

**MINUTES OF THE SPECIAL MEETING OF
STATE LEVEL BANKERS' COMMITTEE,
MADHYA PRADESH
HELD ON 09.02.2019 AT BHOPAL**

A special meeting of State Level Bankers' Committee, Madhya Pradesh to discuss a crop loan waiver scheme named 'Jai Kisan Fasal Rin Mafi Yojana' was held on 09.02.2019 at Conference Hall, Central Bank of India, Zonal Office, Bhopal, under the **Co-chairmanship of Shri Sudhi Ranjan Mohanty, Chief Secretary, Government of Madhya Pradesh and Shri Pallav Mohapatra, Managing Director & Chief Executive Officer, Central Bank of India.** Senior government officials and bankers participated in the meeting. The list of members who participated in the meeting is enclosed at **Annexure-I**. The following decision were taken:

Agenda No-1 (Status of Crop loans)

The status is noted by the house.

Agenda No-2 (Proposed One Time Settlement Scheme)

- 2.1. A discussion paper on a One Time Settlement scheme for the banks to settle NPA accounts under 'Jai Kisan fasal Rin Mafi Yojana' was circulated on 28th January 2019 to all the concerned Banks to study and share their comments. The committee deliberated on the matter and approved the scheme with two major amendments. The amended clause 5.3 and 6.4 and Examples I and II of the scheme are shown in **Annexure-II**. It was also decided that the same Norms would be followed for cooperative banks for their overdue accounts.
- 2.2. In view of the likely promulgation of model code of conduct in near future, Government of Madhya Pradesh has scheduled programmes for disbursement of loan waiver certificate and Samman Patra under 'Jai Kisan fasal Rin Mafi Yojana' from 22nd February 2019. All concerned officials would ensure that eligible cases should be cleared latest by the 18th February 2019. It was emphasized that resolution of as many NPA cases as possible in this Financial Year would also help the Banks. Government has made sufficient provision in this Financial Year.
- 2.3. The committee was apprised that there are about 55 lakh loan cases which are to be processed. The NPA cases need to be dealt on priority so that credit cycle may begin and this will also help Banks improve their balance sheet. Small and Marginal farmers need to be helped first. Generally, small

and marginal farmers have loans of small amount. Therefore, it was decided that looking at the time constraint, applications of farmers with outstanding loan amount upto Rs 50,000 for performing assets and Rs 2.00 lakh for non-performing assets should be taken up on priority.

- 2.4. Even though the benefit of the scheme will start flowing from 22nd February 2019 but the exercise may not get completed within this Financial Year and some farmers may not get the benefit of the scheme in this Financial Year. Many farmers may have deposited money in their accounts between 1st April 2018 and 12th December 2018, and these farmers are eligible for benefits under clause 1 (अ) of the circular dated 7th January 2019 about the "Jai Kisan Fasal Rin Mafi Yojana". Many farmers may, however, have deposited money in their accounts after 12th December 2018, or intend to do so now. For promotion of a good credit culture, as well as for continuation of access to banking facilities, the committee decided that these farmers should also get benefit/credit for the money they may have deposited after 12th December 2018. In view of the above, the formula for calculation of NPA amount has been reworked. Accordingly, the amended clause 5.2 is at **Annexure-III**.
- 2.5. The Committee decided that the Banks shall be responsible for correctly calculating the NPA amount and categorizing NPA. The Banks however, shall not be responsible for the correctness of data given by the applicant with regard to non-eligible individuals as mentioned in clause 2.3 of the scheme. Accordingly, the amended clause 8.1 is at **Annexure-IV**.
- 2.6. A guidance note/ FAQ would be issued to clarify main points of the scheme.
- 2.7. It was noted that with concern by many Bankers that the recovery position in many Government Sponsored Schemes is deteriorating. In particular, in Chief Minister's Housing Scheme the NPA level has risen above 22%. It was assured by the Government that all efforts would be made to strengthen the recovery process for Bank dues. The BRISC Scheme would also be strengthened.

Agenda No-3 (Request for issuance of Press Note by the State Government)

Bankers noted with concern that farmers have stopped repaying agricultural loans. There is a misconception among the farmers that if they do any transaction that reduces the amount outstanding in their account, their eligibility under the scheme would go down, and they would get a smaller amount from the Government.

It was decided that a press note would be issued by the State Government to clarify the matter.

The meeting ended with a vote of thanks to the Chair by Shri Vishesh Kumar Srivastava, Field General Manager, Punjab National Bank.

