

**STATE LEVEL BANKERS' COMMITTEE  
MADHYA PRADESH  
138<sup>th</sup> MEETING  
Dated 27<sup>th</sup> March 2010**

**AGENDA**

**Agenda Item No. 1: Confirmation of the Minutes of the 137<sup>th</sup> meeting of State Level Bankers' Committee held on 07<sup>th</sup> November 2009**

Minutes of 137<sup>th</sup> meeting of State Level Bankers' Committee, Madhya Pradesh held on 07<sup>th</sup> November 2009 was circulated vide Convener Bank's letter NO. ZO/SLBC/MP/09-10/246 dated 10<sup>th</sup> December 2009. No amendments/ comments received from any corner. The minutes may be taken as confirmed.

**Agenda Item No. 2: Follow-up action on decisions of earlier meetings:**

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

**Action Point 2.2.1 Progress of issuance KCC in all Districts of MP**

The Convenor, vide letter ZO/SLBC/2009-10/260 dated 29.12.09 and ZO/SLBC/2009-10/380 dated 19.01.2010 has requested member banks to expedite issuance of KCC to all eligible farmers, including those whose debts have been written off in the normal course or under ADWDR Scheme 2008. Further, the DIF vide letter प्राविवि /कृषि/39/केसीसी/ संविसं/2007/223 dated 19.06.09 addressed all Collectors, State Level Heads of Banks, all LDMs & Regional Rural Banks to ensure that KCCs are issued to eligible farmers on priority basis.

Information received is furnished in **table No. 19 on Page No. 86-87.**

All the bankers are once again requested to gear up their machinery to achieve the targets of 100% issuance of Kisan Credit Cards and appraise the steps taken in this regard.

The following points proposed by the Agriculture Insurance Company vide their letter No. AIC/RO/BPL/NAIS/09/128 dated 06.01.10 for discussion regarding insurance coverage of crop loans:

- 1 The Company has circulated the notification issued for crops and areas under National Agriculture Insurance Scheme for Rabi 2009-10 season.
- 2 State Government has notified District Indore for Wheat Crop (Irrigated as well as Un-irrigated) under Weather Based Crop Insurance Scheme in Rabi 09-10 season

All member banks are expected to ensure Insurance coverage of 100% eligible loans under NAIS and send premium amount in favour of Agriculture Insurance Company of India Ltd., AXIS Bank Account No 044010200007900 payable at Bhopal

Member banks are requested to review the position of eligible farmers under Kisan Credit Card Scheme for coverage under NAIS. Reserve Bank of India and NABARD also issued necessary guidelines in the matter.

Data furnished in Table No. **19 page No.86-87**

### Action Point 2.2.2 Issuance of KCC to Kotwars

Pursuant to the announcement made by Hon'ble Chief Minister of Madhya Pradesh for issuance of Kisan Credit Cards to Kotwars having Seva Bhoomi, the DIF vide letter प्राविधि / कृषि / 39 / केसीसी / संविसं / 2007 / 1232 dated 19.06.09 advised the Collectors and LDMs in the State to ensure issuance of KCC to eligible Kotwars.

The issue was followed up by the Convener with member Banks through communications bearing No.ZO/SLBC/09-10/57 dated 08.06.09, ZO/SLBC/09-10/67 dated 11.06.09, 83 dated 25.06.09, and ZO/SLBC/2009-10/260 dated 29.12.09. According to information received from LDMs, so far 18937 Kotwars have been provided with Kisan Credit Cards by various Banks.

Progress is as follows: (Position as on 31.12.2009)

Number of Kotwars	Number of Kotwars having sevabhoomi	Out of which KCC issued to Kotwars
35000	28000	19829

### Action Point 2.2.3 Financial Inclusion in 35 districts of Madhya Pradesh

Convenor vide letter ZO/SLBC/09-10/57 Dated. 08.06.2009, ZO/SLBC/2009-10/ 67 dated 11.06.09, 83 dated 25.06.09 & आंका / एसएलबीसी / 09-10 / 90 दिनांक 30.06.2009 letter ZO/SLBC/2009-10/260 dated 29.12.09 requested State Level Heads of all Banks to instruct their branches to accelerate the work of financial inclusion and complete the same within stipulated time frame.

DIF vide letter No.PDF/Fin.Inc./DIF/2008/1230 dated 19.06.09 also requested State level heads of all banks for implementation of 100% Financial Inclusion by opening no frill accounts or by issuing General Credit Cards to at least one member of each family. The need for accelerating the pace of financial inclusion and for more efforts in the directions of opening of accounts under NREGS Job Card holders was also emphasized in the said communication. It will not be out of place to mention here that 6667244 accounts of job card holders have been opened by Banks under NREGS scheme in the Sate.

As per data received from LDMs, 11105 Villages out of 39914 villages in the 35 identified districts have achieved 100% Financial Inclusion.

#### 'Financial Inclusion in 35 districts'

No. of Districts	No. of villages	No of villages covered under 100% F.I.
35	39914	11105

District-wise details are given in table No. 12 & 12 I, Page 63-65

During Discussions with LDMs / Banks, it is learnt that 90%-95% inclusion has been done in these districts. It is desired that Secretaries Gram Panchayats may verify if any households in their villages are still left out, and such names be given to the banks for including them also.

House may discuss the issue.

## **IT ENABLED FINANCIAL INCLUSION PROGRAMME**

In terms of the Reserve Bank of India policy guidelines, a pilot project for IT enabled Financial Inclusion in Madhya Pradesh using hand held device by issuing smart card and mobile banking having interface with information technology was launched. Convenor vide letter ZO/SLBC/09-10/57 Dated. 08.06.2009, & ZO/SLBC/2009-10/67 dated 11.06.09 & 83 dated 25.06.09 requested concerned member banks to gear up the work of IT enabled Financial Inclusion. DIF discussed the issue with banks in a meeting dated 23<sup>rd</sup> January 2010 to review the position. DIF vide letter 265 dated 09.02.10 issued the minutes requesting banks to expedite action.

The Bank-wise progress is as follows:

1. Bank of India: 14981 cards issued in Sehore, Ujjain & Dewas districts. 41088 have been enrolled
2. State Bank of India: 23237 cards have been prepared and 10665 issued. 65 Kiosks have been opened.
3. State Bank of Indore: 31104 cards have been issued in Nateran Block of Vidisha, Dhar & Khargone districts. 40234 cards are in process.
4. Union Bank of India: Approximately 79476 cards have been issued and payments to job card holders are being made & enrollment of 108000 cards has been done.
5. Central Bank of India: 3877 Cards have been distributed and 6800 cards are ready for distribution in 10 centers of various Panchayats attached with different branches of Hoshangabad district.
6. Narmada Malwa Gramin Bank: The Bank is in the process of finalization of vendor and Banking Correspondent.
7. APEX Bank: 155 cards have been issued.
8. AXIS Bank: Work has been started in the slum area of Ward No 52 of Bhopal City comprising Saibaba Nagar, Ishwar Nagar and P.C.Nagar with the help of NGO named Little World. 2000 cards have been issued.
9. ICICI Bank: Vendor finalized. Work started through Mahila Chetna Manch at Bhopal; Unnati Mahila Sangh at Indore and Sambhav SSO at Gwalior respectively. 2581 cards have been prepared.
10. HDFC (Centurion Bank): No information received. The bank did not participated in the meeting convened by DIF on 23.01.2010

Bankers are requested to inform the progress made in this regard. House may deliberate on the issue.

