost up by sponsoring Bank</p> <p>b) Banks have to submit supporting document for early settlement of claims by the State Govt.</p> <p>c) Banks should ensure not only opening account is sufficient transactions should be also made and the quantum of transactions made during the month should be reported to SLBC on monthly basis.</p>																				
4	<p>A list of 32 schemes presently under implementation by Government has been received from the Secretary, Government of India, Department of Financial Services with instructions that payments to beneficiaries under all such schemes should be made through EBT with effect from October, 2011. The State Government is requested to make available list of beneficiaries of such schemes along with bank account details, like name of bank, account numbers, IFSC code etc. to the Banks to enable them to implement the instructions of Gol in this regard.</p>	<p>DIF has to coordinate with the concerned Deptt of State Government for making the list available to banks.</p>	<p>Reminded DIF vide our Lt. No: ZO:SLBC:2011-12:465 Dt:09.12.2011 communication from DIF is awaited.</p>																				
5	<p>Our agriculture growth is slowest in western region. Farmers are also not aware of interest subvention scheme for which banks have to go for campaign.</p> <p>The disbursements made under the Annual Action Plan were discussed and it was observed that some banks have not delivered to the desired extent under Annual Action Plan 2011-12. These banks should look into the matter immediately and all efforts are to be made to ensure that the performance improves and 100% achievement under Annual Action Plan is ensured.</p>	<p>All banks having achievement less than 25% in ACP 2011-12 upto June 2011.</p>	<p>With the ensuing "RABI" season Banks are confident for further growth in Agriculture and Allied activities.</p> <p>Agri Targets achieved are as under:</p> <table border="1"> <thead> <tr> <th colspan="4">(Amt in Cr)</th> </tr> <tr> <th></th> <th>Target</th> <th>Ach.</th> <th>%Ach.</th> </tr> </thead> <tbody> <tr> <td>Sep-10</td> <td>21445</td> <td>10978</td> <td>51</td> </tr> <tr> <td>Jun-11</td> <td>25779</td> <td>6820</td> <td>26</td> </tr> <tr> <td>Sep-11</td> <td>25779</td> <td>11632</td> <td>45</td> </tr> </tbody> </table> <p>CBI has arranged camps and disbursed 886 cr in last three months. Credit camps are being organized by branches to accelerate the achievement.</p>	(Amt in Cr)					Target	Ach.	%Ach.	Sep-10	21445	10978	51	Jun-11	25779	6820	26	Sep-11	25779	11632	45
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6	<p>All the banks to complete the procedure for appointment of</p>	<p>All banks having responsibility in lead</p>	<p>CBI: Though advertisement was given for the R-SETI Directors no of eligible</p>																				

	<p>Director, FLCC but also for RSETIs at the earliest.</p> <p>RSETIs will be opened by Bank of Baroda in Alirajpur and Union Bank of India in Singrauli by September 2011.</p> <p>Banks will ensure that trained beneficiaries will get loan for setting-up employment / self-employment venture since loan up to Rs.10.00 lacs can be given without guarantee.</p>	<p>districts are required to confirm the same.</p> <p>Banks are required to confirm the opening of R-SETI's</p> <p>Banks are required to provide number of beneficiaries trained and of which loans given to them.</p>	<p>was 6, so 6 R-SETI director has been appointed. PNB-1,BOI, Allahabad Bank-1,UBI - 1and SBI-13 has appointed R-SETI Director.</p> <p>Bank of Baroda has opened RSETI in Alirajpur on 19.11.11 and Union Bank of India in Singrauli on 19.11.11</p> <p>As per GOI instructions all such trainees are to be provided Bank loans and R-SETIS are required to handhold such entrepreneur for period of 2 years ,so as to ensure that the scheme is made viable and the entrepreneur can continue their enterprises in smooth manner.</p>
7	<p>Education Loan : Lead Banks will ensure that DLCC distribute the targets to bank branches Banks will issue directives to their field level functionaries that targets are achieved. Convenor will present actual picture in ensuing SLBC meetings.</p>	<p>All banks to submit their targets under Education Loan.</p>	<p>SLBC has circulated the Bankwise and Districtwise targets of Educational Loan. As of Sep-11 total Education loan disbursed for half year ended Sep-11 No.6769 Amt.9041 lakh List of target under education loan is Annexed also.</p> <p>CBI has disbursed 624 cases amount Rs 18.27 cr upto sep-11 in Camps.</p> <p>SBI will organize camp in Dec for Education loan and the branches are instructed by banks to take special care of Educational loan.</p> <p>Sub-Committee Meeting on Education Loan was reviewed on 31.10.11, Banks voluntarily opted to organize Education Loan camp. Banks have allotted targets to their branches.</p>
8	<p>Progress under Chief Minister Rural Housing Mission -- It was resolved that Banks will sign MOU with State Government and inform SLBC.</p>	<p>Progress on signing of MOU and sanction and disbursement if any</p>	<p>CBI has signed MOU and sanctioned 1539 cases. BOI received 4369 application and 744 application have been sanctioned. UCO Bank has sanctioned 2.5 lakhs up to 30.09.11 SBI has signed MOU and promoting the scheme. PNB, MBGB MOU under progress. Allahabad Bank, SGB has not signed MOU.</p> <p>It is also observed that at some branches the disbursements are pending as documentation and original pattas are not made available. Matter has been refered to State Govt., and it is requested that original pattas be made available and documentation completed. It is further requested that the nodal agencies forward cases to</p>

			branches within their service area.
9	<p>LOW CD ratio Districts- Sub-Committee on CD Ratio will have a meeting with those banks having presence in these districts so as to increase CD ratio up to 40% in the coming three quarters of the current financial year. It was also mentioned that the lead bank should draw a roadmap to achieve the minimum level of CD Ratio target.</p> <p>To increase CD RATIO of the State upto 65% by March 2011, It is decided that all branches of your bank be sensitized and the credit off-take should increase in our State, so that our commitments to RBI and State Government of attaining 65% CD Ratio is achieved.</p>	<p>SLBC will arrange a subcommittee of SBI,UBI and CBI. Please mention Strategy adopted by your bank</p> <p>All banks to attain CDR atleast upto 65%</p>	<p>A Sub-Committee meeting was held on 10.12.11, wherein the following decision have been taken:</p> <p>a)A Meeting of Branch Managers of Branches with CD Ratio even lower than the District CD Ratio would be called under chairmanship of concerned District Collector within Dec-11 in which DDM-NABARD, LDM, Representative from State level Head of concerned lead Bank ,District Head of line Deptt. Of M.P Govt. must participate to make programme to increase CD Ratio</p> <p>b)Investment made in Dist. and financed by bank branches located outside the District would be taken into account as credit disbursal of the District.</p> <p>c)Districts with Progress below 50% of the target under ACP would be specially monitored by concerned lead bank.</p> <p>d)Subsidy should not be taken as deposit of bank for CD Ratio purpose.</p> <p>Banks have reported that Credit Camps are scheduled to be held in the coming months and some innovative schemes are being implemented.</p>
10	The Government of M.P. is providing incentive for financial inclusion. However, the data reveals that very negligible amount of claims has been forwarded to State Government.	Banks are requested to submit the claims immediately.	<p>CBI has claimed 5.07 lakh under FIP to DIF.</p> <p>SNKGB have submitted claim to NABARD under FITF of Rs4.74cr through CBI.</p> <p>JDKGB have submitted claim to NABARD under FITF of 5.59 cr through BOB.</p> <p>SGB has also submitted claim to NABARD under FITF</p>
11	<p>RRBs, especially RSGB and SNKGB and DCCBs will take effective steps to ensure a minimum 30% plus of AAP target achieved in quarter of September 2011. Commercial Banks, especially SBI, UBI, IndusInd Bank, Lakshmi Vilas bank and Karur Vysya Bank will patch-up the deficit.</p> <p>Sub-Committee on agriculture will discuss the entire gamut. Convenor will ensure RBI, DIF and major banks would be invited.</p>	<p>Concerned banks will submit their action plan.</p> <p>SLBC</p> <p>Date and venue to be fixed by SLBC in consultation with Agri. Production</p>	<p>Necessary instructions have been passed by Sponsoring Banks to their RRBs .</p> <p>AAP Achievement of RSGB- 13% SNKGB- 40%</p> <p>A meeting was to be scheduled by APC but due to some unavoidable circumstances meeting could not be held, Meeting date and venue would be informed shortly.</p>
12	For increasing DRI advances--Banks will pay adequate	All Banks	Banks have advised their branches and field functionaries to extend