Minutes approved by the Chief Secretary, GoMP

Annexure-I
List of participants

Sr.	Name of the official	Designation
1.	Shri Anurag Jain	Principal Secretary-Finance, GoMP
2.	Dr Manoj Govil	Principal Secretary-Finance & CIF, GoMP
3.	Dr Rajesh Rajora	Principal Secretary-Farmers' Welfare & Agriculture Development, GoMP
4.	Shri Manu Shrivastava	Principal Secretary-Commercial Tax, GoMP
5.	Shri Ajit Kesari	Principal Secretary- Cooperative, GoMP
6.	Shri Manish Rastogi	Principal Secretary-Revenue, GoMP
7.	Shri Faiz Ahmed Kidwai	MD, Mandi Board, GoMP
8.	Shri A.K.Dixit	Registrar, Cooperative Society, GoMP
9.	Shri Rajeev Sisodia	CEO, MPOnline
10.	Shri P.K.Singh	Additional Director, DIF, GoMP
11.	Miss Kiran Jaitly	Joint Director, DIF, GoMP
12.	Shri Ajay Vyas	Convenor-SLBC
13.	Shri S.K.Bansal	Chief General Manager, NABARD, Bhopal
14.	Shri Rajesh Kumar	Chief General Manager, State Bank of India
15.	Shri Kaushik Sinha	General Manager, State Bank of India
16.	Shri V.K.Srivastava	Field General Manager, Punjab National Bank
17.	Shri Jayesh Mehta	General Manager, Bank of Baroda
18.	Shri N.Satya Prasad	General Manager, Corporation Bank
19.	Shri D.K.Vishnoi	General Manager, Oriental Bank of Commerce
20.	Shri Pradeep Nikhra	Managing Director, Apex Bank
21.	Shri A.K.Khatri	Dy. General Manager, Dena Bank
22.	Shri V.K.Mehrotra	Dy. General Manager, Punjab & Sindh Bank
23.	Shri Gurtej Singh	Dy. General Manager, Union Bank of India
24.	Shri G.S.Sinha	General Manager, Narmada Jhabua Gramin Bank
25.	Shri S.S.Ratan	Dy. General Manager, Uco Bank
26.	Shri Om Prakash Jain	Dy. General Manager, Canara Bank
27.	Shri Kulvinder Singh	Dy. General Manager, Syndicate Bank
28.	Shri Rajeev Menon	Dy. General Manager, Vijaya Bank
29.	Shri George Mathew	Chairman, Madhyanchal Gramin Bank
30.	Shri D.M.Thakkar	Dy. General Manager, Bank of India
31.	Shri D.K.Jaimini	Asst. General Manager, SLBC
32.	Shri A.Roy	Chief Manager, United Bank of India
33.	Shri Vikas Vijayvergiya	Nodal Officer, HDFC
34.	Shri S.P.Thakur	CRM, Indian Overseas Bank
35.	Shri G.K.Banti	Senior Manager, SLBC, Central Bank of India
36.	Shri Anil Kumar	Sr. Manager, Central M.P.Gramin Bank

Annexure-II
Amendment to the One Time Settlement Scheme

Clause 5.3 (Amended)- GoMP will settle NPA accounts as per formula given below:

NPA Category	Minimum Sacrifice for the Banks	Amount payable by GoMP / farmer
Sub-Standard Assets: Secured/Unsecured	25%	75%
Doubtful Assets: Secured/Unsecured-upto 3 years	50%	50%
Doubtful Assets: Secured/Unsecured-more than 3 years, Loss Assets & Written off Accounts	50%	50%

Clause 6.4 (Amended)

The bank shall make a claim for each eligible loan account to an officer authorized by the GoMP ('Authorized Officer', henceforth) under the Yojana and this Scheme. After approval by the Authorized Officer, GoMP would make a one-time lump sum payment of the OTS amount, as per the calculation shown in para 6.1 or 6.2 (as applicable), to the bank.

Example- Where the farmer has not deposited any money in his NPA account after 31.03.2018

Example-I (A) (Amended):- Asset Category- Sub-standard

Sr.	Particulars	Amount
a.	Overdue amount on the date of account becoming NPA	Rs. 1,50,000/-
b.	Overdue amount as on 31st March, 2018	Rs. 1,50,000/-
c.	OTS Outstanding Loan Amount= Minimum amount outstanding on the date of account becoming NPA or 31st March, 2018	Rs. 1,50,000/-
d.	Share of overdue loan for OTS by GoMP	Rs. 1,50,000/-
e.	Share of overdue loan for OTS by the Farmer	Rs. 0/-
f.	GoMP share payable to bank (as per para 5.3 and 6.1)	Rs. 1,12,500/-
g.	Farmer's share payable to bank (as per para 6.1)	Rs. 0/-

Example-I (B) (Amended)