### **Action Point 2.2.5 Settlement of SLR Bonds**

An amount of Rs. 79.35 crores is overdue in respect of subscriptions made by different banks to MPEB bonds.

Bank wise details are given in **Table No. 33 Page 112-113**

State Government is requested to facilitate early settlement of these long outstanding dues which will help in redeployment of these funds by Banks for further developmental activities in the State.

### **Discounting of SIDBI / IDBI bills**

A sum of Rs.0.73 crores is due under branches of IDBI / SIDBI.

Bank wise data is given in **Table No. 33 Page 112-113**

**Action Point 2.2.6 Rural Development and Self Employment Training Institutes (RUDSETI) – Now called R-SETI**

In compliance of the guidelines issued by the Ministry of Rural Development, Government of India, different Banks have already established R-SETIs in 19 Districts in the State. Vocational training programmes for the benefit of unemployed youth and farmers have been started therein. It is expected that these Training Institutes will yield desired results thereby arresting migration of rural population to urban areas in search of livelihood.

With a view to encourage setting up of R-SETIs, the Ministry of Rural Development has announced certain incentives such as allotment of site for construction of building, sanction of grant of Rs. 1 crore to each District, out of which Rs.0.70 crore will be utilized for construction of building, Rs.0.20 crore for infrastructure and remaining Rs.0.10 crores for meeting the rent of the institute building till construction is completed. The grant is applicable to both existing as well as new R-SETIs.

Madhya Pradesh State Government has been requested to allocate land for establishment of R-SETIs in each district. The LDMs have been advised to take up the matter in DLCC meetings for further discussion in the light of the new guidelines received from the MoRD, GOI.

The sponsor banks are requested to advise Directors of the Rural Institutes to take up training programmes with an aim for improvement in the living standard of the people. The Institutes should also take up farmers' oriented training programmes for updation of farming methods and upgradation of skills. Such programmes are also eligible for 50% reimbursement of expenditure from NABARD.

As on date, R-SETIs in rented buildings have been opened at centres as detailed below:

No	Name of the bank	Name of centre
1	Bank of Baroda	Jhabua
2	Bank of India	Bhopal Khandwa Ujjain
3	PNB	Datia Vidisha
4	Central Bank India	Hoshangabad Jabalpur Chhindwara Ratlam
5	Canara & Syndicate( in owned premises)	Bhopal
6	State Bank of India	Chhatarpur Panna Damoh Tikamgarh
7	SB Indore	Guna Shivpuri
8	Union Bank of India	Rewa Sidhi
	<b>Total</b>	<b>19</b>

Banks which are yet to establish the Training Institutes are once again requested to expedite opening of R-SETIs. Progress made in this regard may be informed to SLBC.

#### **STATE LEVEL STEERING COMMITTEE FOR RSETI'S**

MoRD, GOI, suggested that a sub-committee of the SLBC be set up in every state which will function as the State Level Steering Committee for establishment of R-SETI's and reviewing their functions. The committee shall be co-chaired by the Principal Secretary, Rural Development Department of the State and SLBC Convener of the state and members will include top executive of those banks which have set up / are proposing to set up R-SETI's in the state and CGM, NABARD.

The terms of the reference of the committee shall be –

- ❖ To monitor the progress and review the performance of each of the R-SETI's through the Lead Bank forums i.e. SLBC/DCC.
- ❖ To conduct evaluations of functioning of R-SETI's to be done by agencies as decided by the committee.
- ❖ Any other matter related to the functioning of R-SETI's.

The committee shall meet at-least four times in a year at quarterly intervals.

Accordingly the Steering Committee as per composition suggested by the Ministry has been formed.

#### **Action Point 2.2.7 Drought Relief measures - Payment of input subsidy for Kharif 2001 & Kharif 2002**

State Government released amount as input subsidy for Kharif 2001 & Kharif 2002 through the Convener Bank to commercial banks and RRBs. SLBC, vide letter ZO:SLBC:07-08/12 dated 30.04.2007, distributed the amount to all the concerned state level heads with a request to adjust the amount in the beneficiaries' accounts and submit the information in prescribed format to Convener at the earliest so that consolidated information could be sent to State Government through Director Institutional Finance. Details of Bank-wise distribution of amount are as follows:

Sr. No	Name of Bank	Place	Amount
1.	Allahabad Bank	Bhopal	2,88,21,675
2.	Bank of India,	Bhopal	8,07,37,294
3.	Central Bank of India	Bhopal / Raipur	8,38,34,370
4.	Punjab National Bank	Bhopal	1,27,05,845
5.	State Bank of India	Bhopal	4,66,19,985
6.	State Bank of Indore	Indore	2,73,73,165
7.	Union Bank of India	Bhopal	42,79,990
	Total		28,43,72,324

All the banks have submitted utilization certificate. The agenda is for information.

**Action Point 2.2.8 AGRICULTURE DEBT WAIVER AND RELIEF SCHEME 2008**

During the previous SLBC meetings, the Convenor as well as representatives of RBI, NABARD and the DIF requested all the Controlling Heads of Banks to initiate suitable steps to disburse fresh loans to the beneficiaries of Agriculture Debt Waiver and Debt Relief Scheme in terms of the provisions contained therein. It is learnt that considerable progress has been made in this aspect. However, the data pertaining to the number of beneficiaries covered and the amount of fresh loans disbursed has not yet been received.

All the member banks are once again requested to give the said data district-wise.

- **Agriculture Debt Waiver Debt Relief Scheme (ADWDR) 2008 - Extension-**

As announced by Hon'ble Union Finance Minister in the Budget speech (2009-10) the last date for Debt Relief part of ADWDR-2008 has been extended from 30<sup>th</sup> June 09 to 31 December, 09. All the Banks are requested to appraise the House about action taken by them.

**Action Point 2.2.9 Drought situation in Madhya Pradesh - Relief Measures required to be initiated by banks to persons affected by the Natural Calamities.**

Based on Annawari / Najri-Aakalan / Deficient-rainfall, State Government Revenue Department Notification No F-7-4/VII-3/2009 dated 01.05.2009 & F-7-4/VII-3/2009 dated 04.05.2009 declared 152 Tahsils in 41 Districts drought affected. The DIF vide letter No 226 dated 05.02.2010 requested to initiate relief measure. List of Districts and Tehsil affected by natural calamities was annexed with 136 Agenda.

Member Banks are requested to follow the guidelines of RBI for extending relief measures and inform the progress to SLBC for onward transmission to the State Government.

**Action Point 2.2.10 Reverse Mortgage Loan (RML) Scheme.**

This scheme was notified by Government of India on 13<sup>th</sup> September, 2008 and is being implemented in the State.

The scheme has been adopted by 23 Scheduled Banks and 2 Housing Finance Companies in the Country. NHB is operating RML counseling centers at 7 locations viz. Delhi, Chandigarh, Kolkata, Bengaluru, Hyderabad and Chennai.

Reverse Mortgage Loans provide an opportunity to house owners to avail of a monthly stream of income against the mortgage of their house, while remaining the owner and occupying the house throughout their lifetime, without repayment or servicing of the loan. Realizing the potential benefits, the Union Budget 2007-08 announced the introduction of 'reverse mortgage' by NHB. National Housing Bank issued the final operational guidelines for RMLs on May 31, 2007. Many banks have already introduced RMLs. For tax purposes it has been clarified that reverse mortgage would not amount to 'transfer' and stream of revenue received by the senior citizen would not be "income".

All the banks may take active steps for popularizing the scheme.

The house may deliberate.

