

**STATE LEVEL BANKERS' COMMITTEE
MADHYA PRADESH
143rd MEETING
15th July 2011**

AGENDA

**PART 1
REGULAR AGENDA ITEMS**

AGENDA ITEM NO. 1: CONFIRMATION OF THE MINUTES OF THE 142ND MEETING OF STATE LEVEL BANKERS' COMMITTEE HELD ON 26TH MARCH 2011

Minutes of the 142nd meeting of SLBC held on 26th March 2011 was circulated vide Convener Bank's letter number ZO/SLBC/MP/2010-11/34 dated 09.04.2011 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/2010-11/861 dated 29.03.2011 & ZO/SLBC/2011-12/F-10/47 dated 11.04.2011 reminded all concerned to initiate follow-up action on decisions taken in the 142nd SLBC. Reports received are placed below:

Sr. No	Agenda Item	Action Point	Action Taken Report
1.	Financial Inclusion in Madhya Pradesh	<ul style="list-style-type: none"> • After 15th April 2011, SBI will make power point presentation on KIOSK before banks in which Secretary (IT) will also be present. • Banks have to complete the coverage of villages above 2000 population by 30.09.2011. • At least 5000 villages with population between 1000 to 2000 be taken as target. <p>A target of opening of 300 branches has been fixed of which at least 25% should be in rural areas and at least 10% branches should be in the un-banked villages.</p>	<p>Power-Point presentation made on 07.05.2011 by SBI.</p> <p>1020 villages have been covered up to 31st March 2011.</p> <p>Bank-wise targets are given on page no. 135</p> <p>Branch Expansion Plan received for 267 branches from 17 banks is given on page no. 14 .</p>

2	Adoption of 100% CBS by RRBs	Leftover three RRBs will complete CBS by September 2011.	Satpura Narmada RRB & Sharda RRB - Under Process Mahakaushal RRB - Completed on 30.04.11
3	FLCCs	All the banks in the first half of 2011-12 year must appoint director and counselor at FLCC.	Banks in consultation with their corporate offices are finalizing the appointments.
4	Interest Subsidy Scheme for Housing the Urban Poor (ISHUP)	All banks should dispose off the cases at the earliest.	190 cases sanctioned and 190 cases disbursed up to 31.03.2011. Proposals are not being received from the nodal agencies.
5	Sub-committee on IT enabled Financial Inclusion	Convenor of the Sub committee should hold the meeting regularly on monthly basis.	The Sub-committee of SLBC held on 16.06.2011. Minutes have been circulated vide letter no. dt. 21st June 2011 Meeting of Mantriparishad held on 03.05.11. Minutes have been circulated vide letter no. 1635 dt. 18 th May 2011 by DIF.
6	Review Of Annual Credit Plan of Madhya Pradesh	SLBC will make bifurcation of the target and will send to all Lead District Managers	Bifurcated target sent to all LDMs on 29.03.2011 for allotment among banks in the district concerned. LDMs have allotted the bank-wise targets in their respective DLCCs.
7	Rationalization of procedure for lodging of FIR in respect of fake Indian Currency notes	DIF to put the latest circular on website for Rationalization of procedure for lodging of FIR in respect of fake Indian Currency notes	Detailed circular issued by DIF vide letter PDF/GEN/08/ DIF/2011/1012 dt.31.03.2011 and circulated to all banks.

AGENDA ITEM NO. 3: RESOLUTIONS/ RECOMMENDATIONS OF VARIOUS SUB-COMMITTEES CONSTITUTED BY THE SLBC

S. No.	Name of Sub-Committee	
3.1	Sub-committee on Agriculture & allied activities	The Meeting could not be held during March 11 quarter. However, same will be held on 29.06.2011.

3.2	Sub-committee on industry sector	<p>Meeting held on 27.04.2011. Commissioner, Industries reviewed the progress made by the Banking Sector under various government sponsored schemes specifically under KVIC/ KVIB and Rani Durgawati Rozgar Yojana. It was observed by him that during 2009-10, Madhya Pradesh could not achieve budgeted targets and whatever progress was there, it could be achieved only in last quarter of the year. With a view to achieve the targets of 2011-12, which will be conveyed by them shortly it was desired that Banks should come forward to achieve the budgets on quarterly basis. The sub-committee on Industries will meet every quarter for necessary review of the cases. He also advised that in the next meeting, some of the good entrepreneurs will be called in sub-committee meeting and also the Director MSME, so that a meaningful dialogue could take place to know why the industrial sector is not picking up in MP State. He also suggested for holding locational workshops in districts like Mandla, Dindori and sensitize the Branch Managers to come forward to support wholeheartedly for implementation of the rural employment generating schemes like PMEGP etc. He also impressed upon the Banks to get maximum benefit of the CGTMSE scheme of the Govt. of India and help those first generation entrepreneurs, who are not able to provide desired collaterals. Since, it was the first meeting of this committee, he again requested all the concerned to attend the ensuing meeting with full data on Bank-wise disbursement in Industries sector.</p>
3.3	Sub-committee on services sector	<p>Meeting held on 03.05.2011. Minutes have been circulated vide letter no. 1631 dt. 18th May 2011 by DIF. It was observed that in education loan percentage sanction to target and percentage disbursement to sanction was 73% and 67% respectively. Though some banks have made the progress but figures were not reported to SLBC. Honourable Finance Minister have asked all the banks to achieve the set target of 60000 cases by making disbursement of Rs.1500 crore. .It was decided in the meeting that Lead District Managers will allocate target among all banks in the district. It was reiterated in the meeting that no merit student should be debarred for want of collateral security during current year A target of 200 cases for giving guarantee is kept for 2011-12. Under GOI Interest Subsidy Scheme, only 5344 students were benefited. Banks should ensure that no eligible student be left out in the scheme. Banks may lodge their claim to Canara Bank while RRBs may submit claims through web portal of sponsor bank. The scheme should also be reviewed in each SLBC meeting. Complaints should also be disposed off within 21 days.</p>

3.4	Sub-committee on I. T. enabled Financial Inclusion	<p>The 3rd sub-committee meeting of SLBC on financial inclusion was held on 16.06.2011 wherein after discussion it was decided that :</p> <ul style="list-style-type: none"> • Banks will give village-wise progress and branch expansion plan by 18.06.2011 if not given till date. • Banks will provide details of outreach visit made during 2010-11 by their executives in MP under Financial Inclusion • SBI will give details of overlapped villages. • Bank will go on individual basis for awareness campaigning in allotted villages. • All the information/ data will be provided by banks to SLBC within a week's time. • Banks must give month-wise progress for April and May 2011 by 18.06.11 and for June 11 by 05.07.2011. <p>Meeting of Mantriparishad held on 03.05.2011. It was found that against the target of 886 a total number of 1020 banking outlets have been opened up to March 2011. Banks have started work of Financial Inclusion in 37% of total identified villages. District-wise and Bank-wise progress is given on page no. 136-139. The main problem for slow progress was dependence of banks on their headquarters for identification of vendor and delay in implementation of CBS in RRBs.</p> <p>During the year, 17 banks have reported zero progress. Namely Axis Bank, Bank of Maharashtra, corporation Bank, Dena Bank, Apex Bank, IDBI Bank, Indian Bank, Indian Overseas Bank, Jhabua Dhar RRB. Narmada Malwa RRB, Oriental Bank of Commerce, Punjab National Bank, Rewa Sidhi Gramin Bank, Sharda Gramin Bank, State Bank of Bikaner and Jaipur, Vidisha Bhopal RRB and Vijaya Bank. Datia (Lead Bank PNB) has reported zero progress while 23 districts have covered less than 37% of total allotted villages to be covered up to March 2012. Naxelite affected district Balaghat has reported 30% progress.</p>
3.5	Sub-committee on Action Plan for Financial Literacy	The Meeting held on 22.06.2011.
3.6	Sub-committee on Recovery of Bank dues	<p>The Meeting held on 18.06.2011. It was resolved that-</p> <ul style="list-style-type: none"> • Central Registry System evolved by IBA and brought into effect from 31.03.2011 should be taken advantage of. • All the banks are requested to upload required data into Central Registry System.

		<ul style="list-style-type: none"> • Wherever fake title documents are detected, banks are required to report to SLBC, who will put up the same in SLBC website. <p>Canara Bank has raised the point of not mortgaging the land for sale by DIC while AKVN is giving right to mortgage. DIF has clarified that land can not be mortgage or sold so recovery proceeding can not be initiated. State Government clarified that amendment in act is required for this purpose. It has been decided that matter will be put up as agenda point in coming SLBC.</p> <p>All the banks will check up figures of NPA as well as O/S for PMRY & PMEGP schemes and report to SLBC.</p> <p>Bank will issue instruction to their branches not to share password and user id provided by DIF/BRISC CELL for filing RRCs with recovery agent/any other person.</p> <p>Banks are requested to feed the recovery position.</p>
3.7	Sub-committee on Promoting SHG Linkages	The Meeting will be held on 07.07.2011.

AGENDA ITEM NO. 4: FINANCIAL INCLUSION IN MADHYA PRADESH

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

Under Financial Inclusion plan the progress is as under:

Target for 2010-11	886
Achievement up to 31.03.2011	1020
Type of banking outlet opened	
Branch	5
BC	940
Others (Mobile ATM cum Kiosk, Mobile Van etc.)	75

Bank-wise district-wise progress is given on page no. 144-147.

On going through the minutes of various DLCCs, it is found that the District Level Sub-committees on Financial Inclusion are not meeting regularly. The sub committees 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. Similar type of action may be initiated from DIF for the collectors.

SLBC has to submit consolidated monthly progress report on Financial Inclusion, 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. Now it is decided that bank will 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 during 2010-11 and to be covered in 2011-12 is as under:

Institution	Total no. of villages allotted	% share to total no. of villages	No. of villages covered during 2010-11	Leftover villages for 2011-12	% of total target to be covered by Banks
Commercial Banks	1683	62%	941 (56%)	742	44%
Pri. Sec. Banks	31	1.0%	15 (48%)	16	52%
RRBs	1007	37%	64 (6%)	943	94%
Cooperatives	15	Less than 1%	0	15	100%
Total	2736	100%	1020 (37%)	1716	63%

- Commercial banks have covered 56% of their target
- Percentage coverage of villages by Apex Bank and Private Sector Banks and RRBs is 0%, 48% & 6 % respectively

The RRBs share is 1007 villages of which 94% of villages to be covered during this year. As such RRBs would be required to increase their coverage by nearly fifteen times over 2010-11 level. Apex Bank has to cover all the villages during this year only.

It has been informed by Ministry of Finance that out of 73000 habitations, only 76 villages with population of over 2000 have not been covered with mobile connectivity as of now. Rest of the villages are covered with mobile connectivity. It has also been informed that these 76 villages will be covered with mobile connectivity shortly.

4.2 Progress in Smart Card Project under EBT Scheme:

343261 Smart Cards were issued up to 31.03.2011. In the last cabinet level meeting on Financial Inclusion Shri Gopal Bhargav, Minister Panchayat & Rural Development, Government of MP informed that at present the payment of Rs. 4,000 crore is being made under MNREGA Scheme and it may be increased up to Rs. 8,000 crore when timely payment will be made to laborers. This will increase liquidity of the Banks also. Therefore, base of card preparation and payment through smart card has to be increased by the Banks during the coming months.

Regarding allocation of villages under EBI scheme RBI vide their letter no. RPCD.CO.LBS.BC. No. 74/02.19.010.2010-11 DT. May 30, 2011 stated that SLBC being the apex body in the State should be used as a forum for settlement of issues and for explaining to banks the intention of RBI in extending banking services to unbanked villages through various Financial Inclusion initiatives. In our state SLBC has decided not to allow swapping of villages.

In Andhra Pradesh, it is found that Complaints are being received at various levels that CSPs and Mandal Coordinators are indulging in misappropriation of funds by making benami or bogus payments in the name of manual payments. Banks and BCs have to exercise strict vigilance. In MP also Banks must be vigilant while making payments through smart card.

