

**STATE LEVEL BANKERS' COMMITTEE
MADHYA PRADESH
134th MEETING 24.12.08**

AGENDA

**ITEM NO. 1: CONFIRMATION OF THE MINUTES OF THE 133rd MEETING OF
STATE LEVEL BANKERS' COMMITTEE HELD ON 23.09.2008**

Minutes of 133rd meeting of State Level Bankers' Committee Madhya Pradesh held on the 23rd of September 2008 were circulated vide Convener Bank's letter No. ZO/SLBC/MP/08-09/168 dated 04.10.2008. No amendments/comments received from any member. The House may, therefore, confirm the circulated minutes.

ITEM NO. 2: FOLLOW-UP ACTION ON DECISIONS OF EARLIER MEETINGS:

Action Point 2.1: Doubling Agriculture Credit during 2008-09

Government of India, in 2003-04, desired that institutional credit to agriculture sector be doubled in three years. Banks in Madhya Pradesh achieved the target in less than three years. Statistics of Madhya Pradesh is summarized below:

(Amt. in Crores)

Agency	2003-04 Base Year		2004-05		2005-06		2006-07		2007-08	
	T	A	T	A	T	A	T	A	T	A
Com.Banks	1084	1419	2055	2184	2567	3613	3440	4856	4247	5501
RRBs	353	463	553	607	701	1125	1008	1307	1285	1675
Coop Bks	1687	1452	1998	1869	2672	2213	3147	2719	3373	3436
Total	3124	3334	4606	4660	5940	6954	7595	8882	8905	10612

T- Target, A- Achievement

Action Point 2.2: Implementation of 100% coverage of KCCs:

2.2.1 Progress of issuance KCC in all Districts of MP

As decided in 133rd SLBC Meeting, Director, Institutional Finance has written a letter No. PDF / Agril / 39/ KCC (DIF) 2008/ 2130

dated 20.10.2008 to State Level Heads of all the Lead Banks in MP requesting to issue necessary instructions to their LDMs to place the issue in DLCC / DLRM meetings to ensure that work is completed by the end of current financial year.

Convenor vide letter ZO/SLBC/2008-09/177 dated 18.10.08 and 193 dated 21.10.08, and 196 dated 24.10.08 requested State Level Heads of all Banks to gear up the work.

Consequent upon the implementation of Agriculture Debt Waiver and Debt Relief scheme 2008, most of the farmers became eligible for fresh loan. Further in terms of instructions of Govt. of India, the farmers whose debts have been prudentially / regularly written off are also eligible for fresh financing. Member banks are requested to take detail review the position.

All the bankers are again requested to gear up the machinery to achieve the targets of 100% issuance of Kisan Credit Card during Rabi season and may appraise the steps taken in this regards.

NABARD vide their letter 7754 dated 24.11.2008 informed that they have revised the targets of RRBs (2008-09) and as desired by Honorable Union Finance Minister, each RRB branch will issue at least 150 new KCCs in current financial year.

Reserve Bank of India and NABARD also issued necessary guidelines in the matter.

DIF vide letter PDF/NAIS/12/DIF/2008/2082 Bhopal dated 13.10.2008 informed that percentage coverage of crop loan disbursed under the Crop Insurance Scheme to the loan covered is not up to the desired level. The Govt. of India, Ministry of Finance has also expressed concern over the situation through a letter addressed to all Public Sector Banks. In view of above Banks are

requested to ensure that KCC issued by them are covered under NAIS.

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

2.2.2 Issuance of KCC to Kotwars

DIF vide letter प्राविवि/केसीसी-कोटवार/संविसं/2008/2132 dated 20.10.2008 requested Revenue Department to make available district wise number of Kotwars. No information has been received so far. We request officials for same. Convenor vide letter ZO/SLBC/2008-09/177 dated 18.10.08 requested State Level Heads of all Banks to issue necessary instructions to all branches and Lead Districts Managers for extending financial assistance to Kotwars.

Progress is as follows:

Number of Kotwar	Number of Kotwars having sevabhoomi	Out of which Kotwars issued KCC
35000	28000	14710

2.2.3 Financial inclusion in 35 Districts of M.P.

Convenor SLBC, vide letter ZO/SLBC/2008-09/177 dated 18.10.08, 194 dated 21.10.08, and 217 dated 06.11.08 requested State Level Heads of all Banks to instruct their branches to accelerate the work of financial inclusion and complete the same within stipulated time frame.