	<p>attention to this scheme and will publicize enough ensuring real beneficiaries are aware of it.</p> <p>RBI will appraise the comparative position of DRI of MP with other state.</p> <p>Commercial banks to disburse loan under this scheme under camp approach in semi-urban and rural area with low CD ratio.</p>	RBI	<p>finance under DRI advances scheme. Special campaigns to be done by branches.</p> <p>Credit camps are being organized by low CD ratio Banks .</p>																
13	<p>KVIC MARGIN ,ONEY SCHEME---Banks will dispose-off all cases by 31.10.2011 and settle claim for margin Thereafter government will not give support and margin money.</p>	All banks	<p>Some bank like SGB,MBGB,VBRRB, SBBJ,JDKGB,MKGB have disposed all the applications and rest have instructed there branches to do the same by Dec-11.</p> <p>44.35 lakh Margin Money has been released in Sep-11.CBI,PNB,Allahabad Bank ,BOB,BOM has boost up the process of disbursement.</p>																
14	<p>Sarva Shiksha Mission, GoMP will hold meeting to finalze the inclusion of text in school curriculum from the year 2012-13.</p> <p>Under Sarva Shiksha Mission, GoMP will distribute in schools the literature and printed books given by RBI.</p>	DIF	<p>DIF informed to the Commissioner Sarva Shiksha Abhiyan about the decision.</p>																
15	<p>Micro Small & Medium Enterprises (MSME Advances)</p> <p>It was resolved that banks will take concerted effort to improve MSME advances.</p>	<p>Banks to increase their MSME advances and report the same to SLBC</p>	<table border="1"> <thead> <tr> <th></th> <th>Target</th> <th>Ach.</th> <th>%Ach.</th> </tr> </thead> <tbody> <tr> <td>Sep-10</td> <td>2835</td> <td>1097</td> <td>39</td> </tr> <tr> <td>Jun-11</td> <td>3480</td> <td>923</td> <td>27</td> </tr> <tr> <td>Sep-11</td> <td>3480</td> <td>1632</td> <td>47</td> </tr> </tbody> </table> <p>CBI has introduced "CENT SAHYOG" scheme to enhance MSME advances. Several branches have been identified for MSME which are being monitored by GM/DGM and BMs are called to monitor the progress.</p> <p>SBI has introduced a scheme "Traders Walk" to enhance MSME advances. RRB's are giving thrust to Micro Finance.</p> <p>BOI in 2607 cases disbursed 234 cr upto 30.09.11.</p> <p>BOB has disbursed 108.76 cr.</p>		Target	Ach.	%Ach.	Sep-10	2835	1097	39	Jun-11	3480	923	27	Sep-11	3480	1632	47
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16	<p>To improve recovery, It was resolved that Commissioner, Institutional Finance will form a separate committee to suggest ways for improving recovery under BRISC.</p>	DIF	<p>DIF has developed a Web-enabled software for the purpose of generating RRCs online and to facilitate banks in recovery and monitoring of overdue through RRCs. DIF has instructed Banks to ensure the pending RRCs issued prior to 1st April 2010 should be</p>																

		on-line by 31 st December 2011. Afterwards, this facility would be discontinued and the Recovery Officers would be advised to close all such cases.
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AGENDA ITEM NO. 3 : FINANCIAL INCLUSION IN MADHYA PRADESH

3.1 New initiative by Government of India, Ministry of Finance, Department of Financial Services.

GOI is much more engrossed to achieve the objective of Financial Inclusion. According to GOI only about 5% of the nearly 6 lakh villages in the country have bank branches. There are 296 under banked districts in the under banked states in the country. With the Financial Inclusion plan under implementation, around 73,000 villages having 2000 and above population, would be provided facilities for banking services by March-12. The banking Correspondents and the new Bank branches in these would also provide services in the adjoining areas.

Detailed talk is being enclosed in **ANNEX-A, Page No. 30**

A meeting of all convenors of SLBC was convened by Ministry of Finance, Department of Financial Services on 3rd Nov, 2011 at New Delhi which was chaired by D.K.MITTAL Secretary of Financial Services, Govt. of India, New Delhi. Minutes of the meeting have already been sent to all state level heads of SLBC member banks in Madhya Pradesh for their reference and due action vide our Lt No ZO:SLBC:2010-11:451 Dt:21.11.11

3.2 Providing Banking Services in villages having population of 2000 and above.

Under Financial Inclusion Plan the progress is as under:

Particulars	2010-11	2011-12 (Sept-11)	Cumulative (Sep-11)
Target	886	1850	2736
Achievement	1020	475	1495
Type of banking outlet opened			
Branch	5	14	19
BC	940	391	1331
Others (Mobile ATM cum Kiosk, Mobile Van etc.)	75	70	145

Bank-wise district-wise progress is given on **Annexure-B page No.125-126.**

Following Banks have still not covered a single village against the number of villages allotted to them:-

S.No.	Name of Bank	No. of Villages allotted
1	Apex Bank	15
2	Axis Bank	6
3	Corporation Bank	5
4	Dena Bank	9
5	IDBI Bank	6
6	Indian Bank	6
7	Punjab National Bank	86

8	State Bank of Bikaner & Jaipur	2
Sub Total Commercial Banks		135
9	Rewa Sidhi KGB	157
10	Narmada Malwa RRB	146
11	Satpura Narmada KGB	276
12	Vidisha Bhopal KGB	8
Sub Total RRBs		587
13	Co-operative Bank	15
GRAND TOTAL		737

Above illustration shows that RRBs and Co-operative Banks are lacking much in achieving the targets and Commercial Banks are near to the completion of targets. Lead District Manager of concerned districts under which CO-operative Bank with above target are located are advised to allocate such above villages to concerned Service area Bank.

The sub committees of DLCCs are supposed to review the progress of implementation and take up allocation / reallocation of villages, wherever required. Controlling heads of Lead Districts may issue instructions to their LDMs. DIF may also reiterate the instructions to the Collectors.

SLBC has to submit consolidated monthly progress report on Financial Inclusion and ICT based Financial Inclusion to RBI by 5th of every month. State Level heads of the banks are requested to issue instructions to the respective officers to ensure submission of report in time to SLBC.

Majority of banks were submitting amalgamated report of all the villages in total to SLBC whereas as informed in last SLBC banks have to report village-wise coverage under Financial Inclusion to SLBC to monitor overlapping of villages.

The position of total 2736 villages of population 2000 and above already covered upto 2011-12 and to be covered upto Sept-11 is as under:

Institution	Total no. of villages allotted	% share to total no. of villages	No. of villages covered upto 2011-12	Leftover villages for 2011-12	% of leftover target to be covered by Banks
Commercial Banks	1683	62%	1416 (84%)	267	16%
Private Sector Banks	31	1%	16 (51%)	15	48%
RRBs	1007	37%	53 (6%)	944	94%
Cooperative bank	15	Less than 1%	0	15	100%
Total	2736		1495 (54%)		46%

- Commercial banks have covered 84% of their target
- Percentage coverage of villages by Apex Bank and Private Sector Banks and RRBs is 0%, 52% & 6% respectively

3.3 Progress in Smart Card Project under EBT Scheme:

430865 Smart Cards were issued up to 30.09.2011.
Claim from different Banks under EBT Scheme is pending with DIF, since long. DIF

to comment.

3.4 The Progress under Financial Inclusion as at the end of Sept, 2011 is given below:

S.No.	Particulars	Number
01	No. of Villages covered under ICT based FI	1495
02	No. of No Frills accounts	7481402
03	General Purpose Credit Cards	37528
04	Kisan Credit Cards	6765529
05	Business Correspondents	1331
06	Business Facilitators	-
07	FLCCs	42
08	Smart Cards Issued	430865

3.5 Outreach Visit by Bank's executives

Central Bank of India has proposed 15 visit by Zonal Manager and 30 visit by Regional Manager before Nov-11 and the same has been implemented. Other Banks are advised to send the report of Outreach visit.

3.6 Branch Expansion Plan 2011-12

AS per decision taken in 142nd meeting of SLBC, all major banks were advised to submit their branch expansion programme for 2011-12. SLBC has received reports from 26 Banks only and branches opened so far, i.e. Sep-11 are as under.

Sr. No.	Name of Bank	No. of Branches Proposed				Progress upto Sep-11
		R	SU	U	Total	Total
1	Bank of India	6	37	9	52	7
2	Central Bank of India	25	5	0	30	4
3	Punjab National Bank	7	25	5	37	18
4	Dena Bank	2	3	2	7	0
5	UCO Bank	2	3	5	10	7
6	Union Bank	5	1	1	7	3
7	Canara Bank	1	6	1	8	0
8	Syndicate Bank	3	0	0	3	4
9	Indian Overseas Bank	2	4	10	16	0
10	State Bank of India	13	1	6	20	0
11	Corporation Bank	3	0	0	3	0
12	HDFC Bank	0	5	8	13	9
13	ICICI Bank	3	1	2	7	0
14	Bank of Maharashtra	3	0	2	5	2
15	NMGB	3	0	1	4	4
16	OBC Bank	2	0	5	7	1
17	P & Sindh Bank	1	3	0	4	1
18	Vijaya Bank	0	1	4	5	0
19	Allahabad Bank	2	2	4	8	0
20	Bank of Baroda	1	26	4	31	8
21	IDBI Bank				10	1
22	Jhabua Dhar RRB	8	0	0	8	2
23	Karur Vyasa Bank	0	0	2	2	0
24	Karnataka Bank	0	0	1	1	0
25	Sharda RRB	15	0	0	15	0

26	Satpura RRB	Narmada	5	0	0	5	0
Total			112	123	72	307	74

Out of 74 Branches opened in Rural , Semi Urban & Urban are respectively 25, 33 & 16.

Centre wise list for opening branches is Annexed-C page no.127

99 unbanked Centers having population 5000-9999 have been identified . Banks to whom the centers have been allotted needs to open branch on these centers. Progress of opening branches on such centers should be reported to SLBC.