4.3 Financial support by GoMP for Financial Inclusion

Name of the Bank	No. of Cards	Fund given by State Govt.	No. of HHD	Fund given by Stage Govt.	Total Fund given by State Govt.
1	2	3	4	5	(3+5) 6
State Bank of Indore	29429	0	32	320000	320000
ICICI Bank	2581	154860	1	10000	164860
Union Bank of India	10166	525492	120	1200000	1725492
Central Bank of India	582	5820	11	110000	115820
TOTAL	42758	686172	164	1640000	2326172

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

S. No.	Particulars	Number	Amount (In Rs. Crs)
01	No. of Villages covered under ICT based FI	1020	
02	No. of No Frills accounts	7288402-	-
03	General Purpose Credit Cards	35366	27.29
04	Kisan Credit Cards	6595554	39016
05	Business Correspondents	942	
06	Business Facilitators	-	-
07	FLCCs	28	
08	Smart Cards Issued (No. in Lakhs)	3.43	
09	Smart Card transactions – Number & Volume	negligible	

4.4 RBI Outreach Activity:

The outreach activity was the flagship event of the Platinum Jubilee year celebrations of the Reserve Bank of India. The outreach events across the country were chosen to further financial inclusion, with particular focus on financial education and literacy. An important aspect of the outreach activities was making the Banking Ombudsman as integral part of the activities so that there could be spot redressal of some of the grievances. During the outreach visits, information was disseminated through lectures, demonstrations, interactions, skits, posters, short films, pamphlets, comic books, displays and computers. Quiz programmes and essay competitions, exchange of notes and coins were organized. The target groups included students, SHG members, villagers, farmers, NGOs, bankers, government employees, senior citizens, housewives, Panchayat members, rag pickers, daily wage earners and defence personnel. The top management of the Reserve Bank of India participated in outreach programmes organized in the remote un-banked villages across the State.

4.5 Outreach Visit by Bank's executives

As per instruction of Deptt. of Financial Services (DoFS), Ministry of Finance, Govt. of India and RBI, top management of the Bank should undertake outreach visit of the targeted villages under the Financial Inclusion plan so as to ensure effectiveness of the

implementation of Financial Inclusion and to monitor for overall performance. In compliance of above all executives are visiting targeted villages.

Details of villages visited are given below

Sr. No.	Name of the Bank	Name of Village	Date of Visit	Name & Designation of the visiting Executive
1	CBI	Megha Seoni	3.01.2011	Shri R.K. Dubey, Executive Director
2	CBI	Dungasra	12.01.2011	Shri R.K. Dubey, Executive Director
3	CBI	Raipur-Gwalior	26.02.2011	Shri R.K. Dubey, Executive Director
4	CBI	Dorar	27.02.2011	Shri B. Mondal, General Manager
5	CBI	Akbai Badi	27.02.2011	Shri B. Mondal, General Manager
6	CBI	Sonapur	03.03.2011	Shri B. Mondal, General Manager
7	CBI	Binaika	03.03.2011	Shri B. Mondal, General Manager
8	CBI	Babadia Bhau	15.03.2011	Shri B. Mondal, General Manager
9	CBI	Amoli	17.03.2011	Shri B. Mondal, General Manager
10	CBI	Jasalpur	18.03.2011	Shri B. Mondal, General Manager
11	CBI	Paunar	16.03.2011	Shri B. Mondal, General Manager
12	CBI	Palachourai	16.03.2011	Shri B. Mondal, General Manager
13	CBI	Pandhar Khedi	16.02.2011	Shri G.B. Songaonkar, GM
14	CBI	Berdi	16.03.2011	Shri G.B. Songaonkar, GM
15.	BOI	Sulgaon Joshi	05.10.10	T. Balasubramanian General manager
16	BOI	Bojakhedi	05.10.10	T. Balasubramanian General Manager
17	BOI	Balwada	08.10.10	S. Venkateswalu Dy. General Manager
18	BOI	Asawad khurd	15.01.11	T. Balasubramanian General manager
19	BOI	Cikli	25.05.11	Dy. General Manager
20	Canara	Pahra Purva	09.04.2011	Shri H.R. Patel
21	Canara	Dhurvar	19.04.2011	Shri R.R. Patel
22	Syndicate	Loniakarbal	25.02.2011	Shri T. Venkataiah, Chief Manager
23	Syndicate	Badgaon	22.03.2011	Shri T. Venkataiah, Chief Manager
24	Syndicate	Arnaykhurd	02.06.2011	Shri P.L. Bedi, Chief Manager
25	Syndicate	Loniakarbal	07.06.2011	Shri P.L. Bedi, Chief Manager
26	Syndicate	Kursipar	10.06.2011	Shri P.L. Bedi, Chief Manager

Banks can share their experiences.

4.6 Evolving Action Plan for Un-banked villages – Meeting on May 19, 2011 convened by IBA, Mumbai

A meeting was held with all Convenors of State Level Bankers Committee at IBA Mumbai on 19th May, 2011 under the chairmanship of Sri K. Ramakrishnan, Chief Executive, IBA on Evolving Action Plan for Un-banked villages for implementation of Financial Inclusion Plan.

The following points were discussed.

- a. Mapping of all un-banked villages in the State/ District/Block
- b. Issues in expanding the existing technology linked Business Correspondents net work to smaller villages
- c. Norms for allotment of villages to banks
- d. Time frame for achieving the target

IBA referred the meeting of CMDs of the Banks with Finance Secretary, GOI and informed that all the villages in the country are to be provided with banking services systematically. IBA along with Department of Financial Services, GOI will draw an Action Plan shortly.

It was also informed that there are requests from UIDAI and Rural Development Dept., of GOI to cover all the villages in the country under FIP.

The following action points were emerged in the meeting:

1. SLBCs to provide State wise mapping of villages under different population groups by May 23, 2011 – Sent (sent on 21.05.11)
2. SLBCs to furnish State wise, bank wise allocation of un-banked villages with population from 1000 – 2000 by May 30, 2011 –(Sent on 13.06.2011)
3. SLBCs to furnish to IBA issues / challenges as perceived by them in extending financial inclusion drive to all the un-banked villages in the country and their suggestions for achieving this objective by May 23, 2011

In this regard, a Banker's meeting was conducted by GOI at New Delhi on 11.04.2011. In the meeting, it was suggested to Banks that-

- Banks to prioritize the use of CSCs for BC activity
- Standardize commission rates and process to become BC
- Reduce infrastructure cost for CSCs
- Uniform linkages with Core Banking Solution
- Identify nodal person from Bank for coordination
- Appoint CSC SPV as National Agency for FI activity through CSCs

All the Banks implementing Financial Inclusion Plan in the State may explore the possibility of usage of CSCs as BCs.

4.7 Performance Review Meeting taken by the Secretary (FS) with the CEOs of PSBs / FIs on 26th April, 2011 – Minutes

Out of the remaining 43,381 villages of population 2000 and above to be covered in 2011 – 12, the RRB's share is 18,760 which is over 43% of villages to be covered this year. RRBs would be required to increase their coverage by nearly 7 times over 2010 – 11 level. The sponsoring PSBs of RRBs would need to closely support and monitor the RRBs in this exercise. Similarly, the progress of Private and Cooperative Banks needs to be closely followed up. Given the scale of work, particularly by RRBs, the PSBs were asked to prepare quarterly plans for themselves as well as for their sponsored RRBs and send to Department of Financial Services by 15.5.2011. The progress needs to be closely monitored.

Secretary (FS) advised the PSBs to increase the number of accounts in the newly covered villages so that the BC becomes viable and services reach a larger section of population. Some of the Banks have a rather low average number of accounts per village covered. Focused attention to this aspect is required.

Banks to report issues pertaining to overlapping of villages so that the matter can be taken up with the State Governments to resolve the issue in case the SLBCs have failed to resolve the overlap. This coordinated effort shall ensure smoother flow of Government subsidies through these Financial Inclusion accounts.

SLBCwise / Bankwise / Statewise allocation of 1000+ population villages to be submitted to the Department of Financial Services latest by 15.5.2011.

Sri. Nandan Nilekani, CEO, UIDAI also interacted with the CEOs of Public Sector Banks and Financial Institutions. Issues pertaining to coordinating between Banks and the UIDAI for the rapid scale up of enrolment for the Aadhaar Number as well as the benefits of the Aadhaar Number for the Financial Inclusion Campaign were discussed. 26 Public Sector Banks are Registrars for enrolling residents for the Aadhaar Number being issued by UIDAI. After a discussion on the Request for Empanelment (RFE) issued by the UIDAI, it was decided that the SLBCs must decide the allocation of all villages to Banks as part of their Financial Inclusion Campaign. Aadhaar, UIDAI would go along with this allocation.

4.8 Awareness campaign at the ground level FOR FINANCIAL INCLUSION

The Government of India has launched a new nationwide campaign for financial inclusion, Swabhiman, aimed at bringing unbanked areas in to banking fold. The idea is to transform the programme into a broad-based movement. Through the financial inclusion programme, the government seeks to enlarge banking services spread into the selected 73,000 villages having population of above 2000, by March 2012.

The idea behind the campaign is not only to create awareness among the nearly 4 crore beneficiaries of the programme, but also to spread financial literacy.

The banks had also been asked to launch similar kinds of campaigns at their own level with the help of Indian Banks' Association (IBA). "Through the Swabhiman programme, we are not only concerned about opening of nearly 4 crore no-frills accounts in the country, we also want that there must be transactions through those accounts to make it a huge success," said K.V. Eapen, Joint Secretary, Banking, GOI.

Through Swabhiman, the banks can look at launching their services like small overdraft facility, remittance, small loans and small deposits to increase their current account and savings bank account. The GOI expect the banks to adopt the route to popularise the electronic benefit transfer (EBT) scheme too, through which the government makes payments to the workers involved in various government-run schemes by way of smart cards.

Prime Minister's Economic Advisory Council Chairman C Rangarajan had said that financial inclusion was no longer an option, it had become a compulsion. "Banks need to think on how to meet the challenge of meeting the credit demands of the marginalised," he had suggested.

Against the above backdrop; IBA, Mumbai has conducted a meeting on 05.04.2011 to discuss and decide on the ground level sensitization programme and to draw up the ground level implementation plan for financial inclusion plan along with agency identified for the campaign.

In the meeting, it was advised to offer views on the financial inclusion campaigns that can be taken up at ground level.

Action Plan Suggested:

SLBCs were advised to conduct an exclusive meeting with the participating Banks and design a State specific campaign for implementation by all the Banks. The meeting may also involve representative of State Government.

It is informed by IBA that all required materials are prepared by IBA through the agency identified for the purpose and advised that SLBCs to take forward the campaign at grass root levels using the material prepared by IBA.

The Broad methodologies of publicity that have come for discussion in the meeting are-

1. T.V. Programmes
2. Radio Programmes
3. Advertisement in local News Papers
4. Street plays in rural areas like Burra Katha, folk dances etc.
5. Mobile vans
6. Wall paintings in villages
7. Posters in villages
8. Pamphlets
9. Small film stories

While discussing, IBA suggested to send our opinions on-

1. Whether the campaign is to be taken up by SLBCs or individual Banks

2. Whether sharing of cost is to be on prorata basis of number of villages allotted or to be shared equally among all banks.

With regard to implementation of the campaign the following alternatives were suggested:

1. The entire campaign to be undertaken by SLBC
2. The campaign is to be undertaken by all participating Banks individually
3. The first three items viz., T.V./ Radio Programmes and advertisements in local News Papers is to be done collectively by SLBC. The other programmes can be taken up by individual Banks in their respective villages.

House may discuss.

4.9 Financial Inclusion in villages having population between 1000 to 2000

In the last SLBC meeting, it was decided that LDMs will allocate the villages on honey comb manner to the Banks in the district. In the sub-committee meeting held on 03.05.2011, it was decided that out of total villages numbering 10278 having population between 1000 to 2000:

- Banks will cover all 1410 villages having more than 75% population of Schedule Tribe during 2011-12.
- 50% of 7210 villages having less than 75% population of Schedule Tribe numbering 3605 during 2011-12 and rest 3605 during 2012-13.
- 1658 villages not having ST population will be covered during 2012-13.
- So the target for coverage of villages during 2011-12 will be 5015 villages and during 2012-13 will be 5263 villages.
- The scheme for granting financial assistance by State Government to banks will be extended to all villages having population between 1000 to 2000.
- Allocation of villages will be made in DLCC meetings based on the service area approach.

On the basis of above, SLBC has initiated steps and sent the CDs of villages having population between 1000 to 2000 to all LDMs with an advice to send back the same, completely filled in, to SLBC.

Bank-wise targets are given on page no. 143.

4.10 Branch Expansion Plan 2011-12

In 142nd meeting of SLBC, it was decided that in addition to extending financial inclusion through BC model, 300 more branches will be opened in the state in 2011-12 of which 25% of the branches should be in rural and 10% branches

should be opened in unbanked villages. All major banks were advised to submit their branch expansion programme for 2011-12 in terms of above decision. SLBC has received reports from 17 Banks only.

