

ACP ACHIEVEMENT

PERFORMANCE UNDER ANNUAL CREDIT PLAN FY 2016-17 AS ON 31.03.2017

Amount in crores

Sr.	Sub Sector	Target for the FY 2016-17		Achievement during financial year 2016-17		Achievement % (Amt.)	Financial Year 2015-16		
		No.	Amt.	No.	Amt.		Target (Amt.)	Achievement	Achievement %
1	Agriculture	2613627	80988	3899641	64162	79.22	67187	52502	78.14
1a	Farm Credit	2480508	75927	3766354	60077	79.12	*		
1b	Crop loan out of 1a	2137653	58521	3191667	50034	85.50			
1c	Agriculture Infrastructure	83990	3184	23333	888	27.89	*		
1d	Ancillary Activities	49129	1877	109954	3197	170.32	*		
2	MSME	382924	16123	588257	16516	102.44	13396	17769	132.64
3	Export Credit	1311	425	78	219	51.53	*		
4	Education	38937	1435	23357	373	25.99	300	297	99.00
5	Housing	162521	5948	188127	3584	60.26	4933	4044	81.98
6	Social Infrastructure	220178	3914	496	23	0.59	*		
7	Renewable Energy	5277	271	103	17	6.27	*		
8	Others	0	0	184165	2784		3188	5176	162.36
9	Total Priority Sector	3424775	109104	4884224	87678	80.36	89004	79788	89.65
10	Total Non-Priority Sector	57369	3252	423641	27498	845.57	3918	31882	813.73
11	Total Credit Plan (9+10)	3482144	112356	5307865	115176	102.51	92922	111670	120.18

*As per old priority sectors norms. There was no target during FY 2015-16

HIGHLIGHTS

- The potential credit outlay FY 2016-17 for priority sector lending was estimated as Rs. 109104 crore, with an increase of 22.58% over the projections of the previous financial year.
- As against the target of Rs 1,12,356 crore (priority & non-priority), under Annual Credit Plan for FY 2016-17, an amount of Rs 1,15,176 crore was disbursed, recording an achievement of 102.51 per cent.
- The Banks disbursed Rs 87678 crore to the priority sector against the target of Rs 109104 crore with achievement index of 80.36%, showing a marginal decline in percentage achievement as compared to an achievement of 89.65% of the target during 2015-16.
- The Banks disbursed Rs 64162 crore to the agriculture sector against the target of Rs 80988 crore and achieved 79.22% of the target as against the achievement of 78.14% during 2015-16. Achievement of Commercial banks, regional rural banks & cooperative banks were 78.59%, 52.46% & 93.48% respectively.
- Crop loans outlay of Rs. 58521 crores for FY 2016-17, constitutes a major share (52%) in the credit plan. The ground level credit flow to this sector was Rs 50034 crore during 2016-17 as against the target of Rs. 58521 crores, an achievement of 85.50 per cent.
- Against the allocation of Rs 5948 crore credit for the housing sector (priority sector), the credit off take was Rs 3584 crore at the end

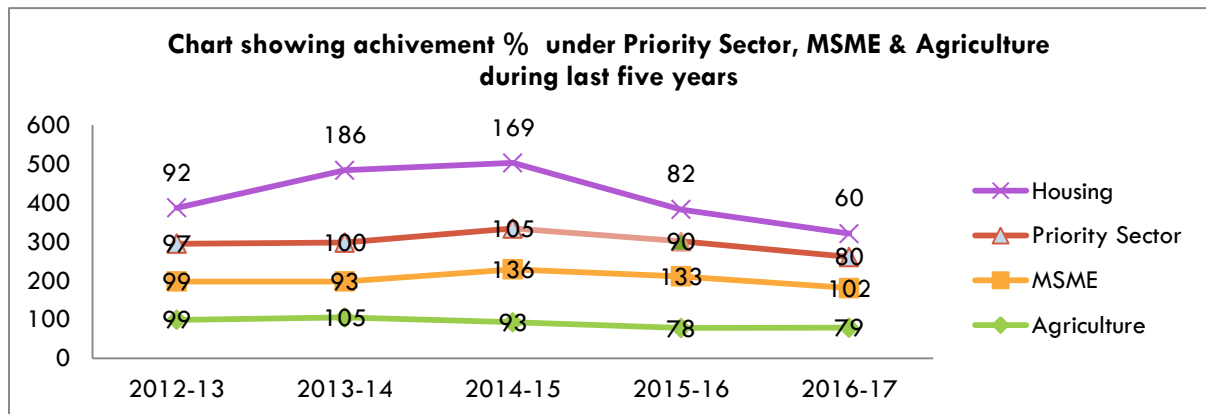
of third quarter and achievement index was 60.26% during 2016-17.

- Banks performed well under Ancillary activities category and achieved 170.32% of the targets. Loans up to Rs. 5 crore to co-operative societies of farmers, Loans for setting up of Agriclincs and Agribusiness Centres, Loans for Food and Agro-processing up to an aggregate sanctioned limit of Rs100 crore per borrower , Loans to Custom Service Units , loans to Primary Agricultural Credit Societies (PACS), Farmers' Service Societies (FSS) etc. come under ancillary activities.