List of such centers is **ANNEX-D page no. 128-133**

3.7 Financial Literacy and Credit Counseling Centers (FLCC)

A. Setting up of Financial Literacy and Credit Counseling Centers (FLCC) - Support to Lead Banks from FIF

As per information received, 42 FLCCs have been opened so far. Details are as under:

Sr. No.	Name of the State	Name of district in the state where FLCCs have been opened	Name of the sponsoring bank/	Date of opening
1	Madhya Pradesh	Bhopal	Bank of India	30.05.2005
2	Madhya Pradesh	Sehore	Bank of India	30.01.2010
3	Madhya Pradesh	Rajgarh	Bank of India	01.03.2011
4	Madhya Pradesh	Indore	Bank of India	19.03.2011
5	Madhya Pradesh	Dewas	Bank of India	30.08.2011
6	Madhya Pradesh	Shajapur	Bank of India	30.08.2011
7	Madhya Pradesh	Ujjain	Bank of India	30.08.2011
8	Madhya Pradesh	Burhanpur	Bank of India	30.08.2011
9	Madhya Pradesh	Khandwa	Bank of India	30.08.2011
10	Madhya Pradesh	Dhar	Bank of India	30.08.2011
11	Madhya Pradesh	Jhabua	Bank of Baroda	29.08.2011
12	Madhya Pradesh	Alirajpur	Bank of Baroda	20.08.2011
13	Madhya Pradesh	Ratlam	Central Bank of India	09.08.2007
14	Madhya Pradesh	Mandsaur	Central Bank of India	12.01.2010
15	Madhya Pradesh	Sagar	Central Bank of India	17.02.2010
16	Madhya Pradesh	Narsinghpur	Central Bank of India	16.02.2010
17	Madhya Pradesh	Hoshangabad	Central Bank of India	22.09.2010
18	Madhya Pradesh	Morena	Central Bank of India	11.10.2010
19	Madhya Pradesh	Chindwara	Central Bank of India	08.05.2010
20	Madhya Pradesh	Betul	Central Bank of India	30.09.2010
21	Madhya Pradesh	Mandla	Central Bank of India	15.10.2010
22	Madhya Pradesh	Seoni	Central Bank of India	24.09.2010
23	Madhya Pradesh	Gwalior	Central Bank of India	25.02.2011
24	Madhya Pradesh	Shahdol	Central Bank of India	17.03.2011
25	Madhya Pradesh	Jabalpur	Central Bank of India	13.03.2011
26	Madhya Pradesh	Dindori	Central Bank of India	18.03.2011
27	Madhya Pradesh	Anuppur	Central Bank of India	17.03.2011

28	Madhya Pradesh	Balaghat	Central Bank of India	12.03.2011
29	Madhya Pradesh	Bhind	Central Bank of India	29.06.2011
30	Madhya Pradesh	Raisen	Central Bank of India	16.08.2011
31	Madhya Pradesh	Datia	Punjab National Bank	29.03.2010
32	Madhya Pradesh	Guna	State Bank of India	16.03.2010
33	Madhya Pradesh	Ashok Nagar	State Bank of India	25.03.2010
34	Madhya Pradesh	Neemach	State Bank of India	20.02.2010
35	Madhya Pradesh	Shivpuri	State Bank of India	26.03.2010
36	Madhya Pradesh	Sheopur	State Bank of India	30.03.2010
37	Madhya Pradesh	Vidisha	State Bank of India	29.01.2010
38	Madhya Pradesh	Tikam garh	State Bank of India	26.03.2010
39	Madhya Pradesh	chhatarpur	State Bank of India	23.06.2011
40	Madhya Pradesh	Singoli	Union Bank of India	22.06.2011
41	Madhya Pradesh	Sidhi	Union Bank of India	22.06.2011
42	Madhya Pradesh	Rewa	Union Bank of India	22.06.2011

Bank of India(Badwani, Khargone), State Bank of India(Damoh, Harda, Katni, Panna, Umaria), Allahabad Bank(Satna) is requested to open FLCC on priority basis.

3.8 Rural Self Employment Training Institute (RSETI's)

As per information received from State Level Heads and LDMs, RSETIs have been opened in all 50 districts. The details of R-SETI is as under:

Sr. No.	District	Lead Bank	R-SETIs Established	Land allotted	Claim to NIRD
1	Anooppur	C.B.I.	Yes	Yes	Yes
2	Shahdol	C.B.I.	Yes	Yes	Yes
3	Balaghat	C.B.I.	Yes	Yes	Yes
4	Dindori	C.B.I.	Yes	Yes	Yes
5	Mandla	C.B.I.	Yes	Yes	Yes
6	Mandsaur	C.B.I.	Yes	Yes	Yes
7	Raisen	C.B.I.	Yes	Yes	No
8	Narsinghpur	C.B.I.	Yes	Yes	Yes
9	Gwalior	C.B.I.	Yes	Yes	Yes
10	Sagar	C.B.I.	Yes	Yes	Yes
11	Jabalpur	C.B.I.	Yes	Yes	Yes
12	Ratlam	C.B.I.	Yes	Yes	Yes
13	Hoshangabad	C.B.I.	Yes	Yes	Yes
14	Chhindwara	C.B.I.	Yes	Yes	Yes
15	Bhind	C.B.I.	Yes	Yes	No
16	Morena	C.B.I.	Yes	Yes	Yes
17	Seoni	C.B.I.	Yes	Yes	Yes
18	Betul	C.B.I.	Yes	Yes	Yes
19	Harda	S.B.I.	Yes	No	Yes
20	Panna	S.B.I.	Yes	Yes	Yes
21	Umaria	S.B.I.	Yes	No	Yes
22	Tikamgarh	S.B.I.	Yes	Yes	Yes
23	Chhatarpur	S.B.I.	Yes	Yes	Yes
24	Damoh	S.B.I.	Yes	No	Yes
25	Katni	S.B.I.	Yes	Yes	Yes
26	Guna	S.B.I.	Yes	Yes	Yes
27	Shivpuri	S.B.I.	Yes	No	Yes

28	3Sheopukala	S.B.I.	Yes	Yes	Yes
29	Ashoknager	S.B.I.	Yes	No	Yes
30	Neemuch	S.B.I.	Yes	Yes	Yes
31	Vidisha	S.B.I.	Yes	No	Yes
32	Rewa	U.B.I.	Yes	Yes	Yes
33	Sidhi	U.B.I.	Yes	Yes	No
34	Singrauli	U.B.I.	Yes	Yes	Yes
35	Datia	PNB	Yes	No	No
36	Jhabua	BOB	Yes	No	No
37	Alirajpur	BOB	Yes	No	No
38	Dewas	BOI	Yes	Yes	No
39	Shajapur	BOI	Yes	Yes	No
40	Ujjain	BOI	Yes	Yes	Yes
41	Dhar	BOI	Yes	Yes	No
42	Rajgarh	BOI	Yes	Yes	Yes
43	Sehore	BOI	Yes	Yes	No
44	Barwani	BOI	Yes	Yes	No
45	Khandwa	BOI	Yes	No	No
46	Khargone	BOI	Yes	Yes	Yes
47	Burhanpur	BOI	Yes	No	No
48	Bhopal	Canara/Syndicate	Yes	No	No
49	Satna	Allahabad Bank	Yes	Yes	No
50	Indore	Vijaya Bank	Yes	Yes	Yes

Progress of training conducted by R-SETIs in Madhya Pradesh

Total No of Trainees		Of which				
No of Batch	No of Trainees	SC	ST	MINORITY	OBC	OTHERS
812	24375	6237	5870	749	6248	5271

Total No of Trainees	Of which		Of which	
	BPL	APL	Female	Male
24375	18309	6066	12736	11639

1088 beneficiaries got financial assistance from Banks.

Lead Banks of rest districts are requested to start imparting training through their R-SETIs.

Agenda Item No 4: Review of Annual Credit Plan of Madhya Pradesh:

Comparision of achievement of Annual Credit Plan of last three years is as below:

(Amt. in crores)

Sector	Year 2008-09			Year 2009-10			Year 2010-11		
	T	A	%	T	A	%	T	A	%
Agri. Total	10774	12205	113	12977	15508	119	21445	19702	92
Crop Loan	8130	9768	120	9938	11221	113	16384	14308	87
Term Loan	2644	2437	92	3039	4287	141	5061	5394	107

MSME	2328	1306	56	2247	1854	83	2836	3054	108
Others	2338	2233	96	2891	2668	92	3223	2755	85
TOTAL	15440	15744	102	18115	20030	111	27504	25511	93
	102%			111%			93%		

T-Target

A-Achievement

Sector wise Breakup of Annual Credit Plan 11-12 (up to Sept- 11)

Sector	(Amt. in Crores)					
	Year 10-11 (Sep- 10)			Year 2011-12 (Sep- 11)		
	Target	Ach.	%	Target	Ach.	%
Agriculture	21445	10978	51	25779	11633	45
Crop Loan	16384	8350	51	19854	9899	50
Term Loan	5061	2629	52	5925	1734	29
MSME	2836	1098	39	3481	1632	47
OPS	3223	1258	39	3517	1133	32
TOTAL	27504	13334	48	32777	14398	44

Agency wise Breakup of Annual Credit Plan 11-12 (up to Sept- 11)

	(Amt in Crores)											
	AGRI			MSME			OPS			Total Adv. PS		
	T	A	%	T	A	%	T	A	%	T	A	%
COM. Bank	15504	5061	33	3136	1568	50	3170	1010	32	21810	7639	35
RRBs	3155	1751	56	180	64	36	198	118	59	3533	1933	55
Coop Bank	7120	4820	68	165	0	0	149	5	4	7434	4825	65
TOTAL	25779	11633	45	3481	1632	47	3517	1133	32	32777	14398	44

T-Target A-Achievement

It is evident from the table that achievement of Commercial Bank is only 35% of the target whereas it should have at least exceeded 50%. Commercial Bank should pay attention to achieve target 100%, well before March-12

Bank wise data is given in **Table No. 11, Page No.69-72**

The House may review the progress.