Summary of Branch expansion plan for opening of new branches received from 17 banks is as under:

Sr. No.	Name of Bank	No. of Branches				Total
		Rural	SU	U	Unbanked	
1	Bank of India	6	15	2	0	23
2	Central Bank of India	20	5	5	4	30
3	Punjab National Bank	7	25	5	9	37
4	UCO Bank	2	3	5	2	10
5	Union Bank	4	0	0	4	4
6	Jhabua Dhar RRB	5	0	0	1	5
7	Canara Bank	1	6	1	2	8
8	Syndicate Bank**	3	0	0	3	3
9	Indian Oversease Bank	2	4	10	0	16
10	Madhya Bharat RRB	5	0	2	2	7
	Sub Total	55	58	30	27	143
1	State Bank of India	R/SU/U/Unbanked position not given				20
2	Satpura Narmada RRB	R/SU/U/Unbanked position not given				25
3	Allahabad Bank	R/SU/U/Unbanked position not given				8
4	Bank of Baroda	R/SU/U/Unbanked position not given				21
5	Punjab National Bank	R/SU/U/Unbanked position not given				37
6	Jhabua Dhar RRB	R/SU/U/Unbanked position not given				5
7	Apex Bank	R/SU/U/Unbanked position not given				8
	Sub total					124
	Total					267

** Three branches have already been opened during 2010-11

District-wise plan is as under:

Sr. No.	Name of District	No. of Branches				Total
		Rural	SU	U	Unbanked	
1	Alirajpur	0	1	0	0	1
2	Ashoknagar	0	2	0	0	2
3	Balaghat	0	1	0	0	1
4	Badwani	0	2	0	0	2
5	Betul	0	1	0	0	1
6	Bhind	1	1	0	1	2
7	Bhopal	1	1	6	1	8
8	Chhatarpur	1	0	0	1	1
9	Chhindwara	2	1	0	2	3
10	Dhar	3	1	0	1	4
11	Gwalior #	3	1	4	0	8
12	Harda	5	1	0	4	6
13	Hoshangabad #2	4	3	0	1	7
14	Indore	2	0	0	1	2
15	Jabalpur	3	1	0	3	4
16	Jhabua	2	1	0	0	3
17	Katni	3	0	0	3	3
18	Khargone	1	1	0	0	2
19	Mandla	1	1	0	1	2
20	Mandsaur	2	3	0	1	5
21	Narsinghpur	1	0	0	0	1
22	Neemuch	0	1	0	0	1
23	Raisen	1	3	0	0	4
24	Rajgarh	0	2	0	0	2
25	Rewa	1	0	0	0	1
26	Sagar	3	2	1	1	6
27	Satna	1	1	0	0	2
28	Sehore	2	1	0	1	3
29	Seoni	2	1	0	2	3
30	Shajapur	1	4	0	1	5
31	Sidhi	1	0	0	0	1
32	Singroli	0	1	0	0	1
33	Umaria	0	1	0	1	1
	TOTAL	41	41	16	23	98

UCO Bank & Punjab National Bank has planned to open branch in Gola ka Mandir

#2 CBI & PNB are opening branch in Sohagpur

Representation received from public representatives for opening of branch through MOF:

Apart from branch expansion plan submitted by banks, SLBC has received number of representations from local public representatives, MLAs for opening of branch at different points/ centres. The status is as under:

S. No	Centre	District	Name of Bank for opening Proposed Branch	Remarks
1	Janpad Junnardeo	Chhindwara	Satpura Narmada RRB	
2.	Paraswada	Balaghat	Central Bank of India	Found not feasible as 4 branches of different banks are already working.
3	Pratapura	Bhind	Central Bank of India	Examining the issue
4	Chharch	Shivpuri	State Bank of India/ Any Commercial Bank	Examining the issue
5	Selwah	Mandla	Central Bank of India	Not feasible. RRB Salwah branch was shifted from this village to block Ghughari.
6	Bhanpura	Mandsaur	Central Bank of India	Found feasible. Under process
7	Paraswarha	Balaghat	Central Bank of India	Examining the issue
8	Jamer	Guna	State Bank of India/ Any Commercial Bank	Representation sent to SBI with a copy to LBM for examining the issue.
9	Raghunathpur	Sheopurkalan	Satpura Narmada RRB	Examining the issue
10	Kasba Dehgaon	Raisen	Central Bank of India	Examining the issue
11	Talen	Rajgarh	State Bank of India/ Any Commercial Bank	Found feasible by SBI under process.
12	Jeerapur	Rajgarh	Punjab National Bank	4 branches already working

Out of twelve representations two centres found feasible for opening of branches.

4.11 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 by State Level Heads and Lead District Managers, 28 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 centre/Block/village where FLCCs have been opened	Name of the sponsoring bank/ banks	Date of opening
1	Madhya Pradesh	Ratlam	-----	C. B. I.	09.08.2007
2	Madhya Pradesh	Mandsaur	-----	C. B. I.	12.01.2010
3	Madhya Pradesh	Sagar	-----	C. B. I.	17.02.2010
4	Madhya Pradesh	Narsinghpur	-----	C. B. I.	16.02.2010
5	Madhya Pradesh	Hoshangabad	-----	C. B. I.	22.09.2010
6	Madhya Pradesh	Morena	-----	C. B. I.	11.10.2010
7	Madhya Pradesh	Chhindwara	-----	C. B. I.	08.05.2010
8	Madhya Pradesh	Betul	-----	C. B. I.	30.09.2010
9	Madhya Pradesh	Mandla	-----	C. B. I.	15.10.2010
10	Madhya Pradesh	Seoni	-----	C. B. I.	24.09.2010
11	Madhya Pradesh	Gwalior	-----	C. B. I.	25.02.2011
12	Madhya Pradesh	Shahdol	-----	C. B. I.	17.03.2011
13	Madhya Pradesh	Jabalpur	-----	C. B. I.	13.03.2011
14	Madhya Pradesh	Dindori	-----	C. B. I.	18.03.2011
15	Madhya Pradesh	Anuppur	-----	C. B. I.	17.03.2011
16	Madhya Pradesh	Balaghat	-----	C. B. I.	12.03.2011
17	Madhya Pradesh	Bhopal	-----	Bank of India	30.05.2005
18	Madhya Pradesh	Sehore	-----	Bank of India	30.01.2010
19	Madhya Pradesh	Rajgarh	-----	Bank of India	01.03.2011
20	Madhya Pradesh	Indore	-----	Bank of India	19.03.2011
21	Madhya Pradesh	Guna	-----	SBI	16.03.2010
22	Madhya Pradesh	Ashok Nagar	-----	S.B.I.	25.03.2010
23	Madhya Pradesh	Neemach	-----	S.B.I.	20.02.2010
24	Madhya Pradesh	Shivpuri	-----	S.B.I.	26.03.2010
25	Madhya Pradesh	Sheopur	-----	S.B.I.	30.03.2010
26	Madhya Pradesh	Vidisha	-----	S.B.I.	29.01.2010
27	Madhya Pradesh	Tikam garh	-----	S.B.I.	26.03.2010
28	Madhya Pradesh	Datia	-----	P.N.B.	29.03.2010

Lead Banks have already been advised to take prompt action to set up the FLCCs. In this connection, they may submit proposals to NABARD Regional Office for support from FIF for capital as well as recurring expenses for one year in respect of 256 financially excluded districts as advised in NABARD circular No. NB.FID.1691/FI-01/2010-11 dated 09 December 2010. In MP State the financially excluded districts are 30.

Reserve Bank Of India vide letter RPCD.CO.FID.BC.No.58/12.01.018/2010-11 dated 31.03.2011 advised all Scheduled Commercial Banks including RRBs to initiate setting up of FLCCs at all levels viz; block,district,city and town levels to have maximum coverage.It is, therefore,desirable that an Action Plan may be prepared,got approved by the DLCCs/SLBC to ensure early compliance of RBI directives.

4.12 Rural Self Employment Training Institute – (R-SETI)

As per information received from State Level Heads and LDMs, RSETIs have been opened in 44 districts. The details of R-Seti is as under:

Sr. No.	District	Lead Bank	R-SETIs Established	Land allotted	Claim to NIRD	Trainees Number
1	Anooppur	C.B.I.	Yes	Yes	Yes	Nil
2	Shahdol	C.B.I.	Yes	Yes	Yes	88
3	Balaghat	C.B.I.	Yes	Yes	Yes	49
4	Dindori	C.B.I.	Yes	Yes	Yes	30
5	Mandla	C.B.I.	Yes	Yes	Yes	80
6	Mandsaur	C.B.I.	Yes	Yes	Yes	19
7	Raisen	C.B.I.	Yes	Yes	No	Nil
8	Narsinghpur	C.B.I.	Yes	Yes	Yes	3267
9	Gwalior	C.B.I.	Yes	Yes	Yes	118
10	Sagar	C.B.I.	Yes	Yes	Yes	390
11	Jabalpur	C.B.I.	Yes	Yes	Yes	516
12	Ratlam	C.B.I.	Yes	Yes	Yes	319
13	Hoshangabad	C.B.I.	Yes	Yes	Yes	508
14	Chhindwara	C.B.I.	Yes	Yes	Yes	342
15	Bhind	C.B.I.	Yes	Yes	No	Nil
16	Morena	C.B.I.	Yes	Yes	Yes	320
17	Seoni	C.B.I.	Yes	Yes	Yes	Nil
18	Betul	C.B.I.	Yes	Yes	Yes	23
19	Harda	S.B.I.	Yes	No	Yes	15
20	Panna	S.B.I.	Yes	Yes	Yes	224
21	Umaria	S.B.I.	Yes	No	Yes	86
22	Tikamgarh	S.B.I.	Yes	Yes	Yes	336
23	Chhatarpur	S.B.I.	Yes	Yes	Yes	703
24	Damoh	S.B.I.	Yes	No	Yes	310
25	Katni	S.B.I.	Yes	Yes	Yes	66
26	Guna	SBI	Yes	Yes	Yes	699
27	Shivpuri	SBI	Yes	No	Yes	616
28	Sheopurkala	SBI	Yes	Yes	Yes	80
29	Ashoknager	SBI	Yes	No	Yes	241
30	Neemuch	SBI	Yes	Yes	Yes	129
31	Vidisha	SBI	Yes	No	Yes	255
32	Rewa	U.B.I.	Yes	Yes	Yes	442
33	Sidhi	U.B.I.	Yes	Yes	No	30
34	Singrauli	U.B.I.	No	Yes	Yes	Nil
35	Datia	PNB	Yes	No	No	1663
36	Jhabua	BOB	No	No	No	Nil
37	Alirajpur	BOB	No	No	No	Nil
38	Dewas	BOI	Yes	Yes	No	177
39	Shajapur	BOI	Yes	Yes	No	655
40	Ujjain	BOI	Yes	Yes	Yes	182
41	Dhar	BOI	Yes	Yes	No	105
42	Rajgarh	BOI	Yes	Yes	Yes	175
43	Sehore	BOI	Yes	Yes	No	432

44	Barwani	BOI	No	Yes	No	Nil
45	Khandwa	BOI	Yes	No	No	442
46	Khargone	BOI	No	Yes	Yes	Nil
47	Burhanpur	BOI	No	No	No	Nil
48	Bhopal	Canara/Syndicate	Yes	No	No	5113
49	Satna	Allahabad Bank	Yes	Yes	No	80
50	Indore	Vijaya Bank	Yes	Yes	Yes	14

R-SETIs in the State are requested to send the training calendar for the year 2011-12 in respect of REDP/SDP in prescribed format with all required documents for the approval of the same. A detailed letter in the subject with all required proformas and copy of circular have already been sent to all concerned institutions.

As per above reports Union Bank of India in Singroli, Bank of Baroda in Jhabua and Alirajpur, bank of India in Badwani, Khargone and Burhanpur has yet not established the R-SETIs. These banks are requested to take initiatives and complete the tasks of opening of R-SETIs at the earliest in their district.