### Action Point 2.2.11 Interest Subsidy Scheme for Housing the Urban Poor (ISHUP)

Government of India, Ministry of Housing & Urban Poverty Alleviation (MH&UPA) has launched the Interest Subsidy Scheme for Housing Urban Poor (ISHUP) to address urban housing shortage in the country. The Scheme provides interest subsidy of 5% per annum on loan of up to Re 1 lakhs for the Economically Weaker Section (EWS) and lower income group (LIG) in the urban areas for acquisition / construction of houses. The scheme will leverage flow of institutional finance for the EWS and LIG segment and is expected to create an additional housing stock of Rs 3.10 lakhs houses for EWS/LPG segments over the next 4 years (2008-12). This is being done on a pilot basis, which may be scaled up in due course, in the light of the experience.

The scheme is to be implemented by Scheduled Commercial Banks and Housing Finance companies. The National Housing Bank (NHB) and HUDCO have been designated as the Nodal Agencies for administration, and release of the subsidy.

As regards implementation of the Scheme in Madhya Pradesh, the following information may be noted and acted upon by all concerned:

- ❖ The Nodal Agency for implementation of the Scheme is State Urban Development Authority (SUDA).
- ❖ SUDA has since advised all District Collectors and Urban Local Bodies including DUDAs to identify the applicants and forward their applications to the Banks.
- ❖ Banks are requested to undertake wide publicity of the Scheme in areas where they are having good branch network.
- ❖ Income Criteria Certificate will be issued by Urban Local Bodies and DUDAs.
- ❖ Subsidy claims are to be submitted to HUDCO/NHB, as per bank level arrangements to be executed at H.O. level.

The Scheme is now a regular part of the agenda of SLBC meeting for review of progress. The Convenor vide letter ZO/SLBC/2009-10/345 dated 01.02.2010 has advised all heads of banks to promote the Scheme.

The Urban Local Bodies and DUDAs at district level may identify the beneficiaries / applicants and forward the same to the banks, in terms of the scheme.

### Agenda Item No 3: **PERFORMANCE OF BANKING SECTOR IN MADHYA PRADESH AT A GLANCE**

(Rs. In Crores)

No	Parameters	March 2008	March 2009	Dec. 2009	Variation over March 2009	
					Actual	%
1.	No. of Bank Branches	4949	5159	5290	130	2.52
2.	Total Deposits	89604	108366	120002	11636	10.74
3.	Total Advances	60057	67975	74411	6436	9.47
4.	Investments	5249	6087	6353	266	4.37
5.	Total Adv. + Investments	65307	74062	80763	6701	9.05
6.	Priority Sector Advances	37128	42592	47084	4492	10.55
7.	Agricultural Adv.	22441	26225	28176	1951	7.44
8.	MSME Advances	5773	6659	8567	1908	28.65
9.	Tertiary Sector	8915	9708	10341	633	6.52
10.	Advances to Direct Agr.	18733	23783	25339	1556	6.54
11.	Advances to Weaker Sec	7423	10030	10936	906	9.03
12.	Advances to DRI	7	22	23	1	4.55

### 3.1 Branch expansion

The total number of branches operating in the State is 5290 as on Dec. 09. There is a net increase of 130 bank branches over March-09.

	Rural	Semi-Urban	Urban	Total	Specialized SME
March-07	2452	1327	1000	4779	22
March-08	2434	1379	1136	4949	27
March-09	2429	1475	1255	5159	29
Dec.-09	2441	1521	1328	5290	33

Bank wise position is given in **Table No. 1 Page No.29-30.**

#### **Banking Services in Unbanked Areas.**

Government of India, Ministry of Finance, Department of Financial Services, vide letter No F.No.15/3/2009-Dev. Dated 18<sup>th</sup> August, 2009, conveyed the following directives in respect of the announcement made by Hon'ble Union Finance Minister in his budget proposals for 2009-10 on the need for expansion of banking network in under-banked or un-banked areas:

- A sub committee of State Level Bankers Committee (SLBC) will identify under banked or unbanked areas in the State and formulate an action plan for providing banking facilities to all these areas in the next 3 years.
- SLBC convenor will take steps to ensure that the unbanked areas approach the national average in terms of average population per bank branch.
- After due identification of unbanked areas may be taken for opening of a bank branch of the lead bank of the district or of the RRB duly following RBI guidelines.
- Appropriate use may be also made of Business Correspondent (BC)/ Business facilitator (BF) model to reach the remote areas in the underbanked and unbanked areas.
- It is suggested that a special sub committee of the DCC may be set up for providing banking services in these areas, as recommended by the committee on Lead Bank Scheme of the RBI.
- It has been proposed in the Budget speech 2009-10 to set aside Rs. 100 crore during the current year as one time grant in aid to ensure provision of at least one centre / Point of Sale (POS) for banking services in each of the unbanked blocks in the country.

GOI desired that the initiative taken by State Government should be discussed in the ensuring SLBC for the knowledge of other Banks.

It is to state that there are no un-banked blocks in Madhya Pradesh. However, the underbanked blocks / districts need focused attention for further branch expansion.



### 3.2 Deposit growth:

During the period under review, the aggregate deposits of the banks in Madhya Pradesh increased by Rs 11636 crores, from Rs 108366 crores as at March 09 to Rs 120002 crores at Dec-09, thus recording a growth of 10.74%. Area wise details breakup is as under:

(Amt. in Crores)

	Rural	Semi-Urban	Urban	Total
March-07	10055	21279	41895	73229
March-08	11614	23861	54129	89604
March-09	13646	29326	65394	108366
Dec-09	20710	27667	71625	120002

Bank wise position is given in **Table No. 2 & 3 Page 31-32 & 33-34.**

### 3.3 Credit Expansion

The gross credit in the State increased by Rs 6436 crores, from Rs.67975 crores as at March 09 to Rs 74411 crores as of Dec-09, thus exhibiting a growth of 9.47%. Area wise details are as under:

(Amt. in Crores)

	Rural	Semi-Urban	Urban	Total
March-07	11830	10134	27142	49106
March-08	13656	11636	34765	60057
March-09	18240	13786	35949	67975
Dec-09	17156	13959	43296	74411

Bank wise position is given in **Table No. 2 & 3 Page 31-32 & 33-34.**

### 3.4 Credit Deposit Ratio

The overall CD ratio of Banks for the State of Madhya Pradesh is 62% as on 31.12.2009

Bank wise position is given in **Table No. 2 & 3 Page 31-32 & 33-34.**

#### 3.4.1. LOW CD RATIO

Though over all CD ratio in the State is satisfactory, CD Ratio of following 8 districts is still below the minimum level of 40%.

(%age)

S.N.	Name of Distt.	2006-07	2007-08	2008-09	Dec-09
1	Umaria	29.70	31.10	28.99	27.15
2	Sidhi	20.38	34.89	22.42	32.48
3	Rewa	36.05	36.00	28.77	29.46
4	Jhabua	46.00	48.00	41.92	45.25
5	Mandla	48.00	46.00	39.72	25.25
6	Dindori	36.00	36.00	27.00	21.49
7	Anuppur	36.00	37.61	34.25	29.93
8	Shahdol	29.93	32.69	25.40	29.91

Bank-wise position is given in **Table No. 2 & 3 Page 31-32 & 33-34.**

Convenor SLBC vide letter No. ZO/SLBC/2009-10/246 dated 10.12.2009 and ZO/SLBC/2009-10/260 dated 29.12.2009 requested the State Level Heads of the Banks having Lead Bank responsibilities in above Districts to take suitable measures to increase the CD Ratio at par with other districts. The DIF had written a DO letter to all the CMDs of Commercial Banks to review the CDR in the State and issue directives to their State Level Chief Executives to initiate appropriate action ensuring CDR at par with National norms. Bankers are requested to apprise the House.

