

**Minutes of the 176th and 177th Meeting of
The State Level Banker's Committee, Madhya Pradesh
Dated January 6th, 2021**

The 176th and 177th meeting of State Level Banker's Committee for the State of Madhya Pradesh was held on January 6th, 2021 under the Chairmanship of **Shri Iqbal Singh Bains, Chief Secretary**, Government of Madhya Pradesh. Senior officials from State Government, NABARD, RBI, Banks and other Financial Institutions attended the meeting. Field General Manager, Central Bank of India & Convenor, SLBC welcomed all the dignitaries and participants. Thereafter, agenda wise discussions were held.

The House confirmed and adopted the minutes of 175th SLBC meeting held on June 23rd, 2020.

1. KCC SATURATION DRIVE

a) KCC to PM-KISAN Beneficiaries

The first phase of KCC saturation drive was started on 10th February, 2020 to provide KCC to the left-over beneficiaries of PM-KISAN scheme. During the campaign, banks have issued 2.17 lakh KCCs so far. The Chairman instructed that all banks should strive to achieve 100% target by seeking cooperation from Agriculture Department.

b) KCC for dairying activities

The Chairman expressed concern about returning of about 94 thousand applications belonging to the Dairy Cooperative Societies (DCS) by the bank branches due to various reasons. The Chairman instructed the banks and Animal Husbandry Department (AHD) to resend these applications to the concerned bank branches after making necessary corrections. It was also directed that the KCC application form should be sent to the branch where the applicant is maintaining either existing KCC loan account or deposit account.

Dugdh Sangh should also ensure remittance of money on account of purchase of milk to only those bank branches from where the borrower has availed KCC loan.

The Chairman expressed displeasure over the huge pendency in the disbursement of sanctioned cases. He instructed the Banks to ensure disbursement in such cases within the next 10 days. ACS-Animal Husbandry pointed out that some bank branches have rejected the applications due to lack of tripartite agreement, insurance cover, etc., while these issues have already been clarified and settled in the Sub-Committee meetings. All Banks should ensure that such instances are not repeated and should issue advisory to their branches to this effect.

In addition to cases of the Milk Unions, around 2.10 lakh additional cases of dairy KCCs have also been submitted in the bank branches by the Animal Husbandry Department. Out of these, only about 25,000 cases have been sanctioned so far. Banks were advised to dispose-off all the pending applications on priority basis within the next 10 days.

c) KCC for fisheries activities

Convenor, SLBC requested NABARD to prepare a checklist or SOP that would assist the branch managers in speedy disposal of pending cases. Though NABARD expressed its willingness to do so, APC informed the house that such instructions were already in place and this issue has been clarified many times in earlier sub-committee meetings. The Chairman advised all the banks to issue clear instructions to their branches for speedy disposal of these cases.

2. PM SVANidhi SCHEME

Bank wise status was reviewed. The issues of verification of CIBIL score and defaulter status by bank branches was also discussed at length. It was clarified that banks are required to check only CIBIL default and not the CIBIL score. If an applicant is a defaulter then only his case is to be rejected. It was also clarified that applicant's family member's default is not to be considered while sanctioning such loan. CGM-SBI mentioned that they have already issued instructions to their branches regarding this.

PS, UADD applauded SBI, BOI & CBI for their good performance under the scheme. It was also observed that many banks do not have sufficient number of applications in their branches. The Chief Secretary advised UADD to reallocate the applications among banks. BOB, Indian Bank & Private sector banks were requested to improve their performance and achieve their allotted target. UADD should also obtain a copy of circular issued by SBI regarding CIBIL score and circulate it among all ULBs. As regards the negligible progress of private sector banks, the Chairman spoke to the Zonal Heads of main banks and they assured that they would dispose-off all cases available with them by end of January, 2021.

MoHUA, GOI has launched "Main Bhi Digital" campaign from January 4-22, 2021 for digital training of the street vendors. Convenor, SLBC requested PS, UADD to provide support in organizing training events.

3. CM RURAL STREET VENDOR SCHEME

Bank wise progress was reviewed. BOM informed that their Head Office has not approved this scheme and has advised to consider these cases under MUDRA Shishu scheme. The Chairman expressed his displeasure over the rigid view taken by BOM. It was decided that a letter be sent to the MD & CEO of the Bank and also to the DFS GOI for which P&RD should take immediate action. The House observed that progress of private sector banks in this scheme is almost zero. The Chief Secretary advised P&RD Department to do micro planning and management, so that performance can be improved. He also advised the banks to take prompt decisions on the submitted proposals.

4. SELF HELP GROUPS

The Chief Secretary appreciated the banks for their satisfactory performance under this program. There is an issue of linkage of savings account of the SHGs in a few banks. It was pointed out that many large banks do not have adequate number of savings account of SHGs in comparison to their rural and semi-urban branches in the state. If an SHG's saving account is not linked then credit linkage would not be possible. The Chief Secretary instructed CEO, SRLM to issue instructions to field functionaries for opening of savings

account of SHGs in other banks also, so that credit linkage can be done subsequently. He also advised to set bank-wise targets for linkage of saving account.

CEO, SRLM mentioned that despite of good work by banks, progress is not reflected on the national portal. He requested the banks to ensure entry of sanction and disbursement to SHGs on the national portal in the next 15 days. The Banks may also take services of Bank Sakhi available at village level for this purpose, for which necessary instructions may be issued to branches.

5. EMERGENCY CREDIT LINE GUARANTEE SCHEME (ECLGS)

While some banks have made disbursement in more than 75% cases of eligible accounts (upto 20% loan outstanding), some bank's performance is below 50%. These banks were advised to improve their performance. Secretary-MSME mentioned that stressed MSMEs need equity support. MSME Department and banks may jointly identify the eligible accounts and benefit of subordinate debt may be made available to them, so that MSME units may be revived subject to fulfillment of conditions laid-down in the scheme.