AGENDA ITEM NO. 5 REVIEW OF ANNUAL CREDIT PLAN OF MADHYA PRADESH

5.1 Annual Credit Plan 2010-11

Sector wise Breakup of Annual Credit Plan 2010-11 (up to March 2011)

(Amt. in Crores)

Sector	Year 2009-10 (March - 10)			Year 2010-11 (March - 11)		
	Target	Ach.	%	Target	Ach.	%
Agriculture	12977	15508	119	21445	19702	92
Crop Loan	9938	11221	113	16384	14308	87
Term Loan	3039	4287	141	5061	5394	107
MSE	2247	1854	83	2836	3054	108
OPS	2891	2668	92	3223	2755	85
TOTAL	18115	20030	111	27504	25511	93

Agency wise Breakup of Annual Credit Plan 2010-11 (up to Mar. 11)

(Amt. in Crores)

Agency	AGRI		MSE		OPS		Total Adv. PS		%
	T	A	T	A	T	A	T	A	
Comm. Bank	13578	11788	2552	2973	2889	2312	19019	17073	90
RRBs	2366	2850	137	81	189	257	2692	3188	118
Co-op Bank	5501	5064	147		145	186	5793	5250	91
TOTAL	21445	19702	2836	3054	3223	2755	27504	25511	93

T-Target

A-Achievement

Bank wise data is given in **Table No. 11 Page No. 74-77**

Though compared to 2009-10, percentage achievement is 93% against 111%. However, total growth is 90%. The original target was 15603 crores, over which achievement is 126%. Total agricultural achievement is 92% whereas under crop loan it is 87%. Major reason for shortfall can be attributed to the gap in UBI wherein achievement is 16% and SBI 31%, BOI 40%. No specific reason has been received from Banks for the gap. They are requested to inform the House.

POOR PERFORMING BANK

- **Performance below 20% under agriculture:**
 - Andhra Bank – 0%, IOB - 4%, Punjab & Sindh Bank - 19%, Syndicate Bank - 15%, Union Bank - 17%, State Bank group other than SBI – 0%, Indusind Bank - 0, Laxmi Vilas Bank – 0, J&K Bank , Karur Vysya, South Indian Bank, Kotak Mahindra & YES Bank – 0%, The Federal Bank Ltd. & MPSARDB – 5% .
- **Performance below 20% under MSE:**
 - Andhra Bank – 0.2, Indian Bank – 17, State Bank of Mysore – 9, State Bank of Patiala– 11, State Bank of Travancore –17, Indusind Bank –0, Laxmi Vilas Bank, Karur Vysya –0 , J&K Bank -9, Sharda RRB -13 Both cooperatives –0.
- **Performance below 20% under OPS:**
 - Andhra Bank – 2, State Bank of Mysore –2, HDFC– 2, Indusind, Laxmi Vilas, Karur Vysya, Kotak Mahindra & YES Bank– 0, MPSARDB– 0.
- **Performance below 20% TOTAL PRIORITY SECTOR:**
 - Andhra Bank– 1, IOB-19, SB Mysore– 5, State Bank of Patiala – 12, Indusind –0, Laxmivilas Karur Vysya, Kotak Mahindra & YES Bank– 0, J&K-13, MP Coop – 4%.

From the above it may be observed that majority of Private Sector Banks in the state have failed to achieve their target and their achievement is below 20%.

5.2 Annual Credit Plan 2011-12

Agency wise Breakup of target under Annual Credit Plan 2011-12 is as under:

(Amt. in Crores)

Agency	AGRI	MSE	OPS	Total Adv. PS
	T	T	T	T
Comm. Bank	15503	3133	3169	21804
RRBs	3155	179	199	3533
Co-op Bank	7119	165	149	7434
TOTAL	25778	3478	3516	42791

Comparison of PLP with ACP:

Sector	Ach. 2010- 11	PLP 2011- 12	ACP 2011-12	% increase over ACP 2010-11	Variation over PLP 2011-12 (%)
Agriculture	19702	22865	25778	131	113
MSE	3054	2053	3478	114	169
OPS	2755	4915	3516	128	72
Total PS	25511	29833	42792	168	143

CISS for Construction/Expansion/Modernization of Cold Storages and Horticultural Produce – Revised Guidelines and Implementation Procedure

National Horticulture Board (NHB), Ministry of Agriculture, GoI, has, w.e.f. 1 May 2010, issued revised guidelines in terms of which the scheme will be implemented directly by NHB and NABARD will not be involved in the sanction or release of subsidy. However, the cold storage projects, where bank loan was sanctioned prior to 1 May 2010 would continue to be considered by NABARD, provided subsidy is claimed under NHB category. Further, in cases, where advance subsidy was already released through NABARD (under NHB category and where bank loan was sanctioned prior to 1 May 2010) would also be considered for final subsidy release through NABARD. Detailed guidelines of the revised scheme and procedure of implementation are available at NHB website, <http://www.nhb.gov.in/>. (Ref. No. NB.ICD/ 2571 / CS-4/2010-11 dated 13 January 2011 Circular No. 04 / ICD- 01 / 2011).

AGENDA ITEM NO. 6. PERFORMANCE OF BANKING SECTOR IN MADHYA PRADESH AT A GLANCE

(Rs. in Crores)

No	Parameters	March 2009	March 2010	March 2011	Variation over March 2010	
					Actual	%
1.	No. of Bank Branches	5159	5347	5567	220	4.11
2.	Total Deposits	108366	130267	152104	21837	16.76
3.	Total Advances	67975	79259	91499	12240	15.44
4.	Investments	6087	5875	6209	334	5.68
5.	Total Adv. + Investments	74062	85134	97708	12574	14.77
6.	Priority Sector Advances	42592	50866	57038	6172	12.13
7.	Agricultural Adv.	26225	30272	34390	4118	13.60
8.	MSE Advances	6659	9826	11316	1490	15.16
9.	Tertiary Sector	9708	10768	11332	564	5.24
10.	Advances to Direct Agr.	23783	26257	27396	1139	4.34
11.	Advances to Weaker Sec	10030	11216	12002	786	7.00
12.	Advances to DRI	22	30	14	16	-53.33

6.1 Branch Expansion

The total number of branches operating in the State is 5567 as on 31st March 2011. There is a net increase of 220 bank branches and 868 ATMs over March-10. Number of ATMs in Madhya Pradesh as on March-2011 is 3183.

	Rural	Semi-Urban	Urban	Total	Sp. SME	ATMs
March-08	2434	1379	1136	4949	27	
March-09	2429	1475	1255	5159	29	
March -10	2420	1548	1379	5347	45	2315
March -11	2453	1666	1448	5567	65	3183

Bank wise position is given in **Table No. 1 Page No. 53-54.**

The total increase in branch is 220 of which rural 33, Semi URBAN 118 and Urban 69. Under new branch expansion plan out of 300 branches, majority will be in Rural and Semi urban so mismatch will be ratified by 2011-12.

6.2 Deposit Growth

During the period under review, the aggregate deposits of the banks in Madhya Pradesh increased by Rs. 21837 crores from Rs. 130267 crores as at March 10 to Rs. 152104 up to March 2011, thus recording a growth of 16.76%. Area wise breakup is as under:

(Amt. in Crores)					
	Rural	Semi-Urban	Urban	Total	% Growth
March-08	11614	23861	54129	89604	
March-09	13646	29326	65394	108366	20.93
March-10	22195	30105	77967	130267	20.21
March 2011	21818	39584	90702	152104	16.76

Bank wise position is given in **Table No.2. &3 Page 55-58.**

6.3 Credit Expansion

The gross credit in the State increased by Rs. 12,240 crores, from Rs. 79,259 crores as of March 2010 to Rs. 91499 crores as of March 2011, thus exhibiting a growth of 15.44 %. Area wise breakup is as under:

(Amt. in Crores)					
	Rural	Semi-Urban	Urban	Total	% Growth
March-08	13656	11636	34765	60057	
March-09	18240	13786	35949	67975	13.18
March-10	17267	15033	46959	79259	16.60
March 2011	20133	16712	54654	91499	15.44

The quantum growth in 08-09 was Rs. 7918 Crore giving rise of 13.18%. The growth in 09-10 was Rs. 11284 Crore giving rise of 16.60% and during 2010-11 quantum growth was Rs. 12240 crore giving rise of 15.44 %. All banks should ensure that minimum growth in advances equals to the growth of 30%. So that CD ratio may reach to 65%.

Bank wise position is given in **Table No. 2 & 3 Page 55-58**

6.4 Credit Deposit Ratio

%	March 08	March 09	March 10	March 2011
CD Ratio	67	63	61	60

As per recommendation of expert group headed by Shri Y. S. P. Thorat, the then MD of NABARD on CD ratio, the CD ratio of the banks should be monitored at state level (SLBC) on the basis of CU + RIDF wherein CU = Credit as per place of utilization and RIDF = total resources support provided to state under RIDF. Calculating CD ratio as per above recommendation, CD ratio comes to 61.96%.

The overall CD ratio of Banks for the State of Madhya Pradesh is 60% as on 31.03.2011. District-wise position is given in **Table 12 Page 78-80**.

The position of incremental CD ratio are as follows. There is constant increase over last 3 years and to achieve 65% CD ratio as of March 12, the increase in incremental CD ratio should increased to 70%. All banks are requested to form their strategies to achieve this.

Incremental CD Ratio	March 09	March 10	March 2011
	42.2	51.5	56.05

During a meeting between the Governor and Senior Officials of RBI with the Chief Secretary and the Senior Officials from the State Government and banks on 10-02-2011, the State Government expressed their concern over the declining CD ratio in the State. The Governor asked the banks to set up an achievable target for the year 2011-12. The banks agreed to achieve an overall target of 65% CD ratio by March 2012. The CD ratio was increased to 1% during December 2010 but come down to 60% in March 2011. The reason behind decrease is 1) Decrease in advances of ICICI Bank from March 10, 2) Steep increase in deposits of banks in March 2010. All banks are requested to ensure that the commitment made before the Governor is honoured and complied with within time lines.

8 districts having CD ratio less than 40% are as following. During meeting, it was decided that by March 2012 the banks would ensure that CD ratio of all the 8 low CD ratio districts of the State increases to at least 40%.

Sr. No.	Name of District	March 09	March 10	March 11
1	Umaria	29	26	24
2	Singrauli	20	19	19
3	Sidhi	22	33	34
4	Rewa	29	30	29
5	Alirajpur	22	31	29
6	Mandla	40	35	35
7	Anuppur	33	30	36
8	Shahdol	27	29	29

Bank wise position is given in **Table No 2 & 3 Page 55 - 58**

Reasons for low CD Ratio

All the above 8 districts are dominated by forest land and the population mostly consists of tribals. The land for cultivation is quite negligible and not fertile. These 8 districts have poor infrastructure like irrigation, electricity, marketing and also absence of big industries, thereby the off-take of credit is not upto the desired level. Further, most of the advances are under the government sponsored schemes. Districts like Anuppur and Shahdol are colliery belts which receives huge deposits. Further, the growth in advances, compared to the deposits, is not comparable.

The other reasons for the low CD Ratio is lower disbursement in non-farm and investment credit as compared to agriculture crop loan and services sector. Due to the poor credit absorption capacity of the beneficiaries, the credit extended under the non-farm and investment credit is comparatively low. Banks had financed agriculture term loans previously in these districts. However, the percentage of NPA under such schemes was quite high and this may be the reason discouraging banks to go for term investments in these districts.

The brief profile of the above 8 districts are given below:

(Area in Hectares)

District	Total Population (Lacs)	S.C.	S.T.	Total Area	Cultivable Area	Forest Land
Alirajpur	6.09	4.27%	89%	333133	174136	92302 (27.71%)
Anuppur	6.67	7.25%	46.41%	374671	190093	89028 (23.76%)
Mandla	8.94	4.62%	57.23%	965559	215219	593228 (61%)
Rewa	19.73	15.6%	12.9%	628745	371843	85679
Shahdol	9.08	7%	43%	561006	196409	227886 (40.62%)
Sidhi	9.11	11.09%	32.6%	471821	171969	195155
Singrauli	9.19	12.6%	32.3%	567273	302598	239689
Umaria	5.16	6.80%	44.04%	450329	138219	236714 (52.56%)

On going through the district-wise achievement under the Annual Action Plan, we find that on an average, each of these districts have achieved 75% of their ACP targets as of March, 2011. As such, it cannot be said that advances are not being made by the banks, since the ACP is based on the PLP, which is prepared by NABARD looking into the potential available. Even during the previous years like 2009-10 and 2010-11, the overall achievements in these 8 districts were over 90%. The overall achievement under Annual Action Plan in all the 50 districts as of March, 2011 comes to 93%. As the CD Ratio of these districts is below 40%, the gap expected as per the national goal is quite high.