### 3.5 Priority Sector Advances

During the period under review, the Priority Sector Advances of Banks in Madhya Pradesh increased by Rs. 4492 crores. Sector wise details are as under:

(Amt. in crores)				
	Agriculture	MSME	OPS	Total
March -07	17362	3449	8837	29648
March -08	22440	5773	8915	37128
March-09	26225	6659	9708	42592
Dec-09	28176	8567	10341	47084

Bank wise position is given in **Table No. 5 Page.37-38.**

### 3.6 Agriculture advances

The Agriculture Advances in the State during the review period has witnessed an increase of Rs. 1951 crores from Rs.26225 crores as at March 09 to Rs 28176 crores as at Dec-09, thus showing a growth of 6.51 %.

Bank wise position is given in **Table No. 5 Page.37-38.**

### 3.7 MSME Advances

The advances to MSME sector during the period under review has witnessed increase by Rs.1908 crores, from Rs.6659 crores as at March 09 to Rs. 8567 crores as at Dec-09, thus showing a growth of 28.65 % Bank wise position is given in **Table No. 5 Page.37-38.**

### 3.8 Advances to Weaker Sections

During the period under review the advances to weaker section increased by Rs 906 crores from Rs.10030 crores as at March 09 to Rs.10936 crores as at Dec-09, ( thus showing a growth of 9.03 %.

Bank wise position is given in **Table No. 7 Page 41-42.**

### 3.9 DRI Advances

The DRI advances have increased by Rs. 1 crore from Rs. 22 Crores at the end of March 2009 to Rs.23 crores at Dec-09 registering a growth of 4.55 %

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

Annual Income ceiling in DRI cases has been raised to Rs.18,000/- in rural areas and Rs.24000/- in Semi-Urban and Urban areas. Loan limit has also been raised from Rs.6500/- to Rs.15000/- and for housing purposes up to Rs.20,000/- per beneficiary. With increase in income ceiling and quantum of loan, the coverage now needs to be widened.

Convener, SLBC vide letter No. ZO/SLBC/2009-10/260 Dated. 29.12.2009 has already requested the State Level Heads of all the Banks to take suitable measures to increase the DRI Advances.

All the Banks are requested to initiate suitable steps for achieving the target and also to submit the progress to convener bank for review in the next meeting.

### **3.10 ACHIEVEMENT IN RESPECT OF SALIENT PARAMETERS VIS-A-VIS NATIONAL GOALS**

No	Parameters (RATIO)	Goal %	March 08 %	March 09 %	Dec-09 %	Variation over March 09
A)	C D Ratio	60	67	63	62	-1
B)	C D Ratio (Rural + S/U)	60	71	75	64	-11
C)	Credit + Inv. To Deposits		73	68	67	-1
D)	PS Adv to Total Credit	40	62	63	63	-
(E)	Agri. To Total Credit	18	38	39	38	-1
F)	Weaker Section to TotalAdv	10	12	15	15	-
G)	DRI Advances to Total Adv.	1	0.01	0.03	.03	-

Bank wise position is given in **Table No. 6 Page 39-40.**

#### Highlights

- The ratio of Priority Sector Advances to total advances as at December `09 stands at 63 % as against National Goal of 40%.
- The share of agricultural advances to total advances, as at December `09 is 38% against the stipulated level of 18%.
- The advances to weaker section constitutes 15 % of the total advances as against the stipulated level of 10%.
- The CD Ratio in rural & semi urban area is above the National Goal by recording a level of 64 % as at December `09.
- Though there is no variation in percentage terms in DRI advances but there is increase of Rs. 1 crores in absolute terms.

### **3.11 IBA package on MSME, Housing and Auto Sector.**

As per instructions received from Ministry of Finance, Govt. of India, special focus is made on the implementation of Special Package for MSME, Housing and Auto Sector announced by Indian Banks' Association to deal with the impact of global financial situation on these sectors.

**Special Package on MSME Sector:**

SLBC has submitted data to Union Ministry of Finance up to December 2009,

- Banks to create awareness among all their Branch Managers on restructuring and other issues of MSMEs.
- LDMs to review the matter in all standing committee/ DCC meetings and take up the issues in all BLBC meetings and give feed back to SLBC.
- Industry Associations have been requested to give feed back to SLBC regularly.

MSME help desks of various banks has been displayed on SLBC web-site : [www.slbc.mp.co.in](http://www.slbc.mp.co.in).

The summarised position of performance of Banks under Special Package after its implementation in the State for the month ended Dec, 2009 is given below:

**FORMAT FOR REPORT ON SPECIAL SLBCS ON ITEMS OF ECONOMIC PACKAGE**

Particulars	During the Month under reporting DEC 09		Cumulative at the end of Month DEC 09	
	No. of Accounts	Amount (Rs.in Crore)	No. of Accounts	Amount (Rs.in Crore)
(1) Credit flow to MSME:				
Sanction of working capital loans (New)	2039	147.77	27947	2587.135
Sanction of incremental working capital loans (existing units)	626	37.64	8885	820.89
Restructuring of MSME accounts	1	9.5	13420	339.43
Sanction of loans for purchase of Gen Sets on soft terms	0	0	7	0.54
(2) Sanction of housing loans				
Loans upto Rs. 5 lakh	797	24.76	17329	494.56
Loans from Rs. 5 lakh to Rs.20 lakh	923	93.13	14303	1435.82
Loans above Rs. 20 lakh	178	46.01	1598	447.87
(3) Sanction of auto loans	1863	53.6	25778	733.94

**Agenda Item No. 4 RECOVERY****4.1 NPA Position**

(Amt. in Crores)

Scheme	Sub-Std.	Doubtful	Loss	Total NPA	Total Adv.	% of NPA to Total Adv
Agriculture	350	348	71	769	28176	3
MSME	228	275	172	675	8567	8
OPS	198	217	57	472	10341	5
PMRY	70	109	43	222	618	36
SGSY (Group)	19	18	4	41	306	14
SGSY (Ind)	20	23	6	49	332	15
KVIC	11	10	2	23	166	14
SJSRY	19	19	11	49	182	27
SRMS	4	4	2	10	35	28
Antyavyasai	9	8	2	19	77	24

Bank wise position is given in **Table No. 8 (I) to 8 (IV) Page 43-52.**

The recovery under PMRY, SGSY (Individual), SJSRY, SRMS and Antyavyasai is very poor. Director of Institutional Finance has already requested concerned Departments to issue necessary guidelines to their field level functionaries to assist banks in recovery drives. All concerned departments are again requested to help Banks in recovery in the NPA accounts under each scheme.