DIF vide letter PDF/Fin.Inc./DIF/2008/2138 dated 20.10.08 requested all the State Level Heads of Banks, Collectors of 35 Districts and respective LDMs of 35 Districts to direct field level functionaries to accelerate the pace of work and complete the task at the earliest.

The status of implementation of Financial Inclusion in 35 Districts of Madhya Pradesh is that out of 39870 villages in 35 Districts only 3779 villages have been covered under the scheme of 100% Financial Inclusion. Banks have opened more than 15 lakh accounts of NREGP Job Card holders. We request the house to discuss the option for survey of villages so that left out inhabitants can be covered at an early date.

‘Financial Inclusion’

No. of Districts	No. of villages	No of vill. Covered under 100% F.I.
35	39870	3779

District-wise details are given in **Table No.12 -I Page No.72-74**

2.2.4 IT ENABLED FINANCIAL INCLUSION PROGRAMME

In terms of the Reserve Bank of India policy guidelines, the IT enabled financial inclusion in Madhya Pradesh using hand held device by issuing smart card and mobile banking having interface with information technology was launched on pilot basis.. A meeting of sub-group was convened on 18.09.08 at Directorate Institutional Finance to review the status of implementation.

Convenor vide letter ZO/SLBC/2008-09/177 dated 18.10.08 and 194 dated 21.10.08, requested State Level Heads of all Banks to direct their concerned branches to speedup the work of IT Enabled Financial Inclusion. DIF vide their letter PDF/ITeFI/DIF/2008/2140 dated 20.10.08 requested State Level Heads to instruct their Field Level functionaries to initiate appropriate action and accelerate their activities to complete the task as early as possible.

As per information received, the Bank-wise progress in pilot project is as follows:

- 1 **Bank of India:** 800 cards have been issued and 3000 cards are in process.
- 2 **State Bank of India:** Vendors and Banking Correspondent have been finalized. Work yet to be started. A special cost sharing package exclusively for Government of Madhya Pradesh had been drawn by the bank and same has been reportedly to Government for consideration.
- 3 **State Bank of Indore:** work has been started and 14011 cards have been issued.
- 4 **Union Bank of India:** Approximately 2500 cards have been prepared and ready for distribution.
- 5 **Central Bank of India:** Vendor has been finalised. 3500 forms are ready for preparation of cards.
- 6 **Narmada Malwa Gramin Bank:** Bank is in the process of finalization of vendor and Banking Correspondent.
- 7 **APEX Bank:** Yet to finalize the vendor.
- 8 **AXIS Bank:** Work has been started in the slum area of Ward No 52 of Bhopal City comprising Saibaba Nagar, Ishwar Nagar and P.C.Nagar with the help of NGO named little world. 60 cards have been prepared.
- 9 **ICICI Bank:** Vendor M/s Financial Information and Network Operations Ltd has been finalized. Work has been started through Mahila Chetna Manch at Bhopal; Unnati Mahila Sangh at Indore and Sambhav SSO at Gwalior respectively. Enrolments of 1058, 187 and 274 persons respectively have been done for preparation of cards. Reserve Bank of India and Director Institutional Finance, Government of M. P., Govt. of India have expressed their displeasure on the slow progress of the Pilot Project. Besides pilot project, RBI suggested for up scaling the coverage to more areas. Bankers are requested to inform the progress made in this regard. House may deliberate on the issue.

2.2.5 Settlement of SLR Bonds

An amount of Rs.176.63 crore is overdue in respect of MPEB bonds.

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

State Government is requested to settle the same.

Discounting of SIDBI / IDBI bills

A sum of Rs 0.73 crore is due under the bill discounting scheme of IDBI / SIDBI.

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

2.2.6 Rural Development and Self Employment Training Institutes (RUDSETI)

In the meeting of sub-group of SLBC held on 28.07.08 banks have agreed in principle for opening of RUDSETI institutions in the following districts.

No.	Name of Bank	Name of Centre
1	State Bank of Indore	Guna
2	Bank of Baroda	Jhabua
3	Union Bank of India	Rewa and Sidhi
4	State Bank of India	Chhatarpur and Katni
5	Allahabad Bank	Satna
6	Central Bank of India	Hoshangabad, Gwalior, Ratlam, Sagar, Jabalpur & Chhindwara .