Strategy:

- Sub Committee of DLCC formed to draw up Monitorable Action Plans (MAPS) to increase the CDR should meet regularly, preferably on fortnightly basis.
- Collector or CEO should chair the meeting of sub-committee as Lead District Manager (LDM) of the Lead Bank is the Convener of SSC, which comprises District Coordinators of the Banks functioning in the area as members, besides DDM, NABARD, LDO, RBI, District Planning Officers etc.
- State Level heads of concerned Lead Banks, Director DIF, and Convenor SLBC should visit and monitor the Plan quarterly. It is observed from the minutes of DLCC and sub-committee of the DLCC that in most of the Districts either the meetings are not held regularly or are not held at all as per norms.
- Taking in to account the Annual Credit Plan 2011-12 and growth rate of deposits and advances for last three years, some more credit / schemes suited to the needs of local people should be prepared by NABARD, Agri. Deptt. and other Govt. Deptts.
- Committee has, on the basis of various ground level parameters, set for itself a target for increasing the CDR to the minimum level of 40% initially for the current year i.e. upto March 2012. It will also set a definite time frame for taking the CDR beyond 40% on incremental basis every year.
- Consequent to the completion of this process, the target and time frame set by the SSC will be placed before DLCC for approval.
- Take up plans for implementation and monitor the same assiduously.
- Report the progress to SLBC on quarterly basis.
- On basis of feedback received from DLCC regarding the progress in implementation of MAPs consolidated report will be prepared and tabled at all SLBC meetings for discussion / information.
- Since rural road connectivity has improved as a result of roads being constructed under PMGSY, loans for transportation will be a good activity for generating employment as well as increase the income.
- Other activities like poultry, fisheries, marketing of minor forest products will become cheaper and easier for rural people. As such, concerned Department of State Govt. is required to provide upfront commitment regarding its responsibilities for creation of identified rural infrastructure together with support in creating an enabling environment for banks to lend and to recover their dues.

6.5 Priority Sector Advances (Outstanding)

During the period under review, the Priority Sector Advances of Banks in Madhya Pradesh increased by Rs 6172 crores. Sector wise details are as under:

(Amt. in crores)

	Agriculture	MSE	OPS	Total
March -08	22440	5773	8915	37128
March-09	26225	6659	9708	42592
March-10	30272	9826	10768	50866
March 2011	34390	11316	11332	57038

Bank wise position is given in **Table No. 5 Page 61-62.**

The Following Banks are below the National Norm of 40% (Priority Sector to Total Advances)

SNo.	Name of the Bank	%age of PS Advances to Total Advances
1	Corporation Bank	7
2	Indian Overseas Bank	25
3	United Bank of India	17
4	All Banks of SBI Group except SBI & SBBJ	Below21
5	ICICI Bank	37
6	Ing Vyasya	24
7	Laxmi Vilas Bank	31
8	The Fedral Bank	37
9	Indusind	11
10	The Karur Vyasya	12
11	Karnataka bank Ltd	0
12	South Indian Bank	21
13	Axix Bank	30

Out of 12000 Crore of increase in total advances, 6172 crore increase in Priority Sector Advances, which is, 51.43% of total advances. However, our total priority sector to Total Advances are 62%, which is above the national norm. All banks are advised to ensure increase in priority sector advances during 2011-12 should be 60% looking to our commitment under agriculture and Priority sector advances.

6.6 **Agriculture Advances**

The Agriculture Advances in the State during the review period has witnessed an increase of Rs. 4118 crores from Rs. 30272 crores as at March 2010 to Rs. 34390 crores as at March 2011, thus showing a growth of 13.6 %.

(Amt. in crores)

March 2010	March 2011	Growth over March 2010
30272	34390	4118 (13.6%)

Bank wise position is given in **Table No. 5 Page 61-62**

Performance Review Meeting taken by the Secretary (FS) with the CEOs of PSBs / FIs on 26th April, 2011 – Minutes

It was observed by Secretary(FS) that many banks have failed to meet the direct agriculture lending target of 13.5% of ANBC and this is not acceptable on an ongoing basis specially when a large number of farmers are yet to be covered by

banks for availing credit. While appreciating the problem of individual banks in meeting the target, it was stressed by Secretary (FS) that banks having shortfall in target have to draw up plans to reach 13.5% target at the earliest with quarterly growth projections.

Following banks in MP are below the norm of 13.5%--

S No.	Name of the Bank	%age achievement
1	Andhra Bank	0
2	Corporation Bank	1
3	Indian Overseas Bank	1
4	Syndicate Bank	12
5	United Bank of India	7
6	Vijaya bank	8
7	All Banks of SBI Group except SBI	Below 2
8	ICICI Bank	11
9	Indusind	11
10	Ing Vysya	8
11	Karnataka bank Ltd	0
12	Laxmi Vilas Bank	0
13	The Federal Bank	0
14	J&K Bank	3
15	The Karur Vyasya	10
16	South Indian Bank	1
17	Axis Bank	13

Banks which have not yet achieved the mandated level of credit to agriculture, including direct lending annually, must work out a road map for reaching the prescribed level. Secretary (FS) noted that many banks have not achieved the prescribed levels in the past three years. Focused attention of the Bank Management is required.

6.7 Micro & Small Enterprises (MSE Advances)

The advances to MSE sector during the period under review has witnessed increase by Rs. 1490 crores, from Rs. 9826 crores as at March 2010 to Rs. 11316 crores as at March 2011, thus showing a growth of 15.16%.

(Amt. in crores)

March 2010	March 2011	Growth over March 2010
9826	11316	1490 (15.16%)

Bank wise position is given in **Table No. 5 Page 61-62 Table No. 34 Page 132-133**

Performance Review Meeting taken by the Secretary (FS) with the CEOs of PSBs / FIs on 26th April, 2011 – Minutes

A review of credit flow to micro, small and medium enterprises sector was under taken during the meeting. JS (IF) informed that Government of India has announced various packages for financing of micro and small enterprises. Public Sector Banks are required to ensure 20% year over year growth in credit to SMEs. In addition, based on the recommendations of the PMs Task Force, banks were to increase the share of micro enterprises to micro and small enterprises to 50% by 2010 – 11 and to 55% during the current financial year. Also the number of micro-enterprise accounts should register an annual growth of 10%.

6.8 Advances to Weaker Sections

During the period under review the advances to weaker sections increased by Rs. 786 crores from Rs. 11216 crores as at March 2010 to Rs. 12002 crores as at March 2011, thus showing a growth of 7%.

(Amt. in crores)

March 2010	March 2011	Growth over March 2010
11216	12002	786 (7 %)

Bank wise position is given in **Table No.7 Page 65-66**

The advances made to weaker section has decreased from 11.82% in March 10 to 7.00% in March 11 and against the national goal, our share of weaker section to total advances is 13% against the national norm of 10%. Though decrease is 1% however the quantum is increased by Rs. 786 Crores. All member banks including private sector banks are requested to ensure their share increase to 15% by March 2012.

6.9 DRI Advances

The performance of Banks under DRI is being reviewed in every meeting of SLBC. RBI and Government authorities have been showing their concern about the low progress under the scheme and non- achievement of National Goal of 1%. The level of DRI advances in MP is 0.001%. Member bank with declining trend under DRI should check their records and make due correction in their data, if found otherwise.

The growth of DRI advances as at March 2011 over March 2010 is as under:

(Amt. in crores)

March 2010	March 2011	Growth over March 2010
30	14	-53.3%

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.

Bank wise position is given in **Table No.5 Page 61-62**

It appears that there is sudden decrease in figures of SBI from March 2010-11 for which they have given no reason.

6.10 Achievement in respect of Salient Parameters vis-à-vis National Goals

No	Parameters (RATIO)	Goal %	Mar 09 %	Mar 10 %	Mar 11 %	Variation over Mar 10
A)	C D Ratio	60	63	61	60	- 1
B)	CD Ratio (Rural + SU)	60	75	62	60	-2
C)	Credit + Inv. to Depo.		68	65	64	-1
D)	PS Adv to Total Credit	40	63	64	62	-2
E)	Agri. to Total Credit	18	39	38	38	NIL
F)	Advances to Weaker Section to Total Adv	10	15	14	13	-1
G)	DRI Adv to Total Adv.	1	0.03	0.04	.015

Bank wise position is given in **Table No. 6 Page 63-64**

The CD Ratio of Bank of India, Central Bank of India and State Bank of India in rural and semi urban areas has decreased from last year.

Highlights

- The ratio of Priority Sector Advances to total advances, as at March 2011, stands at 62 % as against National Goal of 40%.
- The share of agricultural advances to total advances, as at March 2011, is 38% against the stipulated level of 18%.
- The advances to weaker sections constitute 13% 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.
- The CD Ratio in rural & semi urban area is above the National Goal by recording a level of 60 % as at March 2011.

6.11 NPA Position

(Amt. in Crores)

Scheme	Sub-Std.	Doubtful	Loss	Total NPA	Total Adv.	% of NPA to Total Adv.
Agriculture	1000	437	170	1607	34390	5
MSE	249	254	132	635	11316	6
OPS	214	168	87	469	11332	4
PMRY	66	45	22	133	770	17
PMEGP	46	47	13	106	285	37
SGSY (Group)	24	21	10	55	358	15
SGSY (Indi.)	27	28	16	71	406	18
KVIC	8	9	2	19	169	11
SJSRY	23	27	11	61	206	29
SRMS	3	4	1	8	31	26
Antyavyasai	9	9	2	20	75	27
Housing	101	77	34	212	8508	2
Education	27	11	9	47	1352	3

Bank wise position is given in **Table No. 8. I to 8. IV Page 67-76**

Though during the quarter banks were advised to give figures for PMRY and PMEGP separately, still majority of banks have clubbed the figures in PMEGP column and the NPA shown under PMRY does not appear to be correct. Banks may please verify the figures. Since most of the cases under PMEGP are covered under CGTSME, bank should take advantage of this scheme to reduce NPA.

The recovery under PMRY, SGSY (Individual), SJSRY, SRMS and Antyavyasai is minimal. DIF has requested concerned Departments to issue necessary guidelines to their field level functionaries for assisting banks in recovery drives. All concerned departments are requested to help Banks in recovery in the NPA accounts under each scheme.

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

(Amt. in crores)

Item	No.	Amt.
Recovery cases pending at the beginning of the quarter	951916	2095
Cases filed during the quarter	11206	111
Total RRC	963122	2206
RRC disposed of during the quarter	6331	27
RRC withdrawn during the quarter	3784	9
RRC pending at the end of the quarter	953007	2170
Of which pending up to 1 year	150206	529
1 to 3 years	193163	479
3 to 5 years	186789	418
5 to 12 years	124094	185
Above 12 years	298755	559

Bank wise data is given in **Table No. 10 & 10 I Page 79-81.**

6.13 Web-enabled BRISC software application for automation of Revenue Recovery Certificates

With a view to give impetus to the BRISC Scheme, DIF has developed a simplified technique, viz: **web-enabled BRISC software application for paperless automation of Revenue Recovery Certificates** for recovery of overdue in agriculture and government sponsored schemes for meticulous follow up and effective recovery. The Web-enabled Software Application for BRISC has been up-scaled in the entire State w.e.f. 01.04.2010 for streamlining the recovery for monitoring of pending RRCs.

Targets for recovery under BRISC for the year 2011-12 have been circulated to all by Directorate of Institutional Finance on 19th April 2011. A target of Rs. 144.65 Crores has been kept for the state. Highest target of Rs. 20.10 Crores followed by Rs. 17.25 Crore are set for Indore and Bhopal districts respectively whereas minimum target of Rs. 75 lacs has been given to 18 districts. Concerned LDM and Bank's nodal branches of respective district should follow up with branches vigorously.