AGENDA ITEM No 5: Performance of banking sector in Madhya Pradesh at a glance

No	Parameters	March 2010	March 2011	Sept. 2011	(Rs. In Crores)	
					Variation over March 2011	
					Actual	%
1.	No. of Bank Branches	5347	5567	5641	74	1.32
2.	Total Deposits	130267	152104	164439	12335	8.10
3.	Total Advances	79259	91499	102388	10889	11.90
4.	Investments	5875	6209	6811	602	9.69
5.	Total Adv. + Investments	85134	97708	109199	11490	11.75
6.	Priority Sector Advances	50866	57038	59133	2095	3.67
7.	Agricultural Advances	30272	34390	35646	1256	3.65

8.	MSME Advances	9826	11316	12261	945	8.35
9.	Tertiary Sector Advances	10768	11332	11226	(-)106	(-)0.94
10.	Advances to Direct Agriculture	26257	27396	30978	3582	11.56
11.	Advances to Weaker Section	11216	12002	12094	92	0.74
12.	Advances to DRI	30	14	28	-	-

It is evident that there is negative growth of 0.94% in the advance to tertiary Sector Advances. House may deliberate the reasons of declining trend in this segment.

5.1 Branch expansions

The total number of branches operating in the State is 5641 as on 30th Sept. 2011. There is a net increase of 74 bank branches over March-11. Number of **ATMs in Madhya Pradesh as on Sept-2011 is 3033.**

	Rural	Semi-Urban	Urban	Total	Specialized SME	ATMs
March-09	2429	1475	1255	5159	29	
March-10	2420	1548	1379	5347	45	2315
March 11	2453	1666	1448	5567	65	2850
Sept-11	2478	1699	1464	5641	66	3033

Bank wise position is given in **Table No. 1 Page No37-38.**

5.2 Deposit growth:

During the period under review the aggregate deposits of the banks in Madhya Pradesh increased by Rs 4007 crores from Rs 152104 crore crores as at March 11 to Rs 156642 crore up to Sept 2011, thus recording a growth of 2.98%. Area wise detailed break-up are as under:

(Amt. in Crores)

	Rural	Semi-Urban	Urban	Total	% Growth
March-09	13646	29326	65394	108366	20.93
March-10	22195	30105	77967	130267	20.21
March-11	21818	39584	90702	152104	16.76
Sept-11	23120	41623	99695	164439	08.10

Bank wise position is given in **Table No. 2 & 3 Page 39-42**

5.3 Credit Expansion

The gross credit in the State increased by Rs 10889 crores, from Rs. 91499 crores as at March 11 to Rs 102387 crores as of Sept 2011, thus exhibiting a growth of 11.90 %. Area wise details are as under:

(Amt. in Crores)

	Rural	Semi-Urban	Urban	Total	% Growth
March-09	18240	13786	35949	67975	13.18
March-10	17267	15033	46959	79259	16.60
March-11	20133	16712	54654	91499	15.44
Sept-11	20639	19815	61933	102387	11.89

Bank wise position is given in **Table No. 2 & 3 Page 39-42**

5.4 Credit Deposit Ratio

The overall CD ratio of Banks for the State of Madhya Pradesh stood at 62.26% as on 30.09.2011. All banks are requested to comply with the commitment made with the Governor, Reserve Bank of India to reach a level of 65% by March 2012. It has been observed that CD Ratio of Commercial Banks, SBI Group Banks and Private Sector Banks is showing declining trend as compared to March-11 to Sept 2011. CD Ratio for Semi Urban branches is less than 60% which needs attention.

Bank wise position is given in **Table No. 2 & 3 Page 39-42**

5.5 LOW CD RATIO

Though, over all CD ratio in the State is satisfactory but CD Ratio of following 6 districts is still below the minimum level of 40%.

S.N.	Name of District	Lead Bank	(%)			
			08-09	09-10	10-11	Sept 11
1	Umaria	State Bank of India	28.99	26.13	24	29
2	Sidhi	Union Bank of India	22.42	33.52	34	32
3	Rewa	Union Bank of India	28.77	30.00	29	28
4	Mandla	Central Bank of India	39.72	30.90	35	27
5	Anuuppur	Central Bank of India	34.25	37.76	36	29
6	Shahdol	Central Bank of India	25.40	28.63	29	30

DIF vide letter no. 1578 dated 16.07.10 advised state level Heads' of concerned Bank to revive sub committee with specific agenda and specific target.

Member banks having branch with low CD Ratio in above districts were advised to review branch wise performance and have to formulate specific roadmap to increase CD Ratio despite repeated discussion in earlier meetings. Concerned Banks are requested to prepare a roadmap and make all efforts to improve branch-wise CD Ratio in these Districts.

5.6 Priority Sector Advances

During the period under review, the Priority Sector Advances of Banks in Madhya Pradesh increased by Rs 2095 crores. Sector wise details are as under:

	(Amt. in crores)			
	Agriculture	MSME	OPS	Total
March-09	26225	6659	9708	42592
March-10	30272	9826	10768	50866
March-11	34390	11316	11332	57038
Sept-11	35646	12261	11226	59133

Bank wise position is given in **Table No. 5 Page 45-46**

5.7 Agriculture advances

The Agriculture Advances in the State during the review period has witnessed increase of Rs 1256 crores from Rs.34390 crores as at March 11 to Rs 35646 crores as at Sept 2011, thus showing a growth of 3.65 % .

(Amt. in crores)			
Sept-2010	Sept- 2011	Growth over Sept 2010	YOY % Growth
30060	35646	5586	18.58

Bank wise position is given in **Table No. 5 Page 45-46**

5.8 Micro Small & Medium Enterprises (MSME Advances)

The advances to MSME sector during the period under review has witnessed increase by Rs 944 crores, from Rs.11316 crores as at March 11 to Rs 12261 crores as at Sept 2011, thus showing a growth of 8.34% .

It is advised that as per suggestion received from Joint Director(Industries), Bhopal Banks should

- MSME have to increase financial assistant
- According to targets in employment plan sanction/ disbursement should be made till 31.03.11
- It is to be ensured while sanctioning below 10.00 lac cases should be deal according to RBI guideline .
- To increase total Credit Flow, it is necessary MSME sector should be boost up.
- It is observed that different banks deal with different guidelines for Sanction/disburse cases , it would be appropriate to follow uniform norms and accordingly check list to be made.
- To find out the feasibility of sick units a committee should be formed of members of industrial unit, nominated lead bank official , officer from financial society and 3 months time should be provided for sick unit to be renaissance .

(Amt. in crores)			
Sept-2010	Sept 2011	Growth over Sept 2010	YOY % Growth
10120	12261	2141	21.15

Bank wise position is given in **Table No. 5 & 34 Page 45-46 & 120-121**

5.9 Advances to Weaker Sections

During the period under review the advances to weaker sections increased by Rs.92 crores from Rs. 12002 crores as at March 2011 to Rs 12094 crores as at Sept 2011, thus showing a growth of 0.76 %.

(Amt. in crores)			
Sept-2010	Sept 2011	Growth over Sept 2010	YOY % Growth
11936	12094	158	1.32

Bank wise position is given in **Table No. 7 Page 49-50**

5.10 DRI Advances

The performance of Banks under DRI is being reviewed in every meeting of SLBC. RBI and Government have been showing their concern about the low progress under the scheme and non- achievement of National Goal of 1%.

(Amt. in crores)

Sept-2010	Sept 2011	Growth over Sept 2010	YOY % Growth
34	28	(-6)	(-) 17.60

Member banks are 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

No	Parameters (RATIO)	Goal %	Mar 10 %	Mar 11 %	Sept 11 %	Variation over Mar 11
A)	C D Ratio	60	61	60	62.26	2
B)	CD Ratio (Rural + S/U	60	62	60	62	0
C)	Credit + Inv. To Deposit		65	64	66	2
D)	PS Adv to Total Credit	40	64	62	58	4
(E)	Agri. To Total Credit	18	38	38	35	3
F)	Advances to Weaker Section to Total Adv	10	14	13	12	1
G)	DRI Adv to Total Adv.	1	0.04	0.015	0.027	0.012

Bank wise position is given in **Table No. 6 Page 47-48**

Highlights

- The ratio of Priority Sector Advances to total advances, as at Sept 2011, stands at 58% as against National Goal of 40%.
- The share of agricultural advances to total advances, as at Sept 2011, is 35% against the stipulated level of 18%.
- The advances to weaker sections constitute 12 % 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. It is evident that there is continuous declining trend in this segment. Banks are requested to reach at higher level.
- The CD Ratio in rural area is 89, semi urban area is 48 & Urban area is 62 as such CD Ratio in Semi Urban area needs special care to improve. So as the present State CD Ratio may touch the stipulated level of 65 % .
- There is declining trend in DRI advances which needs care.