Convenor SLBC, vide their letter No. ZO/ZM/SLBC/08-09/235 dated 4.08.08, requested Director Institutional Finance to allot the land at no cost / nominal lease for establishment of RUDSETI.

Central Bank of India vide letter CO/RD/2008-09/1041 dated 20.08.2008, requested the Secretary, Panchayat & Rural Development, Government of Madhya Pradesh for allotting suitable land for construction of building at these centres. State Government has agreed in principle to provide land for centres. The Director, Rural Employment, Panchayat & Rural Development Department vide letter 13939 dated 25.09.2008 requested concerned Collectors

to identify suitable land/building for the purpose. A meeting was conveyed by Director Rural Employment under chairmanship of Principal Secretary (RD) Govt. of Madhya Pradesh on 3.10.08. All the State Heads having Lead Bank responsibilities attended the meeting. It was decided in the meeting that vacant Govt. buildings in the district/taluka will be provided by Govt. through respective Collectors pending allotment of land and construction so as to start RUDSETI as early as possible but before Dec.08. Banks may also take building on rent & Collectors will help on providing rented buildings. Central Bank is going to start the RUDSETI at Hoshangabad as building has been arranged. Other banks are requested to please inform the progress because 25 RUDSETI institutions are to be opened in the state in first phase. DIF vide letter 2134 dated 20.10.2008 requested Revenue & Rural Development Deptt. to implement the announcement of Hon'ble Chief Minister for allotting half acre of land for the purpose. The Convenor vide letter 1801 dated 02.12.2008 requested the Rural Development Deptt to expedite allotment of land.

RBI vide letter 209 dated 06.11.2008 informed that 12th meeting of Central Level Coordination Committee of SGSY held on 08.08.2008 reiterated the need for establishment of training institutes like RUDSETIs to assist beneficiaries of SGSY in capacity building and skill upgradation.

House may further discuss the issue.

2.2.7 Drought Relief measures - Payment of input subsidy for Kharif 2001 & Kharif 2002

State Government released an amount of Rs. 32 crores as input subsidy for Kharif 2001 & Kharif 2002 through the Convener Bank to commercial banks and RRBs. SLBC, vide letter ZO:SLBC:07-08/12 dated 30.04.2007, distributed the amount to all the concerned state level heads with a request to adjust the amount in the beneficiaries accounts and submit the information in prescribed format to

Convenor at the earliest so that consolidated information could be sent to State Government through Director Institutional Finance. Details of Bank-wise distribution of amount is as follows:

SNo	Name of Bank	Place	Amt.
1	Allahabad Bank	Bhopal	2,88,21,675
2	Bank of India,	Bhopal	8,07,37,294
3	Central Bank of India	Bhopal/Raipur	8,38,34,370
4	Punjab National Bank	Bhopal	1,27,05,845
5	State Bank of India	Bhopal	4,66,19,985
6	State Bank of Indore	Indore	2,73,73,165
7	Union Bank of India	Bhopal	42,79,990
	Total		28,43,72,324

Except SBOI other banks have submitted partial utilisation certificate.

Convenor vide their letter No. ZO/SLBC/2008-09/177 dated 18.10.08 & आंका/एसएलबीसी/2008-09/192 दिनांक 21.10.2008 and ZO/SLBC/2008-09/472 dated 5.12.08 requested the Bankers to provide us details of utilisation at the earliest.

2.2.8 AGRICULTURE DEBT WAIVER AND DEBT RELIEF SCHEME 2008 (ADWDR)

In the last SLBC meeting convenor expressed his gratitude to all fellow bankers, Govt. officials, RBI, NABARD for timely & successful implementation of the scheme. The position regarding redressal of grievances has also been communicated to Govt. of India. In terms of Govt. of India, Ministry of Finance, Deptt. of Financial Services directions contained in their letter dated 22.10.08.(copy already sent to all fellow bankers/LDMs), all the LDMs are requested to submit the data of farmers covered under the scheme village wise in the CD form to SLBC. We have received data in CD form from **23** districts. We request all the bankers having lead bank responsibilities to advise their LDMs to expedite.