**4.2 Year Wise Position of Written off Accounts**

(Amt. In Crores)

Agency	Up to 2005-06		2006-07		2007-08		2008-09		Dec-09		Total upto Dec- 09	
	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt
CBs	368914	1269	71541	401	43266	313	42945	359	26154	98	552820	2441
RRBs	212335	107	21900	16	17867	16	19644	28	809	1	272555	168
Co-Op	75660	36	1402	1	1167	1	-	-	833	2	79062	40
Total	656909	1412	94843	418	62300	330	62589	387	27796	101	904437	2649

Bank wise position is given in **Table No. 9 Page 53-54.**

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

(Amt. in crores)

Item	No.	Amt.
Recovery cases pending at the beginning of the quarter	875873	1765
Cases filed during the quarter	7917	45
Total RRC	883790	1810
RRC disposed of during the quarter	7764	25
RRC withdrawn during the quarter	1247	8
RRC pending at the end of the quarter	874779	1777
Of which pending up to 1 year	109826	388
1 to 3 years	188907	413
3 to 5 years	180236	410
5 to 12 years	130282	186
Above 12 years	265528	380

Bank wise data is given in **Table No. 10 & 10 (I) Page 55-58.**

### **Banks Recovery Incentive Scheme (BRISC)**

The work of computerization of RRC data and implementation of BRISC MIS software was started in the year 2004-05. Detailed guidelines were issued by State BRISC Cell (viz: Directorate of Institutional Finance) to all banks. 3 officers from each District (2 from district level + 1 from LDM Office) were imparted training at Bhopal for this work. However, the process of computerization of RRC data did not pick up. In view of it, the DIF has developed a simplified technique, viz: Web-enabled Software Application for BRISC. The DIF convened a meeting on 03.02.2010. The Convener, SLBC represented the banking fraternity in the meeting. It was resolved that the Web-enabled Software Application for BRISC will be launched on PILOT BASIS in Sehore & Morena districts. All RRC data with effect from 01.04.2009 will be placed on Web-enabled Software Application for BRISC. The meeting also resolved that based on the results of the pilot project, the Web-enabled Software Application for BRISC will be launched in whole of the State. No hard copy of the RRC will be accepted by the district administration from 01.04.2010.

It may be pointed out here that once the Web-enabled Software Application for BRISC is successful, the system will get stream lined and monitoring of pending RRCs will become easy. All Banks are requested to cooperate.

#### **Agenda Item No 5: Implementation of Annual Credit Plan 2009-2010**

##### **5.1 Comparative achievement of Annual Credit Plan of last three years:**

(Amt. in crores)

Sector	Year 2006-07			Year 2007-08			Year 2008-09		
	T	A	%	T	A	%	T	A	%
Agri. Total	7596	8882	117	8905	10612	119	10774	12205	113
Crop Loan	5172	6792	131	6379	8029	126	8130	9768	120
Term Loan	2424	2090	86	2526	2583	102	2644	2437	92
MSME	684	684	69	875	1265	145	2328	1306	56
Others	2268	3042	134	2840	2260	80	2338	2233	96
<b>TOTAL</b>	<b>10548</b>	<b>12397</b>	<b>118</b>	<b>12620</b>	<b>14137</b>	<b>112</b>	<b>15440</b>	<b>15744</b>	<b>102</b>
	118%			112%			102%		

T-Target (for the year) A-Achievement (Up to March 09)

Sector wise Breakup of Annual Credit Plan 09-10 (up to Dec- 09)

(Amt. in Crores)

Sector	Year 2008-09 (Dec- 08)			Year 2009-10 (Dec- 09)		
	Target	Ach.	%	Target	Ach.	%
Agriculture	10774	8412	78	12977	11497	89
Crop Loan	8130	7063	87	9938	9643	97
Term Loan	2644	1349	51	3039	1854	61
MSME	2328	886	38	2247	1232	55
OPS	2338	2093	90	2891	2090	72
<b>TOTAL</b>	<b>15440</b>	<b>11391</b>	<b>74</b>	<b>18115</b>	<b>14819</b>	<b>82</b>

## Agency wise Breakup of Annual Credit Plan 09-10 (up to Dec- 09)

(Amt in Crores)

	AGRI		MSME		OPS		Total Adv. PS		%A
	T	A	T	A	T	A	T	A	
COM. Bank	6418	6422	1984	1158	2591	1719	10993	9299	85
RRBs	1980	1540	143	74	149	197	2272	1811	80
Coop Bank	4579	3535	120		151	174	4850	3709	76
TOTAL	12977	11497	2247	1232	2891	2090	18115	14819	82

T-Target A-Achievement

Bank wise data is given in **Table No. 11, Page No.59-62**

The House may review the progress.

## 5.2 Doubling of Flow of Credit to SMEs in 5 Years

The position is as under :

(Amt in crores)

Item	Base figure as on 31.03.05	Fresh Advances from 01.04.09 to 31.12.09		Total Advances Dec- 09	
		No.	Amt.	No.	Bal. O/S
Small & Micro Enterprises	2452	6680	472	58904	3820
Small & Micro Services		19748	760	276550	4747
Advances to Medium Enterprises		2013	213	17490	933
Total SME		28441	1445	356093	9500

Bank wise data is given in **Table No.34, Page 114-115.**

RBI vide their Master Circular dated 1<sup>st</sup> July 2008 on Micro, Small and Medium Enterprises (MSME) advised banks to open specialized SME branches in each district. There was some doubt whether a general branch having less than 60% turnover in SME business can be designated as SME branch, if it is found that there is no potential for a viable SME branch. RBI, DBOD has clarified that, in these circumstances, there should be no objection for designating one bank branch in each district as specialized SME branch even when SME business turnover is less than 60%. However, while designating such branches, bank would have to ensure that Non-SME clientele of such branches are not put into inconvenience or deprived of banking facilities.

**Agenda Item No. 6 Implementation of Government Sponsored Programmes****6.1 Prime Minister's Employment Generation Programme (PMEGP) F.Y. 09-10**

Progress is as under :(2009-10)

(Amt. in crores)

KVIC Target		KVIB Target		DIC Target				Total target	
P	MM	P	MM	RURAL		URBAN		P	MM
1155	13.86	1155	13.86	770	9.24	770	9.24	3850	46.20
Progress		Up to 31.12.2009							
Cases sanctioned	MM	Cases sanctioned	MM	Cases sanctioned	MM	Cases sanctioned	MM	Cases sanctioned	MM
152	7.86	432	11.17	305	5.24	477	11.47	1366	35.74

P- Physical MM- Margin Money

Bank wise and district wise data is given in **Table No.13, Page 66-73.**

KVIC vide letter dated 23.11.2009 desired banks that before issuing sanction letter, banks should ensure that all formalities under the Scheme are completed. Thereafter they should submit for EDP training programme of the beneficiary. The Convener vide letter 239 dated 30.11.2009 has requested all state level heads for necessary action.

**6.2 Performance under SGSY**

( Amt in Crores )

Particulars	2008-09 (Dec.08)	2009-10 (Dec.09)
Target (Financial)	325.67	328.14
Sanctioned		
Individual	40.45	54.69
Group	145.86	161.20
Total	186.31	215.89
Disbursed		
Individual	35.70	50.24
Group	135.22	148.21
Total	170.92	198.45
% age Sanctioned	57.17	65.79
% age Disbursed	52.48	60.48

Bank wise and district wise data is given in **Table No. 14 Page 74-76**

Year- wise data is as under:

( Amt in Crores )

	Target (amt.)	Sanctioned	Disbursed	% Achiev.
March-07	200.00	206.00	192.00	103.00
March-08	251.00	265.00	245.00	106.00
March-09	325.67	360.00	317.00	111.00
Dec-09	328.14	215.89	198.45	60.48



Bank wise credit disbursement is as follows

Above 100%	Syndicate Bank, Punjab & Sindh Bank
Between 99-80 %	Union Bank of India, Punjab National Bank
Between 79-60%	Allahabad Bank, Canara Bank, United Commercial Bank., Bank of Baroda, RRBs, Central Bank of India
Between 59-40%	Oriental Bank of Commerce, Bank of Rajasthan, State Bank of India, Bank of Maharashtra, Indian Bank, , State Bank of Indore, Bank of India, Dena Bank, State Bank of Bikaner & Jaipur
Less than 40 %	Central Co-Operative Bank. & other Bank
1%	Land Development Bank

### **Revolving Fund**

Revolving fund of Rs. 15000/- is being provided by the Govt. to strengthen the base of the group. Up to Dec. 2009, 106806 groups were given revolving fund out of which 61181 SHGs have received cash credit limit to the tune of Rs.105.71crores.(57.28%)

The DIF vide letter 2274 dated 01.12.2009 has informed about low progress in credit mobilisation under SGSY Scheme. All banks are requested to apprise the House. Convener, SLBC vide letter No. ZO/SLBC/2009-10/249 Dated. 15.12.2009 has requested the State Level Heads of all the Banks to take suitable measures to increase the SGSY Advances.