- Under MSME (priority sector), banks disbursed Rs. 16516 crores during 2016-17 as against the target of Rs. 16123 crores and achieved 102.44% of the target. It is to be noted that performance of the banks under MSME sectors are appreciable as almost 100% of the targets have been achieved by them in last few years.

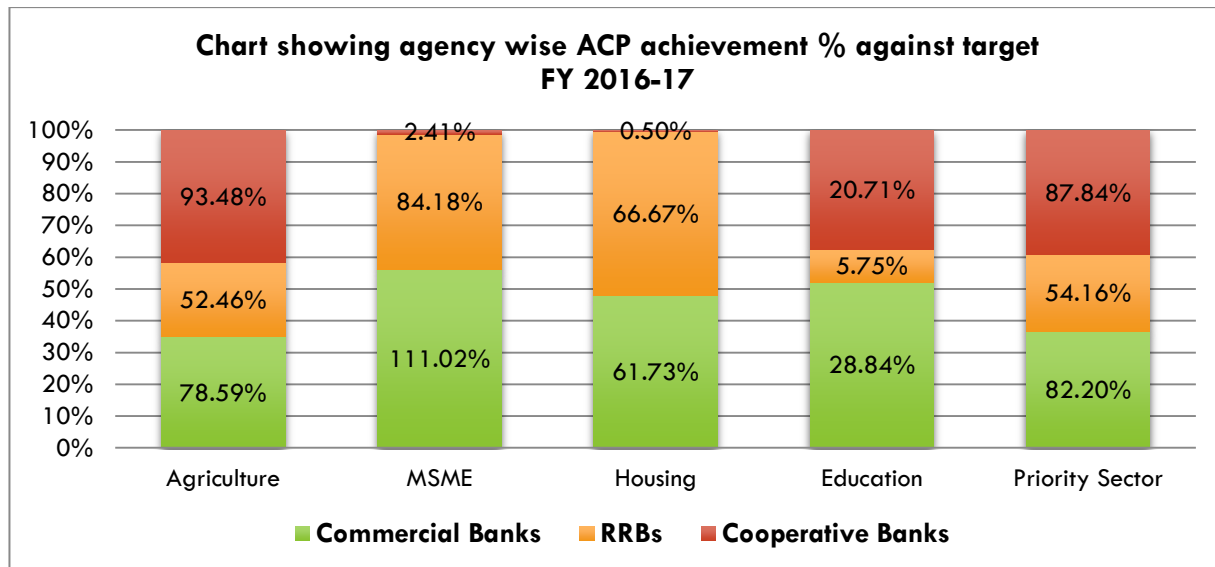
- Performance under Social Infrastructure & Renewable Energy sectors are yet to be picked up as achievement during 2016-17 was only 0.59% & 6.27% respectively.

COMPARATIVE ACP PERFORMANCE DURING LAST FOUR FINANCIAL YEARS



- Credit disbursement during 2016-17 was affected by demonetization as the bankers were preoccupied with demonetization related activities.
- Disbursement to housing sector was more during 2013-14, 2014-15, which has slowed down during 2015-16 & 2016-17.
- On account of factors like Government Policies and priorities, cost escalation, revision in unit costs of various investment activities, Scale of Finance (SOF) for lending under crop loans and infrastructural changes at the district level, the banks need to explore the potential to increase disbursement.

AGENCY WISE ACP PERFORMANCE FY 2016-17



- Annual performance of cooperative banks under agriculture sectors was good with achievement index of 93.48% followed by Commercial banks with achievement index of 78.59%. Regional Rural Banks could achieve only 52.46%. RRBs need to give a serious thought to the issue and scale up finance to agriculture sector as they are among the drivers of agricultural credit in the State and the State's economy being primarily an agrarian economy.
- Commercial banks performed well under MSME sectors with achievement of 111% of the targets. RRBs also achieved 84.18% of the targets under MSMEs. The MSME sector contributes significantly to the State's manufacturing output, employment and exports and is credited with generating high employment. The Government of Madhya Pradesh is poised to enable entrepreneurship through access to resources and support in terms of infrastructure and incentives. The MSME sector in Madhya Pradesh has witnessed significant transformation in recent times wherein new business opportunities have come up and several diverse investments are being undertaken by the public and private sector players. During 2016-17, out of total disbursement of Rs. 16516 crores to MSMEs, share of MUDRA loans is 35.76% wherein Rs. 5907 crores were disbursed.
- Demonetization has restricted the disbursement under housing sector. Commercial banks disbursed Rs. 3325 crores to housing sector followed by RRBs with disbursement of Rs. 206 crores. State Bank of India was in the top with disbursement of Rs. 1497 crores.
- Despite disbursement of Rs. 76 crores more from previous year under education loans, banks could achieve only 25.99% of the targets during 2016-17. NPA under education loan is 5.17% of its portfolio.
- Commercial banks achieved 82.20 per cent of the credit target under priority sector and private banks achieved 126.44% of their targets. However, PSBs disbursed Rs. 34875 crores more than Pvt. Sector Banks to PSL. While Pvt. Banks disbursed Rs. 13226 crores under priority sector, it was Rs. 48101 crores for PSBs.
- Co-operative banks disbursed Rs. 12363 crores under priority sector and achieved 54.32% of the target for FY 2016-17.

DISBURSEMENT UNDER PRIORITY SECTOR DURING LAST SIX FINANCIAL YEARS