ITEM NO.3: PERFORMANCE OF BANKING SECTOR IN MADHYA PRADESH AT A GLANCE

(Rs. In Crores)

No	Parameters	March 2007	March 2008	Sept. 2008	Variation over March 2008	
					Actual	%
1.	No. of Bank Branches	4779	4949	5055	106	-
2.	Total Deposits	73229	89604	97684	8080	9.02
3.	Total Advances	49106	60057	62471	2414	4.02
4.	Investments	3830	5249	5119	-130	-2.48
5.	Total Adv. + Investments	52937	65307	67591	2284	3.50
6.	Priority Sector Advances	29648	37128	40088	2960	7.97
7.	Agricultural Adv.	17362	22441	23858	1417	6.31
8.	MSME Advances	3449	5773	5866	93	1.61
9.	Tertiary Sector	8837	8915	10363	1448	16.24
10.	Advances to Direct Agr.	16259	18733	22116	3383	18.06
11.	Advances to Weaker Sec	6322	7423	8285	862	11.61
12.	Advances to DRI	4	7	9	2	28.57

3.1 Branch expansion

The total number of branches operating in the State is 5055 as on September 08. There is a net increase of 106 bank branches over March-08.

	Rural	Semi-Urban	Urban	Total	Specialized SME
March-06	2491	1303	910	4704	20
March-07	2452	1327	1000	4779	22
March-08	2434	1379	1136	4949	27
June-08	2411	1400	1182	4993	27
Sept.- 08	2413	1435	1207	5055	27

Bank wise position is given in **Table No. 1 Page No.38-39.**

3.2 Deposit growth

During the period under review, the aggregate deposits of the banks in Madhya Pradesh increased by Rs 8080 crores, from Rs 89604

crores as at March 08 to Rs 97684 crores at Sept. 08,. Thus recording a growth of 9.02%. Area wise details are as under:

(Amt.. in Crores)

	Rural	Semi-Urban	Urban	Total
March-06	9190	19474	32937	61601
March-07	10055	21279	41895	73229
March-08	11614	23861	54129	89604
June-08	11617	25530	56469	93616
Sep-08	12578	26004	59102	97684

Bank wise position is given in **Table No. 2 & 3 Page No.40-43**

3.3 Credit Expansion

The gross credit in the State increased by Rs 2414 crores, from Rs.60057 crores as at March 08 to Rs 62471 crores at Sept 08, thus exhibiting a growth of 4.02 %. Area wise details are as under:

(Amt.. in Crores)

	Rural	Semi-Urban	Urban	Total
March-06	9819	11900	22595	44314
March-07	11830	10134	27142	49106
March-08	13656	11636	34765	60057
June-08	15440	11393	35053	61886
Sep-08	15849	11524	35098	62471

Bank wise position is given in **Table No. 2 & 3 Page No.40-43.**

3.4 Credit Deposit Ratio

During the period under review overall CD ratio of Banks for the State of Madhya Pradesh is 64.% as on 30.09.2008 Area wise details are as under :

Bank wise position is given in Table No. 2 & 3 Page No.40-43.

3.4.1. LOW CD RATIO

Though C/D Ratio in the state in the quarter ended 64% is above the national goal of 60% but it has slipped by 2% from the previous

quarter. As per information received from LDMs, C/D Ratio of following 8 districts is below 40%.

(Ratio in %age)

S.NO.	NAME OF DISTT	2006-07	2007- 08	June 2008	Sept.2008
1	Dindori	36.00	36.00	37.30	37.28
2	Anuppur	36.00	37.61	40.92	32.20
3	Umaria	29.70	31.10	30.10	28.87
4	Shahdol	29.93	32.69	32.90	30.35
5	Sidhi	20.38	34.89	34.81	34.80
6	Rewa	36.05	36.00	36.00	34.00
7	Jhabua	46.00	48.00	38.00	38.00
8	Mandla	48.00	46.00	33.00	32.00

Convenor SLBC vide their letter No. ZO/SLBC/2008-09/177 dated 18.10.08, 212, 213 & 216 dated 5.11.08 requested the State Level Heads of the Banks having Lead Bank responsibilities in above Districts to take suitable measures to increase the CD ratio to be at par with other districts.