RECOVERY

5.12 NPA Position

(Amt. in Crores)

Scheme	Sub-Std.	Doubtful	Loss	Total NPA	Total Adv.	% of NPA to Total Adv
Agriculture	1200	663	193	2056	35646	6
MSME	331	271	138	739	12261	6
OPS	189	153	83	425	11225	4
PMEGP	25	24	75	64	198	32
SGSY (Group)	25	18	9	52	288	18
SGSY (Ind)	43	25	12	81	392	21

KVIC	9	7	2	19	165	12
SJSRY	25	23	13	61	186	33
SRMS	2	3	1	7	27	26
Antyavyasai	7	8	2	18	62	28
Housing	105	81	35	222	8194	3
Education	38	18	9	66	1530	4

Bank wise position is given in **Table No. 8 (I) to 8 (IV) Page 51-60**

The NPA under SGSY(ind), SJSRY, Housing and Education has increased than last quarter. Despite request by DIF NPA under SGSY and SJSRY field level functionaries could not downsize , rather it has increased. All concerned departments are once again requested to help Banks in recovering the dues in the NPA accounts under each scheme.

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

(Amt. in crores)

Item	No.	Amt.
Recovery cases pending at the beginning of the quarter	933773	2254
Cases filed during the quarter	24776	224
Total RRC	958549	2479
RRC disposed of during the quarter	3401	21
RRC withdrawn during the quarter	30110	74
RRC pending at the end of the quarter	925038	2384
Of which pending up to 1 year	184692	841
1 to 3 years	162480	420
3 to 5 years	155600	357
5 to 12 years	97158	144
Above 12 years	325108	621

Bank wise data is given in **Table No. 10 & 10 (I) Page 63-68**

Implementation of web-enabled online Banks Recovery Incentive Scheme (BRISC) Software

DIF has developed a web-enabled software for filing and processing of RRC under the provisions of the MP Lokdhan Shodhya Rashiyon Ki Vasuli Act, 1987. All Banks and District Administration have been advised to file and accept RRCs filed online only. Even, it has also been provided that pending RRCs may also be regenerated. This software is in use since 1st April, 2010. Status report is as under:

(Amount in crore)

Item	Since inception to		April 2011 to Sept-2011	
	A/c	Amount	A/c	Amount
RRCs filed by branches	78855	876.79	78872	877.05
RRCs forwarded by Distt. level Nodal branch to Collector	60646	707.13	57355	664.77
RRCs Accepted by District Administration	39249	465.98	34942	421.70
RRCs Rejected /returned by District Administration	0	0	0	0
RRCs issued/alloted by District Administration to Revenue Officer	20894	254.84	18864	232.09
Recovery against issued RRC	259	2.03	242	1.96
RRCs Disposed off by District Administration	40	0.42	40	0.43

RRC s pending for Recovery	20854	252.80	18824	230.13
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It has been observed that:

Issuance of Recovery certificates by the Collector and recovery by revenue officials in RRC issued cases in need to be expedited.

On issuance of RRCs, recoveries are directly dealt by the banks and Revenue Officers are not aware fully about the actual recovery. All Banks are advised to instruct Branch Managers to ensure entry of the actual amount recovered in the data base of the system.

All banks are also advised to deposit the processing fee @ 3% and BRISC charges @ 2.50% and enter the actual amount paid deposited.

All Zonal Heads are advised to review the status of RRCs at their level.

Bankwise data is given in **Table No. 10 (II) Page 63-68**

AGENDA ITEM NO 6: PERFORMANCE / PROGRESS OF BANKING SECTOR UNDER VARIOUS GOVERNMENT SPONSORED PROGRAMMES

6.1 Prime Minister's Employment Generation Programme (PMEGP) F.Y. 11-12

Progress is as under :(2010-11)

(Amt in Crores)

KVIC Target		KVIB Target		DIC Target				Total target	
P	MM	P	MM	RURAL		URBAN		P	MM
1166	16.32	1166	16.32	777	10.88	777	10.88	3866	54.40
Progress	Up to 30.09.2010								
Cases sanctioned	MM	Cases sanctioned	MM	Cases sanctioned	MM	Cases sanctioned	MM	Cases sanctioned	MM
11	0.57	265	4.82	174	10.25	450	15.64	624	25.89

KVIC:-KVIC vide letter nmp(pmegp/2010-11/4881) dt :14/15.07.2011 informed that 2011-12 is last year of PMEGP. No additional funds will be allotted. Other than this year allocation. Hence Banks should ensure to claim subsidy for all sanction cases and to ensure receipt of all claimed subsidy by 31.12.2011 under this scheme.

Progress is as under: (2011-12)

(Amt. in crores)

KVIC Target		KVIB Target		DIC Target				Total target	
P	MM	P	MM	RURAL		URBAN		P	MM
1109	15.51	1109	15.52	738	10.34	739	10.35	3695	51.73
Progress	Up to 30.09.2011								
Cases sanctioned	MM	Cases sanctioned	MM	Cases Sanctioned	MM	Cases sanctioned	MM	Cases sanctioned	MM
31	1.29	359	20.58	323	5.16	323	5.16	1016	32.18

P- Physical MM- Margin Money

As per Decision taken in bankers Meeting on PMEGP on 23.09.11 Banks has to take final decision for completing backlog by 31.10.11 otherwise pending loan application in the bank branches would be considered lapse automatically for cases of 2010-11.

Bank wise and district wise data is given in **Table No.13, Page 76-80**

6.2 Performance under SGSY:

(Amt in Crores)

Particulars	2010-11(Sept 10)	2011-12 (Sept 11)
Target (Financial)	360.95	397.05
Sanctioned		
Individual	20.82	32.04
Group	95.16	131.96
Total	115.98	164.00
Disbursed		
Individual	19.42	27.23
Group	85.75	110.96
Total	105.17	138.19
% age Sanctioned	32.13	41.03
% age Disbursed	29.14	34.80

Bank wise and district wise data is given in **Table No. 14 Page 81-83**

Year- wise data is as under:

(Amt in Crores)

	Target (Amt)	Sanctioned	Disbursed	% Achievement
March-09	325.67	360.00	317.00	111.00
March-10	328.14	325.66	318.39	97.03
March 11	360.95	371.24	350.17	97.01
Sept-11	397.05	164.00	138.19	34.80

Bank wise credit disbursement is as follows

60% and above	Syndicate Bank
Between 40-59%	Punjab National Bank, RRBs, Canara Bank , Central Bank of India, Bank of Maharashtra
Between 20-39 %	Bank Of India, Union Bank, State Bank of India, Allahabad Bank, Bank Of Baroda, Oriental Bank Of Commerce, United Commercial Bank, Punjab & Sind Bank, State Bank of Bikaner and Jaipur, Indian Bank , Dena Bank
Between 1-19%	Central Co-Operative Bank(APEX BANK) & other Bank
0 %	ICICI Bank (Bank of Rajasthan), Land Development Bank

Revolving Fund: Revolving fund released by different Zila panchayats to the Banks for 119677 SHGs but Banks have sanctioned CC limit for 75840 SHGs only constituting 63.37% of total revolving fund released. Banks are to take it seriously since SGSY is going to be replaced shortly by National Rural Employment Mission . Which needs additional subsidy under SGSY urgently in eligible cases.

6.3 Swarna Jayanti Shahari Rozgar Yojana (SJSRY)

Revised Target for FY 2010-11

(Amt. in crores)

Targets	Self Employment Programme	UWSP
Physical	5206	487
Financial	49.46	39.65

(Amt in Crores)

Particulars		USEP		UWSP	
		2010-11 (Sept 10)	2011-12 (Sept 11)	2010-11 (Sept 10)	2011-12 (Sept 11)
Tar. Physical		5206	6100	487	800
Financial	Subsidy	15.71	16.00	14.61	24.00
	Loan	44.00	42.70	25.04	41.14
	Total	59.71	58.70	39.65	65.14
Ach. Physical		3564	2810	21	40
Financial	Subsidy	3.70	3.21	0.24	0.44
	Loan	8.54	9.36	0.24	1.00
	Total	12.24	12.57	0.48	1.44
% Ach. Physical		68.04	46.06	4.31	5.00
Financial %		19.79	21.41	1.64	2.21

Bank wise progress is given in **Table No. 15, Page 84-85**

- **URBAN SELF EMPLOYMENT PROGRAMME (USEP)**

Year wise data on achievement is as under:

(Amt in Crores)

	Target (No)	Sanctioned	Disbursed	% Achievement
March-09	26413	63.05	63.05	64.35
March-10	5206	48.30	48.30	93.98
March-11	5238	51.77	51.77	84.36
Sept-11	6100	12.57	12.57	19.79

- **URBAN WOMEN SELF EMPLOYMENT PROGRAMME (DWCUA/UWSP)**

Year wise data on achievement is as under:

(Amt in Crores)

	Target (No)	Sanctioned	Disbursed	% Achievement.
March-09	627	3.91	3.79	25.27
March-10	487	7.95	7.34	43.33
March-11	772	6.10	6.10	10.21
Sept-11	800	1.44	1.44	2.21

Achievement under UWSP & USEP must be atleast 50% by Sep-11 is 2.21% & 19.71% respectively Banks and concerned agency must make special effort to achieve 100 % target.

- **Under Chief Minister Cycle Cart and Cycle Rikshaw Scheme:**

Phy.Target(No)	Cases Sent to Banks	Cases Sanctioned	Cases Disbursed	% Ach	Cased Pending
5238	3552	784	654	12.48	2768

Achievement under Chief Minister Cycle Cart and Cycle Rikshaw Scheme against the target is only 12.48% which needs special attention of bankers to achieve 100% targets.