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

Revised Target for FY 2009-10

(Amt. in crores)

<b>Targets</b>	<b>Self Employment Programme</b>	<b>UWSP</b>
Physical	29055	487
Financial	138.01	39.65

(Amt in Crores)

Particulars		USEP		UWSP	
		2008-09 (Dec. 08)	2009-10 (Dec.09)	2008-09 (Dec.08)	2009-10 (Dec.09)
Tar. Physical		26413	29055	627	487
Financial	Subsidy	14.40	21.79	7.12	14.61
	Loan	76.83	116.22	6.41	25.04
	Total	91.23	138.01	13.53	39.65
Ach. Physical		4902	4541	37	37
Financial	Subsidy	3.89	3.13	0.79	.78
	Loan	15.36	8.50	0.71	.54
	Total	19.25	11.63	1.50	1.32
% Ach. Physical		18.56	15.62	5.90	7.60
Financial %		19.36	8.42	5.43	5.32

Bank wise progress is given in **Table No. 15, Page 77-80**

**USEP**

Year wise data on achievement is as under: (Amt in Crores)

	Target(No)	Sanctioned	Disbursed	% Achieveme
March-07	8645	35.00	23.0	66.0
March-08	24012	64.03	54.43	68.00
March-09	26413	63.05	63.05	64.35
Dec-09	29055	11.63	11.63	15.62

**DWCUA/UWSP**

Year wise data on achievement is as under: (Amt in Crores)

	Target(No)	Sanctioned	Disbursed	% Achieve.
March-07	403	4.00	2.00	39.00
March-08	570	6.41	2.42	37.62
March-09	627	3.91	3.79	25.27
Dec-09	487	5.04	1.32	7.60

**6.4 (A) Scheme for Rehabilitation of Manual Scavengers (SRMS)**

The data received from Department is as under:

(Amt. in Crores)

Year	2009-10					
	(A) SRMS		(B) Antyavaysayee		Total (A+B)	
	08-09	09-10	08-09	09-10	08-09	09-10
Target	7100	4670	12000	10000	19100	14670
Sponsored	4972	2670	13931	14678	18903	17348
Sanctioned No.	1244	377	3135	2645	4379	3022
Disbursed No Amt	1244	377	3135	2645	4379	3022
	9.83	2.28	13.09	10.24	22.92	12.52
Rej/ Retd	208	2293	1446	1317	1654	3610
Pending	3595	0	12138	10716	15733	10760

Bank wise progress is given in **Table No. 16&16 I Page 81-83**

**PRATISTHA/SRMS**

Year wise performance:

(Amt in Crores)

	Target(No)	Sanctioned	Disbursed	% Achievement
March-07	5500	8.42	4.20	61
March-08	3237	8.52	1.51	44
Mar-09	7100	16.52	16.52	38.50
Dec-09	4670	2.28	2.28	14.11

**(B) Antyavayasayee Swarojgar Yojana**

The M.P. State Scheduled Caste Financial and Development Corporation vide letter 2092 dated 20.11.2009 requested to the bankers to achieve the targets under the Antyodaya Swarojgar Yojna.

(Amt in Crores)

	Target(No)	Sanctioned	Disbursed	% Achievement
Mar-07	8120	42.57	30.00	90
Mar-08	10000	27.37	19.89	92.11
Mar-09	12000	32.26	32.26	69.94
Dec-09	10000	10.24	10.24	18

**AGENDA ITEM NO 7: IMPLEMENTATION OF SPECIAL FOCUS PROGRAMME****7.1 Self Help Groups (Under NABARD Scheme)**

(Progress from April 09 to Dec 09)

(Amt. In Crores)

A	S.B A/cs opened	28299
B	Amount deposited in HSS A/c	13.51
C	Out of (A) A/c credit linked	2836
D	Amount disbursed	21.95
E	Balance Outstanding	(No.) 73092
		(Amt.) 335.36
F	NPA Amount	28.01
G	% age NPA	8.35

Bank wise data is given in **Table No. 18, Page No.84-85.**

Concerted efforts are required to be made by all the partners in the programme, viz. Banks, Government Departments, NGOs etc. for achieving a target of credit linkage of at least 25000 SHGs during the current year.

At the district level, CEO, Zila Panchayat may act as a nodal department for maintaining the data regarding SHGs formed by various agencies. i.e. NGOs, Government Departments, etc. and status of their credit linkage. Presently only data relating to financing under SGSY is being maintained by CEO, Zila Panchayat. Such data will be useful for dissemination of information among bank branches and also for district level review in DCC/BLBC, etc. Panchayat & Rural Development Department is requested to issue necessary directives to their field level functionaries.

**7.2 Housing Finance****(a) Direct Housing Finance**

As per Reserve Bank of India guidelines each bank should attain a share of housing finance at 3% of the incremental deposit of the previous year i.e Rs. 563 crores. Banks have disbursed Rs 1123crores by the end of Dec. 09 in 18794 loan cases.

Bank wise data is given in **Table No. 20, Page 88-89** for review of house.

Cases (No)				
	Received	Sanctioned	Disbursed	Return/Rejected
March-07	23076	21067	28523	1822
March-08	24547	22759	21728	1839
March-09	21974	21070	20741	690
Dec-09	20437	19137	18794	946

**(b) Golden Jubilee Rural Housing Finance Scheme**

During the year 2009-10 up to Dec. 09 financial assistance of Rs 18.73 crores has been provided under the scheme to 874 beneficiaries. The poor progress is because of non-availability of title.

Bank wise Data is available in **Table No. 21, Page 90-91** for review of house. Year wise data on achievement is as under:

Cases (No.)				
	Received	Sanctioned	Disbursed	Return/Rejected
March-07	1208	1190	1212	11
March-08	1016	976	925	40
March-09	680	644	635	30
Dec-09	892	878	874	11

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

(Amt. in Crores)

Community	Disbursement 09-10 (April 09 to Dec 09)		Outstanding Balance Dec. 09	
	No.	Amt.	No.	Amt.
Muslim	9011	132.05	176731	1642.96
Sikh	1537	35.12	32643	599.32
Christian	1008	14.75	14154	226.61
Zoroastrian	19	.70	663	4.74
Buddhist	79	1.30	6299	32.36
Jain	6005	93.36	62604	789.85
Total	17659	277.28	293094	3295.84

Government of India vide letter F NO.7(60)2008-CM dated 24.08.09 conveyed the following aggregate target for the State, based on the targets reported by individual Public Sector Banks:

(Rs. In crores)

Total Priority Sector lending target March2010	Total Minority Community lending
38825.87	4968.33

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 92-93 & 94-95** for review of house.