3.5 Priority Sector Advances

During the period under review, the Priority Sector Advances of Banks in Madhya Pradesh increased by Rs 2960 crores. Sector wise details are as under:

(Amt. in Crore s)

	Agriculture	SSI/SME	OPS	Total
March -06	15844	2057	7945	25846
March -07	17362	3449	8837	29648
March -08	22440	5773	8915	37128
June-08	23353	5445	9611	38409
Sept-08	23858	5866	10363	40088

Bank wise position is given in **Table No. 5 Page 46-47.**

3.6 Agriculture advances

The Agriculture Advances in the State during the review period has witnessed an increase of Rs. 1417 crore from Rs.22441 crores as at

March 08 to Rs 23858 crore as at Sept. 08, showing a growth of Rs. 1417 crores 6.31 %.

Bank wise position is given in **Table No. 5 Page 46-47.**

3.7 MSME Advances

The advances to MSME sector during the period under review has witnessed increase by Rs 93 crores from Rs. 5773 crores as at March 08 to Rs.5866 crore as at Sept. 08, showing a growth of 1.61%

Bank wise position is given in **Table No. 5 Page 46-47.**

3.8 Advances to weaker section

During the period under review the advances to weaker section increased by Rs 862 crores from Rs.7423 crores as at March 08 to Rs.8285 crores as at Sept. 08, showing a growth of 11.61%.

Bank wise position is given in **Table No. 7 Page 50-51**

3.9 ACHIEVEMENT VIS-A-VIS NATIONAL GOALS

No	Parameters (RATIO)	Goal %	March 07 %	March 08 %	Sept. 08 %	Variation over March 08
A)	C D Ratio	-	67	67	64	-3
B)	C D Ratio (Rural + S/U)	60	70	71	71	-
C)	Credit + Inv. To Deposits		72	73	69	-4
D)	PS Adv to Total Credit	40	60	62	64	+2
(E)	Agri. To Total Credit	18	35	38	38	-
F)	Weaker Section to TotalAdv	10	13	12	13	+1
G)	DRI Advances to Total Adv.	1	0.01	0.01	0.01	-

Bank wise position is given in **Table No. 6 Page 48-49.**

Highlights

- The ratio of Priority Sector Advances to total advances as at Sept. 08 stands at 64 % as against National Goal of 40%.
- The share of agricultural advances to total advances, as at Sept. 08 is 38% against the stipulated level of 18%.

- The advance to weaker section constitutes 13% of the total advances as against the stipulated level of 10%.
- The CD Ratio in rural & semi urban area is above the National Goal by recording a level of 71 % as at Sept. 08.
- Though there is no variation in %age terms in DRI advances but there is increase of Rs. 2 crore in absolute terms

ITEM NO. 4: RECOVERY

4.1 NPA POSITION

DIF vide letter 2136 dated 20.10.2008 requested Panchayat & Rural Development Department, Industries Department, Urban Administration & Development Department, Scheduled Castes Welfare Department and Scheduled Tribes Welfare Department to direct their field level functionaries to assist banks in their recovery drive to reduce NPAs.

(Amt. in Crores)

Scheme	Sub-Std.	Doubtful	Loss	Total NPA	Total Adv.	% of NPA to Total Adv
Agriculture	334	450	62	846	23858	4
MSME	156	237	93	486	5866	8
OPS	236	274	77	587	10363	6
PMRY	73	111	43	227	852	27
SGSY (Group)	29	16	4	49	308	16
SGSY (Ind)	17	21	5	43	224	19
KVIC	8	8	1	17	141	12
SJSRY	14	15	6	35	147	24
Pratistha	3	3	1	7	37	20
Antyavyasai	6	5	2	13	79	17

Bank wise position is given in **Table No. 8 to 8 (IV) Page 52-61.**

The recovery under PMRY, SGSY(Individual), SJSRY, Pratistha and Antyavyasai is very poor. Director of Institutional Finance is requested to issue necessary instructions once again to all concerned departments to help in recovery of the NPA amount under each scheme.