Asset Category- Doubtful or Loss or Written off

Sr.	Particulars	Amount
a.	Overdue amount on the date of account becoming NPA	Rs. 1,50,000/-
b.	Overdue amount as on 31st March, 2018	Rs. 1,50,000/-
c.	OTS Outstanding Loan Amount= Minimum amount outstanding on the date of account becoming NPA or 31st March, 2018	Rs. 1,50,000/-
d.	Share of overdue loan for OTS by GoMP	Rs. 1,50,000/-
e.	Share of overdue loan for OTS by the Farmer	Rs. 0/-
f.	GoMP share payable to bank (as per para 5.3 and 6.1)	Rs. 75,000/-
g.	Farmer's share payable to bank (as per para 6.1)	Rs. 0/-

Example- Where the farmer has deposited some money in his NPA account after 31.03.2018

Example-II(A) (Amended)
Asset Category- Sub-standard

Sr.	Particulars	Amount
a.	Overdue amount on the date of account becoming NPA	Rs. 3,00,000/-
b.	Overdue amount as on 31st March, 2018	Rs. 3,00,000/-
c.	Amount deposited by farmer after 31st March 2018	Rs. 50,000/-
d.	OTS Outstanding Loan Amount= Minimum amount outstanding on the date of account becoming NPA or 31st March, 2018	Rs. 3,00,000/-
e.	Share of overdue loan for OTS by GoMP	Rs. 2,00,000/-
f.	Share of overdue loan for OTS by the Farmer	Rs. 1,00,000/-
g.	GoMP share payable to bank (as per para 5.3 and 6.2)	Rs. 1,50,000/-
h.	Farmer's share payable to bank (as per para 6.2)	Rs. 75,000/-
i.	Farmer's share already paid (as per "c" above)	Rs. 50,000/-
j.	Farmer's share to be paid to Bank (j=h-i)	Rs. 25,000/-

Example-II(B) (Amended)
Asset Category- Doubtful or Loss or Written off

Sr.	Particulars	Amount
a.	Overdue amount on the date of account becoming NPA	Rs. 4,00,000/-
b.	Overdue amount as on 31st March, 2018	Rs. 4,00,000/-
c.	Amount deposited by farmer after 31st March 2018	Rs. 50,000/-
d.	OTS Outstanding Loan Amount= Minimum amount outstanding on the date of account becoming NPA or 31st March, 2018	Rs. 4,00,000/-
e.	Share of overdue loan for OTS by GoMP	Rs. 2,00,000/-
f.	Share of overdue loan for OTS by the Farmer	Rs. 2,00,000/-
g.	GoMP share payable to bank (as per para 5.3 and 6.2)	Rs. 1,00,000/-
h.	Farmer's share payable to bank (as per para 6.2)	Rs. 1,00,000/-
i.	Farmer's share already paid (as per "c" above)	Rs.50,000/-
j.	Farmer's share to be paid to Bank (j=h-i)	Rs. 50,000/-

Note: GoMP's share would be deposited after the payment of farmer's contribution.

Example-II(C) (Amended)**Asset Category- Doubtful or Loss or Written off**

Sr.	Particulars	Amount
a.	Overdue amount on the date of account becoming NPA	Rs. 4,00,000/-
b.	Overdue amount as on 31st March, 2018	Rs. 4,00,000/-
c.	Amount deposited by farmer after 31st March 2018	Rs. 1,25,000/-
d.	OTS Outstanding Loan Amount= Minimum amount outstanding on the date of account becoming NPA or 31st March, 2018	Rs. 4,00,000/-
e.	Share of overdue loan for OTS by GoMP	Rs. 2,00,000/-
f.	Share of overdue loan for OTS by the Farmer	Rs. 2,00,000/-
g.	GoMP share payable to bank (as per para 5.3 and 6.2)	Rs. 1,00,000/-
h.	Farmer's share payable to bank (as per para 6.2)	Rs. 1,00,000/-
i.	Farmer's share already paid (as per "c" above)	Rs.1,25,000/-
j.	Farmer's share to be paid to Bank (j=h-i)	Rs. -25,000/-

In the above case, GoMP shall pay Rs 1,00,000/- to the Bank. The Bank would deduct Rs 75,000/- as OTS settlement amount, and the rest Rs 25,000/- shall remain as (Credit) balance in the farmers account.

Annexure-III Amendment to the One Time Settlement Scheme

Clause 5.2 (Amended)

The 'OTS outstanding loan amount' shall denote the minimum of the outstanding loan amount on these dates: the date the account became NPA and 31st March 2018.

Annexure-IV Amendment to the One Time Settlement Scheme

Clause 8.1 (Amended)

Every bank shall be responsible for the correctness and integrity of the documents prepared under this scheme, in particular about the lists of farmers eligible under this Scheme and the particulars of the debt waiver or debt relief claimed in respect of each farmer. Further, the Banks shall be responsible for correctly calculating the NPA amount and categorizing NPA. The Banks however, shall not be responsible for the correctness of data given by the applicant with regard to non eligible individuals as mentioned in clause 2.3 of the scheme.