6. PRIME MINISTER EMPLOYMENT GENERATION PROGRAMME (PMEGP)

There is a target of Rs. 192 crore for margin money disbursement under this scheme for the current fiscal year. Till December, 2020, only Rs. 47.79 crore margin money could be disbursed and cases worth Rs. 50.08 crore margin money claims are pending at bank-branch level. All banks were advised to submit margin money claims by end of January, 2021, so that beneficiaries may avail benefit under the scheme. Banks were also advised to dispose-off the submitted cases at the earliest.

7. CREDIT LINKED SUBSIDY SCHEME (CLSS) UNDER PMAY-U

Under this scheme, achievement is only 27,858 cases against the target of 1 lakh cases. In case of EWS/LIG female ownership / co-ownership of house property is mandatory. MoHUA, GOI has allowed to include the name of female member at later stage in registered title deed/sale deed to enable male borrower to avail the benefits of CLSS. GoMP has also fixed a

low amount of Rs 1,000/- stamp duty for this purpose. All Banks were advised to disseminate information about this provision to the beneficiaries and improve their performance.

8. PMFBY KHARIF-2019

Due to various reasons, banks could not upload data of about 1.30 lakh farmers on National Crop Insurance Portal (NCIP), although banks have deducted premium from the farmers account and remitted to concerned Insurance companies before due date. APC and PS, Agriculture apprised the Committee about the efforts made so far to resolve this issue. The Chief Secretary advised that PS, Agriculture may take up this issue with DFS and Ministry of Agriculture, so that this issue may be settled at GoI level.

9. LOW CD RATIO DISTRICTS

In accordance with the decision taken by SLBC, State Government had assigned the study of 9 districts (Anuppur, Dindori, Mandla, Rewa, Shahdol, Sidhi, Singrauli, Tikamgarh & Umaria) having the lowest CD ratio to NABCONS. NABCONS has submitted its final report. Collectors & LDMs of these districts have been advised to formulate an action plan and set monthly targets. Convenor of the sub-committee on CD Ratio (UBI) was requested to evaluate status regularly. Ms. Pallavi Jain Govil, PS-Tribal Welfare Department requested that SC ST Finance Corporation and lending to SC ST beneficiaries may be a part of SLBC agenda. It was also flagged that the Scale of Finance (SoF) in eight districts have not been revised since last three years. The SoF needs immediate revision in Mandla, Anuppur, Umaria, Shahdol, Dindori, Tikamgarh, Niwari & Singrauli.

10. BANKING DEVELOPMENT IN M.P. Q-2 FY 2020-21

Progress was noted by the House. CGM, NABARD flagged that the share of agriculture term loan in total agriculture credit was only 24.71 % in Sep- 2020 and it needs to be improved. She mentioned that NABARD has already prepared model schemes for agriculture term loans and banks should consider these to increase lending of term loan.

11. ANNUAL CREDIT PLAN Q-2 FY 2020-21

Progress was noted by the house. Banks were requested to strive hard to achieve the ACP targets of current fiscal year in the remaining quarter.

12. DIGITAL DISTRICTS

Betul, Indore and Vidisha districts were identified for 100% digitization in Debit/RuPay Card coverage, net banking coverage, Mobile banking/UPI/USSD coverage and POS/QR coverage. GM, FIDD, RBI flagged that overall progress does not seem to be satisfactory. Banks operating in these districts should take effective steps for 100% digitization by 31st March, 2021.

13. CHIEF MINISTER RURAL HOUSING MISSION SCHEME

NPA under this scheme has reached to an alarming level of 38.39% of the portfolio in September, 2020. Banks requested the State Government to start a drive to recover dues from the defaulters. Banks also requested to issue an administrative order at the earliest. The Chairman directed that Panchayat & Rural Development Department should examine the proposal of the bank afresh and submit for Government's decision. Convener, SLBC was advised to again discuss with ACS, P&RD and with major banks to reach on a conclusion.

14. FINANCIAL INCLUSION

Presently, 21 FLC centres are vacant because of non-posting of the FL Counselors. Further, there are 2 new districts i.e. Agar-Malwa (BOI) and Niwari (SBI), in which RSETI has not been established by the lead bank. Concerned bank were advised to ensure appointment of FLC Counsellor and also to take effective steps for establishing RSETI in these districts at the earliest. House also noted progress under social security schemes.

15. DEVELOPING A STANDARDIZED SYSTEM OF DATA FLOW UNDER LEAD BANK SCHEME

In terms of RBI directives, banks have to make a provision in their CBS to generate all LBS related data and their uploading to the SLBC website. However, 32 banks are yet to migrate to the new system. All concerned banks were advised to migrate to new data flow system immediately.

16. CM HELPLINE COMPLAINTS

It is observed that there is a time limit of 30 days at level-1 officer i.e. state head of banks but more than 50% complaints remain unattended and get escalated to higher levels. All such banks should depute a special team for resolution of complaints pending since 2017, 2018 and 2019. All banks were also advised to ensure satisfactory resolution of CM Helpline portal complaints in timely manner.

The Chairman also directed that the complaints pertaining to banking sector should be finally closed at District level. State Level L-4 Officer may not be in a position to close these complaints. It was decided that Level Officer may be realigned and District Collector may be appointed L-4 level Officer for the complaints pertaining to banking sector. DIF, Finance Department will have privilege to access only district-wise and bank-wise progress reports, so that state level monitoring may be done by them.

The meeting ended with vote of thanks to the chair by the Chief General Manager, State Bank of India.

(Minutes Approved by the Chief Secretary)