6.4 Antyavayasayee Swarojgar Yojana

The data received from Department is as under:

(Amt. in Crores)

Year	2011-12	
	(Antyavaysayee)	
	Sept 10	Sept 11
Target	11340	10000
Sponsored	12922	12357
Sanctioned No.	1781	2024
Disbursed No	1781	501
Amt	7.10	1.99
Rejected/Returned	1106	926
Pending	10035	9407

District wise progress is given in **Table No. 16 Page 86-88**

- **Antyavayasayee Swarojgar Yojana**

Year wise performance

(Amt in Crores)

	Target(No)	Sanctioned	Disbursed	% Achievement
Mar-09	12000	32.26	32.26	69.94
Mar-10	10000	37.32	37.32	83.78
Mar-11	11340	42.59	42.59	84.41
Sept-11	10000	20.24	20.24	20.24

AGENDA ITEM NO 7 : Performance/ progress of banking sector under various SPECIAL FOCUS Programmes as decided by NABARD/State Government/Government of India

7.1 Kisan Credit Card (KCC)

Issuance of Kisan Credit Cards: Banks may make all out efforts to issue KCCs to all the eligible non-defaulting farmers, if not already done. Further, as advised by NABARD vide letter dated 03 October 2011, banks may explore the possibility of financing tenant farmers, oral lessees and share croppers, as has been done in the State of Andhra Pradesh.

A sub-Committee Meeting on Agriculture was held on 10.09.11 and 14.09.11 :

- Common Crop loan Format was developed.
- State Govt. will issue directive to Dist. Administration to collect Fractual figures of left over farmers.
- No, Banks to charge any fee for Crop loan which include documentation fee, inspection fee, advocate fee and renewal fee.
- Banks to sanction Cash Credit limit to be renewed each year on the verification of land holding.
- There will be no requirement of getting no dues certificate but affidavit to this effect would be taken.

State Govt. should advise District administration to mobilize maximum KCCs. On basis of experience Banks are not much getting support in this regard from district nodal authorities.

<u>Banks</u>	Target 2011-2(No)	Achievement (No)	<u>% Ach</u>
COM. BANK	295117	138885	47.06

<u>RRB</u>	112894	35788	31.70
<u>DCCB</u>	600000	97625	16.27
<u>TOTAL</u>	1008011	272298	27.01

Co-operative Banks and RRBs are far behind from the target, where Commercial bank is also to achieve the target with special effort.

Updated statistics as received from banks is furnished in table No. 19 on Page 92-93 for information of the House.

7.2 Self Help Groups (Under NABARD Scheme)

(Progress from April 11 to Sept 11

(Amt. In Crores)

A	S.B A/cs opened	164663
B	Amount deposited in HSS A/c	164
C	Out of (A) A/c credit linked	31800
D	Amount disbursed	37.97
E	Balance Outstanding (No.)	80105
F	(Amt.)	363.06
	NPA Amount	42.72
G	% age NPA	11.76

Bank wise data is given in **Table No. 18, Page 90-91**

SHG Bank Linkage Programme

As per GOI guidelines and NABARD's corporate strategy to cover all uncovered households, an ambitious goal of promotion/savings linkage of 1 lakh new SHGs and credit linkage of 45000 SHGs in Madhya Pradesh is set for the year 2011-12. As a part of this Strategy, NABARD is organizing State Level/Zonal Level Strategy Meets for sensitization of all stakeholders.

All Banks are requested to credit link the SHG having SB A/cs as per merit.

7.3 Housing Finance

(a) Direct Housing Finance

Bank wise data is given in **Table No. 20, Page 94-95** for review of house.

Cases (No)	Received	Sanctioned	Disbursed	Return/Rejected
March-09	21974	21070	20741	690
March-10	30178	28911	28647	964
March 11	24827	24423	24206	270
Sept-11	9403	9000	8952	220

(b) Golden Jubilee Rural Housing Finance Scheme

During the year 2011-12 financial assistance of Rs 1.76 crores has been provided under the scheme to 72 beneficiaries.

Bank wise Data is available in **Table No. 21, Page 96-97** for review of house. Year wise data on achievement is as under:

Cases (No.)				
	Received	Sanctioned	Disbursed	Return/Rejected
March-09	680	644	635	30
March-10	1093	1086	1080	7
March-11	756	707	704	46
Sept-11	76	73	72	2

Due to unavailability of proper Title Deed in rural area the progress under this scheme is poor. Revenue authority to provide title deed to householder in rural area.

7.4 Financial assistance to Minority Communities (State)

Community	(Amt. in Crores)			
	Disbursement 11-12 (April 11 to Sept11)		Outstanding Balance SEPT-2011	
	No.	Amt.	No.	Amt.
Muslim	6232	118	201491	2075
Sikh	1302	33	38405	657
Christian	608	16	16893	319
Zoroastrian	4	0.06	353	5.50
Buddhist	89	0.75	8602	73.54
Jain	2520	33.65	75207	2033
Total	10755	201.48	340951	5162

Government of India further advised to review the progress in lending to minorities in coordination with concerned Departments of State Government.

Bank wise position is given in **Table No. 22 & 23, Page 98-101** for review of house.

7.5 Data on Minority communities in identified district i.e., Bhopal

The information on the financial assistance given to minority communities in Bhopal district as on SEPT-2011 is as follows:

Communities	(Amt. in Crores)	
	SEPT-2011 No.	Amt.
Muslim	54316	823.57
Sikh	16521	184.19
Christian	1213	40.51
Zoroastrian	-	-
Buddhist	304	2.89
Jain	-	-
A. TOTAL	72354	1051.16
B. Total Priority Sector	946261	6848.96
C. Total Advances	1569978	12763.99
% age to A to B	7.64	15.34
% age to A to C(Total Advances)	4.60	8.23

7.6 Financial Assistance to Schedule Castes /Schedule Tribes

The progress up to 30.09.2011 is as under:

Item	Schedule Castes		Schedule Tribes	
	No. of A/cs	Amt.	No. of A/cs	Amt.
App. Recd.	9709	79	6643	49
App. San.	9048	72	6295	44
App. Disb.	8044	67	5994	42
Ap. Rejected	126	1	79	2
App. Pend.	535	6	269	4
Total Bal. O/S	602189	2214	384864	1490
NPA Amt.	72634	422	40140	234
% age NPA	12.06	19.06	10.42	15.70

Bank-wise data is given in **Table No. 24 & 25, Page 102-105**

As at the end of Sept-11, NPA has increased to 19.06% from 18.89% in respect of SC and is almost constant for ST i.e 15.70% .

7.7 Swarojgar Credit Card (SCC)

The progress up to 30.09.2011 under Swarojgar Credit card scheme is given below:

Particulars	(Amt. In Crores)			
	Comm. Bks	RRBs	Co-op Banks	Total
Annual Target (No.)	4475	8621	1960	15056
No. of SCCs Issued	207	1456	579	2242
Amount Disbursed	0.92	4.01	1.57	6.50
% Achievement	4.62	16.88	29.54	14.89

Bank wise progress is given in **Table No. 26 Page No 106-107**

7.8 Artisan Credit Cards

As per information given by Banks the target set for 2011-12 was 3410 against which the Banks have issued 172 cards during the year ended Sept-2011. Total cards issued under the scheme since inception are 7921.

Bank wise position is given in **Table No 27, Page 108-109**

Most of the banks have reported Zero progress in the scheme. This situation needs to be rectified by employing appropriate strategies and organising campaigns for issuance of these cards.

7.9 General Credit Card (GCC) Scheme.

As per information given by the Banks, a total of 2650 cards have been issued during the FY 2011-12 up to Sept 2011 against the self set target of 5948. Total cards issued under the scheme since inceptions are 37528.

Bank-wise position is given in **Table No 27, Page 108-109**

7.10 Education Loans

Banks have sanctioned 5583 education loans amounting to Rs. 128.58 crores during the current financial year upto Sep-11.

Government of Madhya Pradesh is keen to extent education loan to needy students, and it is also the Top priority Agenda of Govt of MP. So that they are not deprived from the higher education for want of resources. In this regard, target to finance 60,000 students during 2011-12 has been set in the State credit Plan. SLBC has allocated Bankwise and Districtwise targets to Banks. Banks are requested to fix Branchwise target and achieve the targets under the Education Loan to increase the excellence of Education in the State.

List of Targets is given in **ANNEX-B, Page 125-126**

(Amt in Crores)

	Disbursement Sep-11		Outstanding Balance Sep-2011	
	No.	Amt.	No.	Amt.
March-09	15667	215.78	61530	953.25
March-10	14637	237.97	69979	1177.08
March 11	13894	181.36	74763	1351.85
Sept-11	7069	89.05	77614	1530.26

Banks are also advised to instruct all branches to obtain income certificate while loan application is submitted to assess the eligibility of the borrower for interest subsidy scheme of the Government of India for education loan. They may also advised to instruct borrower to submit all documents once so that the borrower should not visit again and again to the branch.

Lead Banks are advised to organize camps at District Head Quarters for Education Loan. DLCCs has to ensure the organization of camps under Education Loan at regular interval.

Government Guarantee Scheme for Higher Education Loan

Govt of Madhya Pradesh had launched an Education loan Guarantee Scheme for the poor students without offering of any collateral security by the banks for Education Loan beyond 4.00 lakh.

In connection of above banks are requested to ensure disbursement in the cases where State Government had issued guarantee. Banks should popularize the scheme at the branch level, so effective implementation of scheme may possibly happen.

Bank wise position is given in **Table No 28, Page 110-111**

7.11 Advances to Women beneficiaries

Advances to women beneficiaries stood at Rs 6301.97 crores which is 6.63% of the total advances and well above the target of 5%.