#### 7.4 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 Dec-09 is as follows:

(Amt. in Crores)

Communities	Dec- 09	
	No.	Amt.
Muslim	47917	694.78
Sikh	15211	151.72
Christian	1073	21.12
Zoroastrian		
Buddhist	309	3.34
Jain		
A. TOTAL	64510	870.96
B. Total Priority Sector	866758	5626.67
C. Total Advances	1334256	9291.79
% age to A to B	7.44	15.48
% age to A to C(Total Advances)	4.83	9.37

#### 7.5 Financial Assistance to Schedule Caste /Schedule Tribes

The progress up to 31.12.2009 is as under:

(Amt. in Crores)

Item	Schedule Caste		Schedule Tribe	
	No. of A/cs	Amt.	No. of A/cs	Amt.
App. Recd.	16742	127.85	11250	7510
App. San.	15907	117.84	10836	72.09
App. Disb.	15543	113.26	10445	69.00
Ap. Rejected	161	.74	167	.85
App. Pend.	674	9.27	247	2.16
Total Bal. O/S	599897	2063.00	378283	1232.92
NPA Amt.	62330	263.56	34229	140.44
% age NPA	10.39	12.78	9.04	11.39

Bank-wise data is given in **Table No. 24 & 25, Page 96-97 & 98-99**

#### Loans to Denotified Nomadic Tribes (DNTs)

The National Commission for Denotified Nomadic and Semi-Nomadic Tribes (NCDNSNT) has interalia recommended that bank loans should reach Denotified Nomadic Tribes (DNTs) to enable them to undertake suitable economic activities and appropriate percentage be fixed for the group within the over target of PSL and the sub-target for weaker section. Further, the process of disbursement of loans to DNTs may be reviewed and monitored by the District Level Consultative committees and State Level Bankers Committee so as to ensure that the DNTs receive an equitable portion of the bank credit.

The Reserve Bank of India has written to IBA to identify and examine the operational problems / issues that the banks may face and the support required from State Governments for identification / verification of beneficiaries as also other modalities in implementing the recommendation made by the committee.

Now, Indian Banks' Association requested all the SLBCs to examine the matter and place it for discussions at the SLBC meetings so as to arrive at an action plan in this respect.

### **Swarojgar Credit Card (SCC)**

The progress up to 31.12.2009 under Swarojgar Credit card scheme is given below:

(Amt. in crores)

Particulars	Comm. Bks	RRBs	Co-op BK	Total
Annual Target (No.)	5382	8368	1300	15050
No. of SCCs Issued	895	3239	485	4619
Amount Disbursed	2.13	8.76	.78	11.67
% Achievement	16.62	38.70	37.30	30.69

Bank wise progress is given in **Table No. 26 Page No.100-101**.

NABARD has informed that reporting of progress by Banks is not satisfactory. Member Banks are requested to submit data in time.

Directorate of Hatkargha, Government of Madhya Pradesh has informed that bankers delay in sanction/release of loans under the Scheme. The Directorate desired that cases under the Scheme be processed and action be taken within 15 days

The house may review the progress.

### **7.7 Artisan Credit Cards**

As per information given by Banks the target set for 2009-10 is 3475 against which the Banks have issued 832 cards during the quarter Dec.09. Total cards issued under the scheme since inceptions are 5813

Bank wise position is given in **Table No 27, Page 102-103**. Most of the banks have reported Zero progress in the scheme. This situation needs to be corrected by employing appropriate strategies.

### **7.8 General Credit Card (GCC) Scheme.**

As per information given by the Banks the, a total of 5680 cards have been issued during the FY 2009-10 up to Dec. 09 against the self set target of 14196 Total cards issued under the scheme since inceptions are 33770 Bank wise position is given in **Table No 27, Page 102-103**.

## 7.9 Education Loans

Banks have sanctioned 10527 education loans amounting to Rs 261.62 crores during the current financial year of which Rs 66.69 crores have been sanctioned to 2790 girl students.

Bank wise position is given in **Table No 28, Page 104-105.**

The DIF vide letter 202 dated 02.02.2010 has informed that State Government are receiving complaints that some banks are delaying sanction and disbursement of education loans to eligible students thereby depriving aspiring candidates. All loan applications up to a credit limit of Rs.25,000/- should be disposed off within a fortnight and those for over Rs.25,000/- within 8 to 9 weeks as per RBI Norms So House resolve to advise all state level heads to direct their field functionaries to complete all formalities and sanction/disburse educational loan within reasonable period from the date of receipt of the application.

## 7.10 Advances to Women beneficiaries

Advances to women beneficiaries stood at Rs 5136.43 crores which is 6.90 % of the total advances and well above the target of 5%.

Bank wise data is given in **Table No 29, Page 106-107.**

## 7.11 Progress under National Horticulture Board Scheme

Particulars	Unit	(Amt in Crores)
		2009-10 Up to Dec- 09
Cases Received	No	795
Cases Sanctioned	No	766
Cases Disbursed	No	766
	Amt	5.96
Cases Rejected	No	5
Cases Pending	No	20
Balance Outstanding	No	4900
	Amt	103.21

Bank wise and district wise data is given in **Table No. 30, Page 108-109.**

## NHB Progress report:

The progress up to 31.12.2009 under NHB scheme is given below:

Particulars	(Amt in Crores)	
	Number	Amount
LOI placed before Board	316	-
LOI approved by Board	301	-
No. of cases where subsidy released through NHB Bhopal:		
Below Rs.20 lacs	117	0.85
Above Rs. 20 lacs		
TOTAL	117	0.85

**7.12 DEBT SWAP**

Convenor requested the banks to achieve 3% of the target for financing under the debt swap scheme and also requested to provide the progress along with SLBC Data every quarter.

**7.13 DAIRY & POULTRY VENTURE CAPITAL FUNDS:**

As per the information with SLBC, the Dairy and Poultry Venture Capital Funds is continuing during 2009-2010 also with separate allocation of Rs.38 crores (Rs.5 crores for NE States) and Rs.10 crores for dairy and poultry sectors respectively.

NABARD advised to refer their earlier Circular Nos. 32/ICD-6/2004-05 dated 16 February, 2005 and 04/TSD-01/2008 dated 14 January 2008.

Eligible components for both the other terms and conditions remain unchanged.

It is also reported that a Mid-term evaluation of the scheme indicated that some of the banks are not passing on the repayments received under the scheme to NABARD which will lead to depletion of the fund's corpus. Hence, all the banks may be advised to instruct their implementing branches to pass on the repayments on a proportionate basis to NABARD.

A review made by NABARD on the Interest Subsidy claimed so far revealed that only 10% of the eligible claims were submitted by the banks. As interest Scheme was envisaged to encourage regular repayments, the banks may advise the branches to submit claims for interest subsidy in respect of all regular loans under the scheme.

**7.14 Farmers Club. NABARD Agenda:**

Promotion of Farmers Club – In the 11<sup>th</sup> Five Year Plan a target of formation of 100000 farmers Club has been fixed for the country as a whole. For the year 2009-10 a target of 3107 Farmers Clubs have been kept for the State. 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. The farmers club may function as business facilitator / Business correspondents also.

**7.15 DISBURSEMENT OF SCHOLARSHIP OF STUDENTS OF SC / ST THROUGH BANKS**

DIF vide their letter 1695 Dated 22.08.2009 has requested to add following Points received from Adim Jati Kalyan Department Bhopal for discussion of house.