The data culled out for the period from **01.04.2010** to **31.03.2011** under new system reveals that:

1. Total number of RRCs submitted by Bank Branches in the State is 24,394 for Rs. 253,53,84,571/-
2. Out of which, total number of RRCs forwarded by Nodal District Branches is 18,777 for Rs 201,68,69,265/-
3. Out of which, total number of RRCs accepted by District Administration for recovery is 6,359 for Rs. 1705118139/-

AGENDA ITEM NO. 7: PERFORMANCE / PROGRESS OF BANKING SECTOR UNDER VARIOUS GOVERNMENT SPONSORED PROGRAMMES

7.1 Prime Minister's Employment Generation Programme (PMEGP) F.Y. 2010-11

Financial Year 2009-10

(Amt. in crores)

KVIC Target		KVIB Target		DIC Target		Total target	
P	MM	P	MM	P	MM	P	MM
1155	13.86	1155	13.86	1540	18.48	3850	46.20

Progress	Up to 31.03.2010						
Cases sanctioned	MM	Cases sanctioned	MM	Cases sanctioned	MM	Cases sanctioned	MM
231	11.64	669	17.33	837	17.66	1737	46.63

Financial Year 2010-11

(Amt in Crores)

KVIC Target		KVIB Target		DIC Target		Total target	
P	MM	P	MM	P	MM	P	MM
1166	16.32	1166	16.32	1554	21.76	3866	54.40

Progress	Up to 31.03.2011						
Cases sanctioned	MM	Cases sanctioned	MM	Cases sanctioned	MM	Cases sanctioned	MM
258	10.52	869	15.78	1392	32.15	2519	58.45

P- Physical MM- Margin Money

Bank wise and district wise data is given in **Table No. 13, Page. 89-96**

Target for FY 2011-12

KVIC Target		KVIB Target		DIC Target		Total target	
P	MM	P	MM	P	MM	P	MM
1402	19.59	1396	19.54	1554	21.76	4352	60.89

All the three implementing departments like KVIC/ KVIB/ DTIC should report the progress separately to nodal agencies viz. to KVIC at State Level and DTIC at District Level and these nodal agencies should coordinate with all three departments for its monitoring and follow up with SLBC and DLCC respectively.

In the National Monitoring Committee meeting held on 22.02.2011 at New Delhi, the following points among other things were advised:

1. Achievement of Social Category target is the responsibility of all the organizations including Banks under PMEGP. Adequate applications are to be sponsored by the implementing agencies.
2. Apart from the disbursement, the implementing agencies should also focus on setting up of units, their performance, employment and income generated sustainability, etc.
3. Complaints are received from Andhra Pradesh that Banks are charging interest on margin money kept under TDR, which is against the norms of PMEGP. No such complaint received in our State.
4. Issue of non timely release of 2nd installment by Banks has also been observed and field directors are directed to take up the issue with banks in SLBC/DLBC.
5. The target of PMEGP is for disbursement of margin money and not number of projects, which is to be noted by the implementing agencies and Banks.

All the Banks, LDMs and the implementing agencies are requested to note the above points.

System of e-tracking under PMEGP

It is informed by the KVIC that to streamline the monitoring and review in an effective manner, KVIC has decided to introduce a system of e-tracking under PMEGP, which is a web based system and has provisions for data entry by not only KVIC/KVIB/DICs, but also the participating Banks regarding the status of applications and the details regarding sanction, release and adjustment of margin money received from KVIC under PMEGP.

They have requested all the Banks to support and participate proactively in commissioning of e-tracking system and branch managers at field level should cooperate with KVIC by filling up the data in respect of their respective Banks.

Further KVIC has also requested to give adequate thrust for monitoring and review of performance of PMEGP scheme.

All the Banks are advised to note the above and extend necessary cooperation to KVIC in monitoring and review of PMEGP scheme.

PMEGP- Clarification given in the third National Monitoring Committee at New Delhi on 22.02.2011 on accepting applications directly by Banks:

In the meeting it was clarified that banks are free to accept the applications fulfilling the criteria/requirement of PMEGP guidelines. However, as per the scheme norms, the applications are to be routed through DLTFM for scrutiny and only after recommendation of DLTFM, these may be considered for sanction by Banks.

7.2 Performance under SGSY:

(Amt. in Crores)

Particulars	2009-10 (March 2010)	2010-11(March 2011)
Target (Financial)	328.14	360.95
Sanctioned		
Individual	85.47	91.11
Group	240.19	280.13
Total	325.66	371.24
Disbursed		
Individual	83.37	84.86
Group	235.02	265.31
Total	318.39	350.17
% Sanctioned	99.24	102.89
% Disbursed	97.03	97.01

Bank wise and district wise data is given in **Table No. 14 Page 97-100**

Year- wise data is as under:

(Amt. in Crores)

	Target (amt.)	Sanctioned	Disbursed	% Achievement
March-08	251.00	265.00	245.00	106.00
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

Target for Financial Year 2011-12

Particulars	2010-11	2011-12
Target (Financial)	360.95	397.05

Revolving Fund

114162 groups were given revolving fund up to March 30, 2011. Out of which CC limit has been sanctioned to 71058 groups which is 62.21% of total groups received revolving fund.

Bank wise Credit Mobilization is as follows

100%	State Bank of Bikaner & Jaipur, Dena Bank, Syndicate Bank, Canara Bank, Kshetriya Gramin Vikas Bank, State Bank of India, Allahabad Bank, Union Bank of India, Bank of Maharashtra, United Commercial Bank, Central Bank of India, Bank of Rajasthan
Between 80-89%	Oriental Bank of Commerce, Punjab & Sindh Bank, Punjab National Bank, Bank of India, Bank of Baroda
Below 79%	State Bank of Indore, Central Co-operative Bank, Indian Bank
Below 20%	Other Banks, Land Development Bank

Development commissioner has given following points for discussion:

- National Rural Livelihood Mission is going to start from 01.04.2011 wherein banks have to play major role.
- Special attention has to be paid by banks on first grading of groups and providing revolving fund and CC limit thereafter.
- Effort to be made for adjustment of subsidy for previous years which is still lying pending in many banks.

Member banks should closely follow up with their branches in each district to ensure that all eligible SHGs, for which revolving fund is pending with branches be issued CC limit as per merit and all P-IV issued accounts be finally disbursed before June 2011 as per merit.

The Ministry of Rural Development, GOI during the 14th Meeting of Central Level Coordination Committee of SGSY advised all the Banks to designate a Senior Officer of the Corporate Office as well as the State Level to intensively monitor flow of credit under SGSY and to coordinate with the State Government for effective implementation of the programme.

It was also advised that there is need to strengthen the single man rural branches in order to improve the credit flow under SGSY.

In the light of above all the Banks may take the above steps for effective implementation of SGSY.

Vide the letter F. No. 1(1)/2009-CP dated 25/ 29-04.2011 received from Ministry of Finance, Government of India on the minutes of the meeting held on 18.02.2011 on the National Rural Livelihood Mission (NRLM), **The following Action Points were communicated among other things:**

- A separate Standing Committee is to be created to review the NRLM progress. The BLBCs to ensure coordination between main functionaries at Block Level.
- E- Book Keeping and Mobile based e- book keeping needs to be up scaled.
- The Banks should take advantage of initiatives like UID registration, Village adoption scheme, removal of the restriction of opening rural branches, removal of interest capping, etc. The initiatives for hiring dedicated rural development staff could be replicated.
- The BC Scheme needs to be scaled up for increased coverage of rural areas. It should be the endeavor to ensure that all funds to the rural population flows from the Banking channel. Some pilots need to be taken up for demonstrating ways to increase the business of the rural branches which could then be replicated by other Banks/ branches.
- Under RSETI model of entrepreneurship development, while initial entrepreneurship could be without Bank finance, subsequent expansion would definitely need Bank financing.
- One shot economic assistance would not help the eradication of the poverty. Repeated doses of credit are a must for enabling the poor to come out of the poverty for which DLBC/ BLBC need to participate.

All the Banks and LDMs are advised to note the above and initiate appropriate action.

7.3 Swarna Jayanti Shahari Rozgar Yojana (SJSRY)

(Amt. in Crores)

Particulars		USEP		UWSP	
		2009-10	2010-11	2009-10	2010-11
Target Physical		5206	5238	487	772
Financial	Subsidy	13.02	15.71	14.61	23.20
	Loan	36.44	44.00	25.04	39.78
	Total	49.46	59.71	39.65	62.98
Ach. Physical		15232	16115	211	164
Financial	Subsidy	12.23	13.26	2.74	2.37
	Loan	36.07	38.51	4.60	3.73
	Total	48.30	51.77	7.34	6.10
% Ach. Physical		292.59	307.66	18.76	21.24
Financial %		93.98	84.36	43.33	10.21

Bank wise progress is given in **Table No. 15, Page 101-104.**

- **Urban Self Employment Programme (USEP)**

Year wise data on achievement is as under:

(Amt. in Crores)

	Target (No)	Sanctioned	Disbursed	% Achievement
March-08	24012	64.03	54.43	68.00
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

- **Urban Women Self-help Programme (UWSP)**

Year wise data on achievement is as under:

(Amt. in Crores)

	Target(No)	Sanctioned	Disbursed	% Achievement
March-08	570	6.41	2.42	37.62
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

Target for financial year 2011-12

(Amt. in Crores)

Particulars		USEP		UWSP	
		2010-11	2011-12	2010-11	2011-12
Target Physical		5238	6100	772	800
Financial	Subsidy	15.71	16.11	23.20	24.00
	Loan	44.00	42.70	39.78	41.14
	Total	59.71	58.81	62.98	65.14

7.4 Antyavaasayee, Kapildhara and Swarojgar Yojana

The data received from Department is as under:

(Amt. in Crores)

Year 2010-11			
Parameters	Antyavaysayee		Kapildhara
	March 10	March 2011	March 2011
Target No.	10000	11340	3705
Sponsored No.	20484	21969	2815
Sanctioned No.	8378	9573	1836
Disbursed	No.	8378	9573
	Amt	37.32	42.59
Rejected/Returned No.	3706	4010	--
Pending No.	8404	8386	--

Target for the financial year 2011-12

Parameters	Antyavaysayee	Kapildhara
	March 2012	March 2012
Target No.	10000	4425

Bank wise progress is given in **Table No. 16 & 16 (I) Page 105-109**

- **Antyavayasayee Swarojgar Yojana**

Year wise performance

(Amt in Crores)

	Target (No)	Sanctioned	Disbursed	% Achievement
Mar-08	10000	27.37	19.89	92.11
Mar-09	12000	32.26	32.26	69.94
Mar-10	10000	37.32	37.32	83.78
March 11	11340	42.59	42.59	84.41

Study Report on Verification of Borrowers and End-use of Funds under Government sponsored Schemes - NIRD

Reserve Bank of India vide their letter dated 24.12.2010 sent a copy of the executive summary of Study report on the verification of Borrowers and end use of Funds under Government sponsored Schemes.

RBI vide their letter dated 31.03.2011 reiterated that SLBC Convenors may ensure in future that the qualitative aspects are to be looked into apart from ensuring achieving financial targets.

NIRD has conducted study on verification of the status of borrowers and end use of funds to evaluate the efficacy of the Government sponsored schemes on All India basis.

The study was confined to the Central Government sponsored schemes viz. Swarnajayanthi Gram Swarozgar Yojana (SGSY), Prime Minister's Employment Generation Programme (PMEGP), Swarna Jayanthi Shahari Rozgar Yojana (SJSRY), Differential Rate of Interest (DRI) Scheme and Scheme for Liberation and Rehabilitation of Scavengers (SLRS) / Scheme for Rehabilitation of Manual Scavengers (SRMS).

The Executive Summary of the NIRD Study Report on Verification of Borrowers and end use of Funds under Government Sponsored Schemes is given on page no. 148.

AGENDA ITEM NO.8: PERFORMANCE/ PROGRESS OF BANKING SECTOR UNDER VARIOUS SPECIAL FOCUS PROGRAMMES OF NABARD/STATE GOVERNMENT/GOVERNMENT OF INDIA

8.1 Kisan Credit Card (KCC)

Kisan Credit Card Scheme

Banks	Target 2010-11	Achievement 31.03.11	% Achievement
COM. BANK	193547	349083	180%
RRB	136650	84372	62%
DCCB	500000	311983	62%
TOTAL	830197	745438	90%

Updated statistics as received from banks is furnished in **table No. 19 on Page No. 112-113** for information of the House.

Performance Review Meeting taken by the Secretary (FS) with the CEOs of PSBs / FIs on 26th April, 2011 – Minutes

During the discussion on the Kisan Credit Card Scheme, Banks have suggested that State Governments may also be requested to help ensure that all eligible farmers are covered under the KCC scheme. This shall greatly help to focus the efforts of Banks while issuing new KCCs.

Secretary (FS) asked the CEOs to revalidate the data pertaining to active Kisan Credit Cards (active i.e. at least one debit entry during the year or having a loan outstanding against the KCC). Banks must maintain data regarding the number of farm accounts, number of farm accounts which are operated as KCC Accounts and the number of active KCCs. This data is required to be maintained on a quarterly basis by all Banks including RRBs & Cooperatives. RBI and NABARD are requested to formulate uniform reporting formats for all Banks.

MD, NABARD suggested that in view of the Sarangi Committee recommendations, the Kisan Credit Card should be made a Smart Card with a five-year validity.