Bank wise data is given in **Table No 29, Page 112-113**

7.12 Progress under National Horticulture Board Scheme

(Amt in Crores)

Particulars	Unit	2011-12 Up to Sept 2011
Cases Received	No	96
Cases Sanctioned	No	80
Cases Disbursed	No	57
	Amt	1.98
Cases Rejected	No	10
Cases Pending	No	6
Balance Outstanding	No	4834
	Amt	95.48

Bank wise and district wise data is given in **Table No. 30, 114-115**

Meeting on Protected cultivation under Horticulture and Micro irrigation was held on 21.11.11 and 28.11.11 at Vallabh Bhawan, Bhopal. It was proposed

- Horticulture Mission: To implement the microirrigation project scheme (Drip irrigation and sprinkler irrigation) through Banks which is subsidy linked scheme.
- To provide the Financial assistance to the farmers through Banks for irrigation purpose.

On behalf of above proposed plan Bankers advised to Horticulture Department to provide Model Project of the Scheme with quantum of loan and eligible subsidy amount.

• **NHB Progress report:**

The progress up to 31.12.2010 under NHB scheme is given below:

Particulars	Number
LOI placed before Board	131
LOI approved by Board	107

No. of cases where subsidy released through NHB Bhopal: (Amt. in lakhs)

	No.	Amt.
TOTAL	40	46.39

7.13 Farmers' Clubs.

Farmers Clubs

The total number of Farmer Clubs formed in the State by the bank branches is 2748 as against the total number of rural and semi-urban bank branches at 7757.

Promotion of Farmers' Clubs – In the 11th Five Year Plan a target of formation of 1,00,000 Farmers' Clubs has been fixed for the whole country. NABARD assistance to all agencies for forming Farmers' Clubs will uniformly be @ Rs.10000/- per club per annum for a period of 3 years. This activity needs to be taken up on priority basis but no significant achievement has been made even at the end of the F.Y. The farmers' clubs may function as Business facilitator / Business correspondents also facilitating them to play an important role in Financial Inclusion.

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PART II: SPECIAL THEME AGENDA

PART III:**I Agenda Item proposed by Govt. Of India.**

Department of Financial services Ministry of Finance issued a letter to Chairman of all SLBC Convener to initiate swift action on the below mentioned points:-

- (i) Special meeting of SLBC for Priority Sector lending :All Ministry of Finance, Govt. of India vide their letter dated 07.09.11 have informed Chairman of all Banks to take action on following points
 - (a) Please ask the SLBC Convener to work with the State Government to see that they issue appropriate instructions for making payments electronically to all beneficiaries.
 - (b) In the district where your bank is the Lead Bank, please ask the LDM to have meeting with the DCC to see that all grants/subsidies under these schemes are directly credited to the account of the beneficiary electronically. Made available for each village to the branch which are in its service area. This will apply to all commercial banks whether private sector or public sector.
 - (c) Each bank will work out a scheme, if none exists for giving Savings-cum-account to other families which do not have any land and live in the rural areas. This account should have an OD limit of up to Rs. 10,000 against the personal guarantee of the villager and the villager should be able to use the bank account for savings for meeting the requirements of consumption purposes on a need base basis and see the OD.
 - (d) We would be reviewing the performance of Regional Managers and Zonal Managers in terms of the achievements with reference to the districts in which your bank is the Lead Bank or your bank is the SLBC Convener. This review will be held in the first week of October and will be reflected in the reports of the concerned Zonal Manager Regional Manager for non-achievement of the target.

II Agenda From NABARD :-**1. Joint Liability Groups (JLGs)**

As a part of revised strategy, 5000 JLGs are expected to be promoted/credit linked during 2011-12 in Madhya Pradesh.

2. GLC Flow under Agriculture sector

- About 41% Agriculture Term Loans during 2009-10 were concentrated in 8 districts (Bhopal, Dhar, Gwalior, Indore, Raisen, Sagar, Shajapur & Ujjain districts). There is an imminent need to increase the ATL in other districts.
- Thrust needs to be given in respect of some important sectors viz., Minor Irrigation, Plantation & Horticulture, etc., which have posted negative growth during the last 2 years.

3. Implementation of Govt. Sponsored Schemes:**I. Credit Linked Subsidy Schemes on Rural Godowns and Strengthening of Agril. Marketing Infrastructure Grading & Standardisation**

- Banks may submit to NABARD, on priority basis, details of completed projects where Joint Monitoring Committee visits are still pending.
- Banks may also submit to NABARD the Utilisation Certificates in respect of the proposals where final subsidy has been released, as this is the prerequisite for receipt of funds from GOI.
- Banks should charge interest on the loan component, excluding the subsidy amount.

II. Artificial recharge of Ground Water Scheme:

Banks which have not credited the subsidy received to the account of the beneficiaries so far should refund the amount to NABARD on priority basis.

III. Implementation of Animal Husbandry Schemes:

Only a few banks have financed Govt's Animal Husbandry schemes & in 14 districts only. All banks may finance these schemes. Details of schemes can be downloaded from www.nabard.org-----> Govt. Sponsored schemes.

IV. Jawaharlal Nehru National Solar Mission (JNNSM)

All LDMs in consultation with DDMs, NABARD, may arrange to convene a meeting of major banks and Nodal Deptt of the State Govt to assess the potential and arrive at targets for the district (unit wise and district wise).

III OTHER AGENDA ITEM**1) Agenda from MNREGS**

- (a) Shadow Area Concept: New branches should be opened in the shadow area where villages are within 5 Km radius and these identified should be confirmed before DLCC and informed to different Banks.
- (b) In "Shadow Area" ,Service Area Bank should confirm the alternative mode of payment .It should be spotted.

2) Agenda Point- Sanction of loans by certain banks on the basis of unduly stamped documents:

Under Section 33 of the Indian Stamp Act, 1899 as applicable to the State of Madhya Pradesh, any public officer before whom any instrument is produced is enjoined to impound the same, if it appears to him that such an instrument is not duly stamped. It is found in certain cases that the Bank Officials are sanctioning loans on the basis of instruments which are not duly stamped. Construction Agreements, Development Agreements and Agreement to Sale Immovable Property are few such documents. The duty chargeable on construction agreement and development agreement is @ 3% on the amount of likely to be spent on construction or development as set-forth in the document, where as the duty chargeable on agreement to sale immovable property (without possession) is @ 1% on the consideration amount, but all these agreements executed on one hundred rupees stamp paper only are being accepted for sanctioning the loans by certain Bank Officials in violation of provisions of Section 33 of the Stamp Act, 1899.

Therefore, it is requested to issue instructions to all the Bank Officials that instead of acting upon such unduly stamped documents, they should impound them and send to the Collector of stamps for recovery of deficit stamp duty and the penalty chargeable thereon.

3) Agenda from National Housing Bank(NHB):

Reverse Mortgage Loan(RML) is Financial Product being developed by NHB that enables senior citizens who own a house in their name, obtain a loan against mortgage of the house. In effect, Senior citizen availing of RML get a tax free income for their entire lives while continuing to live in their houses and without having to sell their homes. Further, the loan does not require to be serviced during the lifetime of the borrower and there is a provision for repayment of the loan through sale of property.

RML scheme is being implemented by Banks throughout the country. Banks have to ensure proper implementation and monitoring of the scheme.

4) Agenda received from Tejaswani :

1)Bank Linkage of Tejaswani Self Help Group: Under Tejaswani programme in 6 District of Madhya Pradesh State (Balaghat, Mandla, Dindori, Tikamgarh, Chhatarpur, Panna) about 12283 SHGs has been formed. Presently Financial assistance is being provided to them from Banks. Districtwise Targets for FY 2011-12 was prepared for 4647 SHGs for Financing Rs 34.70 Cr by the Banks and Rs 7.75 Cr would be Govt. Subsidy. According to plan each SHG would be provided Financial Assistance on an average Rs 91338 .

But only 1907 SHG could be provided loan facility of Rs 4.01 Cr. This is due to release of lesser amt of revolving fund and loan to the SHG.

2)It is stipulated to cover 1053 SHG and 325 SHG formed under Tejaswani scheme under SGSY scheme and directly by the Bank respectively.

Bankwise and Districtwise position is given in **Table No. 17, page No.81**

3)Banks are not opening A/c of SHGs despite completion of document by respective SHG .

IV OTHER ISSUES WITH THE PERMISSION OF CHAIR

Annex-A

Strategy and Guidelines on Financial Inclusion

1. As you are aware, financial inclusion is an important priority of the Government. A number of policy measures have been taken towards achieving the objective of financial inclusion. Under the Financial Inclusion Plan under implementation, in the first instance, habitations with population of 2000 and above, as per 2001 census, are being taken up for provision of banking services by March 2012.

2. Only about 5% of the nearly 6 lakh villages in the country have bank branches. There are 296 under banked districts in the under banked states in the country. With the Financial Inclusion Plan under implementation, around 73,000 villages, having population of 2000 and above, would be provided facilities for banking services by March 2012. The Banking Correspondents and the new bank branches being opened in these villages would also provide services in the adjoining areas.

3. The Task Force set up by the Government for the direct transfer of subsidies on LPG, Fertilizers & Kerosene has already presented its interim report. Pilot for direct transfer of subsidies on kerosene and LPG are being taken up this year. Besides, there are at least 32 other schemes where the benefits are to be transferred to the beneficiaries and adoption of electronic benefit transfer would greatly enhance the efficiency of such transfers, besides reducing the scope of malpractices. Disbursement of MNREGA wages to the beneficiaries is required to be made in a fixed time period. Extension of banking and other financial services to the rural areas will also facilitate and, in fact, accelerate the economic development of such areas.