- ❖ Nodal Branches of Banks are not disbursing the subsidy to their branches from nodal branches in time.
- ❖ Account of the scholarship should be opened with minimum balance or with zero balance
- ❖ Disbursement should be made through cheques only instead of withdrawal form and per cheque charges of Rs. 1/ only be recovered.
- ❖ It is to be allowed to open the account of students below age of 18 years.
- ❖ Bankers are requested not to deduct any stationary or collection charges as they are not paying any intrest on scholarship accounts.
- ❖ Last date of disbursement is 31.10.2009.so bankers are requested to plan their schedule of disbursement before that.



## 7.16 BANK GUARANTEE IN RANI DURGA VATI YOJNA

DIF vide their letter प्रावि/रादुयो/संसि/2009/1671दिनांक 20/08/2009 and 350 dated 25.02.2010 have requested to add following points in SLBC agenda for discussions:

A meeting of 'M.P. Tribal Mantrana Parishad' was held on 23 July 2009 under the chairmanship of Hon'ble Chief Minister Shri Shivraj Singh Chauhan wherein the following issues were discussed and action desired:

- Under 'Rani Durgavati Yojna' submission of guarantee is a pre-requisite. However, for tribal beneficiaries it is difficult to fulfill this requirement. The Principal Secretary (Commerce & Industry) clarified that guarantee is required only in loan cases involving more than Rs.2 Lacs and for this purpose, plot/house in the possession of the beneficiary is also acceptable.
- To ensure that in case of default in tribal agriculture loan cases, at the time of auction, the land is not allowed to be transferred to non-tribal persons.
- Amount of finance for providing pump sets to be provided to tribals in 'Stop Dam' built on nallas & rivers should be enhanced.
- In addition, special focus to be given on Tribal SHGs women groups for Handlooms & Handicraft development activities.
- Need for generation of alternative employment opportunities for which a tie-up arrangement may be made between concerned State Government Department and Banks for providing training to Women SHGs.

## 7.17 Availability of Land Records

The DIF vide letter 2378 dated 10.12.2009 has informed that Revenue Deptt issued detailed guidelines for providing land records to farmers. Convenor issued a copy of this letter vide ZO/SLBC/2009-10/257 Dated 24.12.2009 to all state level heads of all banks.

## 7.18 Loans to Forest Dwellers

The DIF vide letter 389&413 dated 4.03.2010 has informed that Chief Secretary and Tribal and Scheduled Caste Welfare Department desired that Loans up-to Re. 1 lakh to Forest Dwellers be given on no guarantee basis and also they should be provided KCCs.

## 7.19 Review of Lead Bank Scheme – Banking facilities in every village by 2011.

DIF vide their letter No. SLBC/1/DIF/96/1766 dated 01.09.09 referred to the RBI press release No. 2009-2010/300 dated 24<sup>th</sup> August, 2009 stressing the need to recognize the slogan "there is growth and gold at the bottom of the pyramid" and ensure that the Banks should aim at providing financial services at an affordable cost to vast sections of disadvantaged and low income groups in the unorganized sector. To begin with, the press release laid down emphasis to draw up a roadmap to provide banking services in any form to every village.

The issue of providing banking services at the doorsteps of villages having population of more than 2000 was deliberated at length in a meeting of all LDMS convened by the Convenor on 22.02.2010. Bankers informed the progress as follows:

Keeping in view the gigantic task of expanding banking services at the doorstep of every citizen, the Report approved by the RBI to Review Lead Bank scheme desire to strengthen SLBC & DLCCs. With a view to extract the optimum benefit of the Scheme, the banks with lead responsibilities in the State are expected to put forth their opinion / line-of-action on the issue of strengthening SLBC and DLCCs for detailed deliberations in the ensuing SLBC.

### 7.19 **Agenda From RBI.**

1. **Levy of licence fee by Bhopal and Indore Municipal Corporations on banks** Bhopal and Indore Municipal corporations are levying license fee on banks functioning within their municipal limits. The issue was earlier raised in the 123rd SLBC held on March 23, 2006 and was also taken up by the DIF with Urban Administration and Development Department. The UADD of GoMP is again requested to issue appropriate directives to concerned Municipal Corporation.
2. **Providing timely feedback to SLBC convener.** It is observed that there is considerable delay in providing feedback as per prescribed format to SLBC convener by almost all banks. In spite of considerable level of technology adoption claimed by banks, it is very disheartening to note that the quarter end position of the bank branches in the State is not given to SLBC even after one month since completion of quarter. As a result many of the feed back expected from SLBC to Central Office RPCD, State and Central Governments and Regional office of RBI are delayed. This has also affected timely submission of data for local board meetings of RBI. All banks should have a relook at their internal housekeeping and data consolidation mechanism in place, to expedite submission of consolidated data whenever needed. In addition the following agenda may be included for subcommittee meetings.

#### **Agriculture and allied activities:**

- i. Giving focus for precision farming (drip irrigation and avoiding excess usage of manure) in view of the water shortage in the region
  - ii. Methods for increasing credit to agriculture in the area Industry.
  - iii. Segment/ sector wise collection of data on sick industries with the intention of analysing trends and nursing them Services,
  - iv. All the RSETIs and FLCCs to be set up by coming year. Financial Inclusion and ITeFI.
  - v. Constraints in the area of ITeFI on urban areas.
  - vi. Data compiled on progress of financial inclusion in the 35 identified districts shows many gaps (data on Bhopal not given) and has not been updated since March 2009. This should be addressed .
1. **High level report on lead bank scheme:** The High Level Committee set up to review the Lead Bank Scheme has recommended that the Lead Bank Scheme (LBS) is useful and needs to continue. The various for a under LBS should focus on addressing the 'enablers' and 'impeders' in achieving greater financial inclusion and flow of credit to priority sectors. While continuing to monitor subsidy linked government sponsored schemes, functioning of SLBC and DLCC should be strengthened. The salient feature of the reports are :

- a. That in every district, a sub committee of the DCC may be formed to draw up a road map to provide banking services through a banking outlet at every village with population of over 2000 at least once a week on a regular basis.
- b. Once such a road map is prepared and is implemented, it should be the endeavour to ensure that 100% financial inclusion is achieved.
- c. A monitoring system may be instituted by the DCC to periodically assess the position regarding achieving the roadmap and report the same in each meeting of the DCC.
- d. The funding arrangements available under Financial Inclusion Technology Fund (with NABARD) or other options such as the support offered for distribution of Government payments by RBI may be explored for this purpose.
- e. RBI may consider allowing banks to use mature SHG group leaders as BCs with IT solutions in place to ensure requisite safeguards.
- f. NABARD may make a detailed review of the SHG-bank linkage programme and come up with revised guidelines to facilitate migration of members of mature groups to become micro entrepreneurs and increase the scale of lending through such groups.

#### **मद सं.-08 राजभाषा नीति का कार्यान्वयन**

मध्यप्रदेश में 48 बैंकों में से केवल 38 बैंकों ने राजभाषा नीति के कार्यान्वयन संबंधित तिमाही आंकड़े हैं । सदस्यों से अनुरोध है कि वे एस.एल.बी.सी. के प्रारूप में अपेक्षित आंकड़े समय से भेजना सुनिश्चित करें ।

तालिका संख्या 35 पेज 116 में समीक्षा हेतु स्थिति दी गई है ।

#### **Agenda Item No. 9 OTHER AGENDA ITEMS**

#### **Agenda Item No. 10 Any other issue with permission of the Chair**