To formulate awareness / publicity plans for generating awareness regarding the Interest Subvention Scheme for 2011 – 12 at the rural branch level of all lending institutions.

Bank credit needs to be extended to farmers not so far covered. Presently, approximately 40% of the farmers in India are availing the facility of bank credit. To extend the reach of Bank Credit to oral lessees, tenant farmers, small and marginal farmers the channel of Joint Liability Groups (JLGs) may be encouraged by Banks.

To cover all eligible farmers under the fold of KCC State Govt. may issue instructions to Gram Sachiv/ Patwari of concerned village to provide list of uncovered farmers to nearby bank branch under copy to respective Lead District Managers to ensure that their village are 100% saturated with KCC. This shall greatly help to focus the efforts of banks while issuing new KCCs.

For generating awareness regarding the Interest Subvention Scheme for 2011-12 and also additional Interest Subvention Scheme for prompt repaying farmers, publicity may be made in Kisan Melas as well as banners/ posters may be pasted at Gram Panchayat's buildings.

Gram Sachiv /Patwari of concerned village should ensure that their villages are 100% saturated with KCC.

b. KCC to Kotwars

As reported by LDMs no KCC is given in five districts namely Khargone, Rewa, Stana, Singroli and Dindori, State Level heads of these districts are requested to take suitable steps to cover Seva Bhoomi Kotwar. DIF may also follow up with the respective collectors. There is Progress in issuance of KCC to Kotwars is as follows: (Position as on 31.03.2011)

Number of Kotwars	Number of Kotwars having sevabhoomi	Out of which KCC issued to Kotwars	% Achievement
33000	28000	24804	(89%)

Member Banks are requested to issue KCC to all leftover Sewabhoomi Kotwars in their Service Area villages.

8.2 Self Help Groups (Under NABARD Scheme)

(Progress from April 2010 to March 2011)

		(Amt. in Crores)
A	S.B. A/cs opened	27712
B	Amount deposited in HSS A/c	19
C	Out of (A) A/c credit linked	5240
D	Amount disbursed	60
E	Balance Outstanding (No.)	57973
		(Amt.) 339
F	NPA Amount	40
G	% NPA	11.80

Bank wise data is given in **Table No. 18, Page No 110-111.**

8.3 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. 657 crores. Banks have disbursed Rs. 1732 crores by the end of March 2011 in 24206 loan cases.

Bank wise data is given in **Table No. 20, Page 114-115** for review of house.

	Cases (No)			
	Received	Sanctioned	Disbursed	Returned/Rejected
March-08	24547	22759	21728	1839
March-09	21974	21070	20741	690
March 10	30178	28911	28647	964
March 11	24827	24423	24206	270

Scheme of 1% Interest Subvention on the Housing Loans (RBI /2010-11/481 dated 21.04.2011)

The existing scheme of interest subvention of 1 percent on housing loans is extended up to Rs. 15.00 lakh where the cost of the house does not exceed Rs. 25.00 lakh from the present limit of Rs. 10.00 lakh and Rs. 20.00 lakh respectively in terms of Union Budget Speech of 2011-12.

Performance Review Meeting taken by the Secretary (FS) with the CEOs of PSBs / FIs on 26th April, 2011 – Minutes

Secretary (FS) pointed out that the Banks may give greater attention to availment of 1% interest subvention for housing loans under the subvention scheme. The issue of nodal agency for the scheme was also discussed when ED, RBI gave his no objection for appointment of either SBI or NHB as the nodal agency for Scheduled Commercial Banks (SCBs). CMD, NHB expressed willingness for NHB to be designated as the nodal agency for 1% interest subvention scheme for SCBs as well.

It was decided that guidelines of the scheme may be modified to designate NHB as the nodal agency for both SCBs and Housing Finance Companies.

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

During the year 2010-11 financial assistance of Rs. 1175 crores has been provided under the scheme to 704 beneficiaries.

Bank wise Data is available in **Table No. 21, Page 116-117** for review of house.

Year wise data on achievement is as under:

Cases (No.)				
	Received	Sanctioned	Disbursed	Return/Rejected
March-08	1016	976	925	40
March-09	680	644	635	30
March-10	1093	1086	1080	7
March 2011	756	707	704	46

(c) Interest Subsidy Scheme for Housing the Urban Poor (ISHUP)

Ministry of Housing & Urban Poverty Alleviation (Housing Section) is implementing the Interest Subsidy Scheme for Housing the Urban Poor (ISHUP), a nationalized Scheme meant to ameliorate the living conditions for the EWS/LIG population in the urban areas through affordable loans from primary lending institutions like Banks and Housing Finance Institutions (HFIs) with interest subsidy support of 5% from Govt. of India. The onus of the implementation of the scheme lies primarily with the Banks.

In the meeting of steering of ISHUP held on 9th March 2011, following decisions were taken :

1. The Steering Committee had earlier directed that EMI should not exceed 25% of the monthly income of the beneficiary. However several claims were received where the EMI size exceeded the limit prescribed. During the meeting held on 4th February 2011 bankers had requested for the flexibility in the said guidelines in view of the fact that a large number of beneficiaries belong to unorganized sectors and have informal incomes. The Committee deliberated on this issue and approved that EMI/ Income ratios be left to the banks, as the guidelines provided that the lender would sanction the loan as per their own risk assessment and procedural requirements.
2. The Scheme guidelines mentions that subsidized loans under the scheme would be available to an EWS beneficiary for a house of at least 25 square meters and 40 square meters in case of LIG beneficiaries. The Steering Committee noted that the various claims are either having larger build up area or less than the stipulated requirement. However, as the guidelines do not provide for a maximum size of plot and the plots do not generate income by themselves bankers requested for a relaxed view in this regard.
 - a. As regards the maximum size, it was decided that this may be left to the judgement of the concern State Level Nodal Agency which is sponsoring the applications.
 - b. Further regarding the cases where the built up area is less than 25 sq. mtrs. or 40 sq. mtrs., for EWS and LIG beneficiaries respectively, it was decided that given the high cost of land in the Urban areas, a lenient view can be taken provided the house had the space for necessary amenities like kitchen slab, toilet etc.
 - c. Further, it may be noted that the claims less than the stipulated requirement of build up area and for maximum size upto 100 square meters may be considered by the Central Nodal Agency (CNAs)

whatever the State Level Nodal Agencies (SLNAs) are certifying such claims.

- d. However, the claims involving plot size of more than 100 sq. mtrs may be excluded from the Scheme to avoid moral hazard.

All banks are requested to follow the same to enable speedier implementation of the scheme.

To review the problems and issues, a meeting was also convened by the Govt. of India with State level Nodal Agency, SLBC Convener and Bank/ Housing Finance Institutions on 4th February 2011.

It has been reported by Urban Administration and Development, M.P., Bhopal that from the year 1984 to 2009 a total number of 340275 patta has been distributed to urban poor against which a target of 34027 is fixed for the year 2009-10. 846 cases have been sent to different banks against which 135 cases have been sanctioned by different banks. However, from the reports obtained from Banks, it appears that very few applications have been forwarded to the Banks. It is requested that Urban Administration & Development Department furnish a list of Bank branches where the applications have been sent by them. Among all the states reviewed by Govt. of India, the performance of MP State is one of the poorest. Bank-wise position of cases sponsored and sanctioned has also been followed up with the different banks by SLBC. It has also been requested to submit claims for claiming interest subsidy from NHB/ Hudco.

(d) Rural Housing Mission

Government of MP has launched a scheme named as “Mukhya Mantri Gramin Aawas Mission” with larger objective of creating housing stock for the rural poor with the support from the banking institutions. There is a component of 43% loan by financial institutions, 43% contribution by the state government and 14 % by the beneficiaries. SLBC had already resolved to adopt and implement the scheme. Central Bank of India has taken up leadership in this scheme. Other banks have been asked to follow the same and it is expected that the scheme will be implemented in all districts of the state by March 2011.

Different branches of Central Bank of India informed that a number of cases received at the branch level following discrepancies/ lacunae have observed:

- Cases are sent in a bunch of 100 to 5000
- Boundaries are not demarcated
- Insurance premium on LIC is on very high side. As such it is yet to be decided wherever to take full life insurance or accidental insurance on borrower responsibility. In some districts tehsildar are not insisting for stamp duty while in some are insisting for the same.
- Circular on waiver of stamp duty on EM has not been issued by State Government.
- Problems in documentation, opening accounts, KYC and participation of other banks.
- In many cases it has been observed that beneficiaries are residing more than 100 Kms. away from the Bank where the case is forwarded. In some

cases though applications have been received by the branch, pattas have not been received.

State government is requested to ensure:

- Application should be within service area of the branch
- Bunching of applications should be avoided.
- Cases should be sent within the radius of the branch
- Nodal agency at district level should ensure full KYC, documents, opening of accounts.
- Waiver of stamp duty should be affected
- State Govt. may enter into MOU with other banks so that scheme can be smoothly implemented

8.4 Financial assistance to minority communities (State)

(Amt. in Crores)

Community	Disbursement 10-11 (April 10 to March 2011)		Outstanding Balance March 11	
	No.	Amt.	No.	Amt.
Muslim	11158	154	201599	2187
Sikh	2254	61	32555	608
Christian	1281	26	16497	289
Zoroastrian	6	1	490	7
Buddhist	429	5	9420	63
Jain	5722	106	70557	2039
Total	20850	353	331118	5193

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

Bank wise position is given in **Table No. 22 & 23, Page 118-121** for review of house.

Performance Review Meeting taken by the Secretary (FS) with the CEOs of PSBs / FIs on 26th April, 2011. – Minutes

Joint Secretary (BA) presented the performance of PSBs. Overall achievement is at 13.59% as of December, 2010. While some banks have performed well, some other banks have been falling behind. The banks which have not been able to achieve prescribed targets need to make special efforts.

Secretary (FS) advised that Banks should follow the guidelines laid down by RBI and directive of Government in this regard. Lending to Minority Communities is a priority of the Government and is very closely monitored at various levels. Therefore, the PSBs need to show greater commitment in this matter and improve their performance.

8.5 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 March 2011 is as follows:

(Amt. in Crores)

Communities	March 2011	
	No.	Amt.
Muslim	53005	780
Sikh	15687	171
Christian	1170	22
Zoroastrian	-	-
Buddhist	306	3
Jain	-	-
A. TOTAL	70168	976
B. Total Priority Sector	931859	6498
C. Total Advances	150173	12149
	9	
% to A to B	7.53	15.02
% to A to C(Total Advances)	4.67	8.03

8.6 Financial Assistance to Schedule Castes /Schedule Tribes

The progress up to 31.03.2011 is as under:

(Amt. in Crores)

Item	Schedule Castes		Schedule Tribes	
	No. of A/cs	Amt.	No. of A/cs	Amt.
App. Recd.	21129	195	16066	111
App. San.	20274	186	15535	106
App. Disb.	19543	175	15641	100
Ap. Rejected	435	6	290	4
App. Pend.	420	3	241	1
Total Bal. O/S	607710	2228	387554	1383
NPA Amt.	77087	422	41364	231
% NPA	12.68	18.94	10.67	16.70

Bank-wise data is given in **Table No. 24 & 25, Page 122-125**

8.7 Swarojgar Credit Card (SCC)

The progress up to 31.03.2011 under Swarojgar Credit card scheme is given below:

(Amt. in crores)

Particulars	Comm. Bks	RRBs	Co-op Banks	Total
Annual Target (No.)	4475	8621	1960	15056
No. of SCCs Issued	502	6852	579	7933
Amount Disbursed	2	15	2	19
% Achievement	11.21	79.48	29.54	52.69

Bank wise progress is given in **Table No. 26 Page No. 126-127**

8.8 Artisan Credit Cards

As against the target of 3725 cards for 2010-11, the Banks have issued only 617 cards upto March 2011. Total cards issued under the scheme since inception is 7214.

Bank wise position is given in **Table No 27, Page 128-129**. Most of the banks have reported Zero progress in the scheme. This situation needs to be rectified by adopting appropriate strategies and organizing campaigns for issuance of these cards.

8.9 General Credit Card (GCC) Scheme

As per information given by the Banks, a total of 6860 cards have been issued during the FY 2010-11 up to March 2011 against the self set target of 6507. Total cards issued under the scheme since inceptions are 35366.

Bank-wise position is given in **Table No 27, Page 128-129**.