4. In view of the above, there is an urgent need of a strategy and approach for the extension of financial services to the entire country, so as to extend the benefits of electronic benefit transfer. These guidelines would be applicable for the time bound coverage of the entire country with banking services under financial inclusion.

5.1 Banking Responsibility:

(i) Service area approach would be adopted for the coverage of the entire country for financial inclusion. So far the SLBCs have allocated specific villages among the banks. As Gram Panchayats are at the centre of the various developmental and welfare schemes and would play an important role in the electronic benefit transfer, service area of the banks needs to be defined in terms of the Gram Panchayats.

(ii) Each DCC shall prepare a plan in a format as given at Annexure -I. Changes in existing allocation, wherever required, could be finalised at the level of the SLBCs at their next meetings to be held before 31st October 2011. Banks to whom the areas under Gram Panchayats are allocated would be responsible for all the financial inclusion activities in such areas. However residents would be free to approach any bank within or outside the service area for any banking service.

(iii) Area to be served by the existing and to be opened branches should also be specified in term of the Gram Panchayats and the other areas may be covered through the BC model, as stated above.

5.2 Coverage Plan :

(i) Under the present scheme of financial inclusion, all villages having a population of 2000 or more, as per 2001 census, (72721 villages) have been identified and allocated among banks by the SLBCs to be covered under the Financial Inclusion by March, 2012. In addition, considering the population distribution, in Arunachal Pradesh, Himachal Pradesh, Meghalaya, Mizoram, Uttarakhand, Chhattisgarh, Andaman & Nicobar, Daman & Diu, Pudducherry, Lakshadweep, all villages of 1000 and above must be covered by September 2012.

(ii) Banks must, with their service areas, assign the existing BCs the area of the entire Gram Panchayat or, if required, also the adjoining Gram Panchayat in accordance with para 5.4 below. Banks must also assign the BCs, to be appointed as per sub para (i) above, the area of entire Gram Panchayat in which village having population of 1000 or 2000, as the case may be, falls.

(iii) (a) At present the District and State Level Plans are being prepared for the banks, NABARD etc. Similarly, the Public Sector Insurance Companies are also preparing their field level plans.

(b) In order to develop a comprehensive frame work for delivery of financial services and, hence, promote Financial Inclusion, it is necessary that comprehensive Financial Services Plan for the entire District and State is also prepared.

(c) It has therefore been decided that:

The District Lead Bank Officer, Officer In charge of NABARD and Nodal Officers of Public Sector Insurance Companies, both life and non life, would prepare a comprehensive District Financial Services Plan covering banking, rural development, insurance, etc. These officers would also meet once every month to review the progress and resolve inter agency issues.

At the State Level, SLBC Convener, NABARD in-charge for the State and State In-charge of Public Sector Insurance Companies, both life and non life, would prepare similar State Financial Services Plan. At the State level also, these officers would meet once every month to review the progress and resolve inter-agency issues.

(d) The objective of the exercise is to ensure Financial Inclusion by ensuring bank account for every household, Kisan Credit Card to every farmer's family, General Credit Card to other households and extensive coverage under micro-insurance and micro-pension scheme besides looking at the critical gap in infrastructure in terms of rural warehousing etc.

(e) The District Lead Officer and the State SLBC Convener would be responsible for the aforementioned committees at the District and the State Level respectively.

5.3 Branches:

(i) In the under banked districts as listed by the RBI, the Banks shall within their service area, open a regular brick and mortar branch in larger habitations with population of 5000 and above by September 2012. Such branches could initially have lesser staff, say 2 persons, with ATM facilities. The staff strength could be increased as the business grows. Under the extant Policy of RBI on branch authorisation, prior approval of the RBI is NOT required to open branches in tier 3 to tier 6 areas. In fact, opening bank branches in the under banked districts of the under banked states would entitle the banks to seek branches in tier 1 towns under their Annual Branch Authorisation Plan. Such a branch would be assigned a service area by the DCC/SLBC covering one or more Gram Panchayats .

(ii) In other districts, the banks must try to open as many brick and mortar branches, in their service areas, in habitations having population of 10,000 and above by September 2012.

(iii) While planning for branch expansion, it may be seen that in the unbanked areas the branches are available within a radial distance of 5 km.

5.4 Business Correspondents (BC):

(i) In habitations without a bank branch, the Business Correspondent would be the main instrument of delivery of financial services. It is necessary to ensure that the business model of BCs is commercially sound and that they become financially viable in a reasonable time, say 2 years. This would require that each BC handles a reasonable number of household accounts, keeping the geographical coverage in consideration.

(ii) Based on the feedback from the various Institutions, it is felt that the BC/Agent should be dealing with 1000-1500 households, or cater to a population of about 5000-8000. In the hilly, tribal and desert areas or where distance is large, the banks could have lesser number of accounts keeping the geographical and other conditions under consideration. DLCC will take a decision in such cases and get it ratified from SLBC. However, it must be ensured that the each BC Agent is assigned a sub-service area within the service area of the branch. Gram Panchayat shall be retained as a unit and BCA could be assigned more than one Gram Panchayats.

(iii) Requirement of BC/BCA may be worked out in such a manner that the BCA is available within a radial distance of 2 km.

6 While appointing BCAs, Banks will keep following features in mind:

(i) It is better to appoint an existing entrepreneur as BCA so that it is an additional income to him/her. This will improve the viability of BCA. While approving location of BCA, the place should be such that easily accessible and be preferable by the place of weekly local 'Haats'.

(ii) Nearly 1 lakh Common Service Centres (CSCs) have been established by the Department of Information Technology. The CSC network will also expand. In order to ensure convergence and to assist viability of BC, it would be necessary that in the villages to be covered, wherever a CSC exists, the CSC is made a BCA. Banks can engage additional BCAs, if required in such cases.

(iii) The selection of BCA must be done by the BC with the consent of the concerned Branch Manager in whose service area the BC is located. Preference should be given to such persons who are already doing some activity in the village.

(iv) The device to be given to BCA should be interoperable through the gateway of NPCIL so that the customer can access to any bank by using the device. The device must have biometric facility plus card or password plus card. The BCA must have on-line connectivity.

(v) The BCA must be responsible to receive and pay money, to transfer money from one to another. Each BCA must necessarily be appointed as Business Facilitator (BF) for all activities permitted by the RBI. BCAs must also be used as deposit mobilisation and recovery agents as permitted by RBI.

(vi) The BCA will also be acting as an extension staff for micro insurance, animal insurance, crop insurance and micro pension. The banks will ensure coordination with the agencies, viz., LIC and other agencies dealing with these products.

(vii) An officer of the concerned branch of the bank must be visiting the BCA once in a week on a fixed time and day and will use this visit to collect application for opening account, loans of all types, recovery follow-up and any other banking issues. This will install greater confidence among the customers and facilitate increased banking transactions through BCAs.

(viii) The BCA must be responsible for routing all transactions of all villages in the assigned villages so that effective marketing and follow up, can take place.

(ix) BCA could be remunerated using different models or a combination based on transactions, number of accounts opened, value of transactions, etc., with safeguards against recycling of funds, the guiding principle being the BCA has motivation to facilitate transactions of the customers and to provide good quality services.

(x) For cash management, a proper arrangement needs to be worked out keeping in view the guidelines of RBI by the banks and with the BCA.

(xi) Transfer of the funds by the account holders of the bank represented by the BC to the account holders of other banks should be possible.

(xii) It is necessary for banks to ensure that there is a continuous improvement in the quality of services through the BCAs. Banks must have regular training programmes of the BCAs along with BCs. This must lead to reduction in footfall of the villages from the villages attached to the BCA in the service area of the branch of the bank.

7. Electronic Benefit Transfer:

(i) Presently 32 schemes are in operation, (Annex-II), funded by the Government of India, under which benefits are to be given directly to the beneficiaries. Transfer of such subsidies into the accounts of the beneficiary under Electronic Benefit Transfer would enhance the efficiency of delivery of such services. Benefits in the areas covered under Financial Inclusion must be transferred electronically into the accounts of the beneficiaries. The Convenor Banks of SLBC must take up this matter in the next SLBC and the roadmap for Electronic Benefit Transfer in respect of each scheme must be finalized.

(ii) RBI issued the operational guidelines on implementation of Electronic Benefit Transfer and its convergence with the Financial Inclusion Plan on 12.8.2011. Under this, one district - many bank- one leader bank model is to be adopted. While all Departments of the Government of India (GoI) and State Governments may, for administrative convenience, deal with only one leader bank, such leader bank will obtain the funds from the GoI/State Government and, in turn, arrange to transfer funds through inter-bank transfer to other banks for credit to the accounts of ultimate beneficiaries. Under the service area approach, while the banks would be responsible for the Electronic Benefit Transfer to the residents in their service area, the residents would be free to choose the bank through whom they would like such transfer of benefits.

(iii) In some states, parallel structures for Electronic Benefit Transfer for some schemes have been created which are inconsistent with the aforesaid guidelines issued by the RBI. Such system should be discontinued henceforth or converted into one district- many banks-one leader bank model as per para-(ii) above.

(iv) It has also been observed that KCC beneficiaries as well as others who are already having bank accounts are asked to open separate account for availing Electronic Benefit Transfer. Any beneficiary having any bank account must not be required to open new accounts and the benefits should be credited to the existing account.

All banks are requested to ensure compliance of the above guidelines.