8.10 Education Loans

(Amt. in lakhs)

Year	Total Loan Sanctioned		Out of which girl students	
	No. of A/c	Amount	No. of A/c	Amount
2006-07	9431	22476	2436	5240
2007-08	11377	24867	2075	4256
2008-09	16003	42000	3465	8224
2009-10	13985	35665	4166	9301
2010-11	12704	35771	3615	9476

	Total Loan Disbursed		Out of which girl students	
	No. of A/c	Amount	No. of A/c	Amount
2006-07	10433	14316	2370	3038
2007-08	11092	14302	1979	2405
2008-09	15667	21578	3339	4899
2009-10	14637	23797	4233	6466
2010-11	13894	18136	3749	5788

	Total Loan Outstanding		Out of which girl students	
	No. of A/c	Amount	No. of A/c	Amount
2006-07	35138	58178	6234	8086
2007-08	50169	67030	8818	12582
2008-09	61530	95325	13687	19791
2009-10	69979	117708	19009	29369
2010-11	74763	135185	20558	39347

Bank wise position is given in **Table No 28, Page. 130-131**

In a meeting chaired by Honourable Finance Minister to the Government of Madhya Pradesh, it was agreed that target for FY 2010-11 would be 150% of the achievement during FY 2009-10. Accordingly, SLBC had communicated the bank-wise target of 22,000 cases to all member banks. As against the target, the achievement is only 58%.

Government of India had also started interest subsidy scheme on education loan for the entire period of studies and for the period of moratorium of maximum one year Government of Madhya Pradesh has designated Tehsildar/ Nayab Tehsildar, an authority to issue Income Certificate. It has been observed that the benefit of the scheme is not passed on to the beneficiaries. All member banks are requested to advise all branches to ensure passing on the benefit of the scheme to eligible beneficiaries.

For the Financial year 10-11 the position was reviewed by the honourable minister of Finance Shri Raghaoji on 03.05.2011 and looking to the performance, State Government advised that the total target would be 60000 cases for the current year. The minutes of the meeting have already been circulated to all member banks. All the banks should give the targets to their branches. Target may be fixed at 67% growth over the achievement made by the banks during 2010-11.

Performance Review Meeting taken by the Secretary (FS) with the CEOs of PSBs / FIs on 26th April, 2011 – Minutes

Joint Secretary (BA) presented the status of education loans stating that while the number of accounts and the amount of credit given has increased, the growth rate is declining, particularly so in the last two years. A large number of complaints are being received regarding harassment, delay and rejection by Banks. The progress of the Interest Subsidy Scheme of Ministry of HRD is very poor and banks are not availing of the Scheme, causing undue hardship to the loanees.

8.11 Advances to Women beneficiaries

Advances to women beneficiaries stood at Rs. 6466 crores which is 7.06% of the total advances and well above the target of 5%.

Bank wise data is given in **Table No 29, Page 132-133.**

8.12 Progress under National Horticulture Mission

(Amt in Crores)

Particulars	Unit	2010-11
Cases Received	No	475
Cases Sanctioned	No	464
Cases Disbursed	No	459
	Amt.	12
Cases Rejected	No	9
Cases Pending	No	2
Balance Outstanding 6	No	5260
	Amt.	108

Bank wise and district wise data is given in Table No. 30, 134-135

- **NHB Progress report:**

The progress up to 31.03.2011 under NHB scheme is given below:

Particulars	Number
LOI placed before Board	268
LOI approved by Board	268

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

	No.	Amt.
Below Rs. 20 lacs	174	149.13
Above Rs. 20 lacs	10	58.58
TOTAL	184	207.26

मद संख्या 9 – राजभाषा नीति का कार्यान्वयन

मध्यप्रदेश में 47 बैंकों में से केवल 40 बैंकों ने राजभाषा नीति के कार्यान्वयन संबंधित तिमाही आंकड़े भेजे 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 142 में समीक्षा हेतु स्थिति दी गई है।

PART 2 : THEME BASED AGENDA ITEM

State Level Bankers' Committee has prepared the Annual Credit Plan (ACP) for the year 2011-12 by amalgamating Annual Credit Plan of all 50 districts of MP. All member banks are requested to ensure achievement of targets prescribed for the different schemes. A copy of the ACP is also available on the website of SLBC.

PART 3 : AGENDA PROPOSED BY

1. Govt. of India – No agenda item

2. Govt. of Madhya Pradesh – No agenda item

3. Reserve Bank of India –

i. CD Ratio

- Review of steps taken by banks to improve CD ratio (esp. in r/o underperforming banks)
- including specific assessment of incremental Credit/ incremental Deposit.
- Review of CD ratio of eight tribal districts and steps taken to improve the same.
- Capturing CD ratio on utilisation basis.

All the points are covered in Agenda item no **6.4 page no. 22 to 26**

ii. Financial Inclusion

- Assessment of findings of joint group visits regarding appointment of BC/BF and Financial Inclusion.
- Review of Financial Inclusion - 2000 and above population
- Review of Financial Inclusion - 1000- 2000 population

- Review of opening of brick and mortar branches by the banks- especially under general permission route since December 2009 (or April 2010 till March 2011)

All the points are covered in agenda item no. 4 page no. 5 to 19

- Outreach functions at Datia, Umaria and Ratlam - Completion of ICT inclusion in the selected villages and the ICT status in the RBI selected villages in districts Dhar, Ujjain, Satna, Katani, Chhatarpur, Sidhi, Shivpuri, Betul, Hoshangabad, Vidisha, Mandla.
- Inclusion of financial material in school curriculum
- Issues regarding Connectivity and Power Supply

Concerned departments are requested to give the feedback.

iii. Data submission- frequency and quality

4. NABARD

i) Rural Infrastructure Development Fund

NABARD has been providing financial assistance to GoMP for executing rural infrastructure projects. As on date, NABARD has sanctioned 2728 projects encompassing sectors like- Road, Bridge, Power, Irrigation, Health, Education etc. of these, completed projects under, roads , bridge, irrigation and power have relevance in assessing credit requirement and enhancing lending to agriculture sector. As on 24 April 2011, the details of completed Road, Bridge, Irrigation, Health, School and Power projects with RIDF assistance are as under:

Sr . No	Activity	Projects completed (No.)	Number of Villages benefited (No.)	Number of Blocks benefited (No.)	Potential in M, Km , Ha , MW and Numbers	Marketing Centres connected (No.)
1	Bridge	193	4771	193	18937.64 m	598
2	MIP	22		22	115970 ha	
3	MIS	538		538	180369 ha	
4	MJP	19		19	170536 ha	
5	Power	35		35	158.84 MW	
6	Road	496	6276	496	7635.04 Km	1025
7	School	213			42616 No	
8	Health	13			45 No.	
	Total	1529	11047	1303	----	1623

Due to increase in infrastructure in various fields, credit requirements for activities like – integrated godowns (25-50Tcapacity). drying yards, post-harvest machinery, seed processing units, grading units, cold storages, electronic weighbridges, integrated pack houses, refrigerated vans, cotton ginning mills, milk chilling units, horticulture crops, crop loans ,energy efficient pump sets , micro irrigation and SMEs can be reassessed .

The SLBC may take cognizance of infrastructure created under RIDF projects and subsidy schemes of GOI, to achieve XI plan period goal of increasing agricultural growth from 2% to 4%.

ii) MICRO CREDIT

A. SHG-Bank Credit Linkage

As per the agenda of the 141st SLBC, the targets for the year 2010 – 11, for credit linkage of SHGs was fixed at 54,305 and that of JLGs was fixed at 7,874. As against this, for the year 2011- 12, it is proposed to have the target for credit linkage of 55,000 SHGs and 10,000 JLGs.

B. Opening of SB A/cs with Banks by NGOs/SHGs

It has been discussed in various fora as also earlier SLBC meeting, that the SHGs experience difficulties in opening of savings bank accounts in Banks. Taking into consideration the importance of the programme and its role in financial inclusion, SLBC may please advise the banks to play a proactive role and open SB accounts of SHGs whenever they approach the banks.

RBI and Controlling Offices of Commercial banks may please consider to issue fresh guidelines reiterating the instructions for opening of S B accounts by SHGs / NGOs with the banks in a hassle free manner.

C. Formation of Farmers' Clubs

During the year 2010-11, as many as 2401 farmers clubs were formed in MP with the financial support of NABARD. Taking into consideration the benefits of the clubs for the banks, it is proposed to fix a target of formation of 2700 farmers clubs during the current year 2011- 12. SLBC may please impress upon the banks to form more and more Farmers Clubs as per the NABARD guidelines so as to ensure financial support for its operations. Fresh guidelines for formation and guidance of Farmers Clubs may be issued by Commercial banks, RRBs and Cooperative banks.

D. Opening of bank accounts of Farmers' Clubs promoted by various NGOs

It is reported that like SHGs, banks are reluctant to open SB A/cs of Farmers Clubs. SLBC may please advise the commercial banks to open bank accounts of Farmers Clubs.

iii) FINANCIAL INCLUSION

A. Financial Inclusion by RRBs through BC model using card based ICT Solution - Support from FITF.

Support to RRBs under FITF would cover cost of smart cards & POS devices (including the cost of personalization) for ICT solution. The process for availing grant assistance has been simplified and a format for seeking support in this regard has been circulated amongst all banks vide circular No. NB. FID / 2368 / FI – 01 / 2010 – 11 dated 18 January 2011.

Like Madhya Bharat Gramin Bank, other RRBs in the state are requested to submit suitable proposals to NABARD.

B. Support for Capacity Building of Business Correspondents (BCs)/ Business Facilitators (BFs) from Financial Inclusion Fund (FIF) through FINO Fintech Foundation (FFF)

NABARD in collaboration with FINO Fintech Foundation (FFF) has decided to support capacity building of BCs/BFs through a certification course. The course will be conducted by FFF at the State / District level. The Support from FIF will be provided to meet the cost of the certificate course of FFF by the candidates. Bank will have to give a certificate indicating that the candidate has successfully completed the course to claim reimbursement under the scheme. The modus operandi of the scheme are given in the Cir No. 250 dated 14 Dec 2010 issued to RRBs/ DCCBs/ SCARDBS/ SCBs/ Commercial banks.

C. Preparation of block-wise Financial Inclusion plan for 2011-12

LDMs may coordinate with DDMs of NABARD to prepare the block-wise financial inclusion plans for 2011-12. The consolidation of block plans will be the district level Financial Inclusion Plan.

5. OTHER AGENDA ITEM

1. Exchange of information to Prevent Fraud (Suggested by Allahabad Bank)

Growing incidence of fraud by submitting fake title deeds/ documents and availing loans from different banks against mortgaging same property is now common. These loan accounts ultimately turned into NPA and there is least chance of recovery. Hence, a foolproof system may be devised with the help of State Government machineries including office of the Registrar/ Sub-Registrar that will prevent fraudsters availing loan by submitting fake title deeds/ documents. For every loan against property there should be some sort of provision to incorporate the name of the Bank/ Financial institution and amount in the records with the office of the sub-registrar/ Registrar and no loan without their clearance should be given to the borrowers against properties.

In Allahabad Bank also due to some lacunae in the system the following incidence of fraud took place and the accounts turned NPA in which recovery is very difficult.

Case reference:

1. Mariya Asif : Mortgage of same property to different banks namely a) Bank of Baroda Malviya Nagar, b) Central Bank of India, Pari Bazar, Bhopal, c) Allahabad Bank, Kotwali Road, d) State Bank of Indore, Idgah Hills, Bhopal, e) Bank of India, Categorized Market branch
2. Sanjay Khadiwala (Indore): a) Bank of Maharashtra, b) State Bank of India, c) State Bank of Indore

Banks should share information on the fraudsters irrespective of any amount in order to prevent recurrence of the incident/ fraud.

Central Registry System evolved by IBA and brought into effect from 31.03.2011 should be taken advantage of. All the banks are requested to upload required data into Central Registry System.

Wherever fake title documents are detected, banks are required to report to SLBC, who will put up the same in SLBC website.

2. Improvement of land records/ other evidence of land ownership/ occupation – Delay in creation of charges

Banks have been raising problem of time consumption in creation of charge due to which disbursement of loan is delayed causing impatience in farmers. In order to expedite loan to farmers, Banks requested State Government to address farmers' grievances.

State Government in Revenue Department issued specific guidelines vide order F-2/9/2011/VII/6 dated 10.05.2011. Copy of the order is appended on **annexure I page no. 152.**

Banks may take note of it.

PART 6 : OTHER ISSUES WITH THE PERMISSION OF CHAIR