4.2 Year Wise Position of Write Off Accounts

(Amt. In Crores)

Agency	Up to 2004-05		2005-06		2006-07		2007-08		2008-09 (SEPT. 08)		Total upto Sept.08	
	No	Amt	No	Amt	No	Amt	No	Amt	NO	Amt.	No	Amt.
CBs	311056	1065	57858	204	71541	401	43266	313	22725	271	506446	2254
RRBs	190488	95	21847	12	21900	16	17867	16	6819	4	258921	144
Co- Op	73468	32	2192	4	1402	1	1167	1	-	-	78229	37
Total	575012	1192	81897	220	94843	418	62300	330	29544	275	843596	2435

Bank wise position is given in **Table No. 9 Page 62-63.**

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

(Amt in crores)

Item	No.	Amt
Recovery cases pending at the beginning of the quarter	940106	1745
Cases filed during the quarter	10141	50
Total RRC	950247	1795
RRC disposed of during the quarter	9129	20
RRC withdrawn during the quarter	9396	22
RRC pending at the end of the quarter	931722	1753
Of which pending upto 1 year	115998	426
1 to 3 years	206121	341
3 to 5 years	263196	419
5 to 12 years	218055	217
Above 12 years	128352	350

Bank wise data is given in Table No. 10 & 10 (I) Page 64-67.

4.4 Banks Recovery Incentive Scheme (BRISC)

As decided in the last SLBC meeting all the commercial banks and RRBs operating in the state will be members of the scheme provided they abide by the rules and directives of the scheme issued by DIF

from time to time. The DIF also informed the house that separate software will be put in place from MIS to expand the ambit of incentive scheme. Banks are requested to submit the revised CDs to BRISC Cell.

ITEM NO. 5: IMPLEMENTATION OF ANNUAL CREDIT PLAN 2008-2009

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

(Amt. in cores)

Sector	Year 2005-06			Year 2006-07			Year 2007-08		
	T	A	%	T	A	%	T	A	%
Agra. Total	5940	6954	117	7596	8882	117	8905	10612	119
Crop Loan	4153	5085	115	5172	6792	131	6379	8029	126
Term Loan	1788	1869	105	2424	2090	86	2526	2583	102
MSME	537	525	98	684	684	69	875	1265	145
Others	1809	1958	108	2268	3042	134	2840	2260	80
TOTAL	8256	9437	114	10548	12397	118	12620	14137	112
	114%			118%			112%		

SECTORWISE BREAKUP OF ANNUAL CREDIT PLAN 08-09 (Up to Sept.08)

(Amt. in Crore)

Sector	Year 2008-09 (up to Sept. 08)		
	T	A	%
Agra. Total	10774	5497	51
Crop Loan	8130	4489	55
Term Loan	2644	1008	38
MSME	2328	549	24
Others	2338	1615	69
TOTAL	15440	7661	50
	50%		

T-Target (for the year) A-Achievement (Up to Sept. 08)

Agency wise Breakup of Annual Credit Plan 08-09 (up to Sept 08)

(Amt in Cores)

	AGRI		MSME		OPS		Total Adv.PS		%A
	T	A	T	A	T	A	T	A	
Com.Bank	5291	2790	2030	512	2060	1381	9381	4683	50
RRBs	1653	988	176	37	148	102	1977	1127	57
Coop Bank	3830	1719	122	-	130	132	4082	1851	45
TOTAL	10774	5497	2328	549	2338	1615	15440	7661	50

T-Target A-Achievement

Bank wise data is given in Table No. 11, Page No 68-71.

The House may review the progress.

5.2 Doubling of Flow of Credit to SMEs in 5 Years

Finance to SME Sector:

(Amt in crore)

Item	Base figure as on 31.03.05	Fresh Advances from 01.04.08 to 30.09.08		Total Advances Sept.08	
		No.	Amt.	No.	Bal. O/S
Small & Micro Enterprises	2452	5032	252	82296	3264
Small & Micro Services		11926	297	184809	2602
Advances to Medium Ent		*476	52	4880	551
Total SME	2452	17434	601	271985	6417

* Part of NPS (TOTAL ADVANCES)

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

RBI vide their Master Circular dated 1st July 2008 on Micro, Small and Medium Enterprises (MSME) advised banks to open specialized SME branches in each district. There was some doubt whether a general branch having less than 60% turnover in SME business can be designated as SME branch, if it is found that there is no potential for a viable SME branch. RBI, DBOD has clarified that, in these circumstances, there should be no objection for designating one bank branch in each district as specialised SME branch even when SME

business turnover is less than 60%. However, while designating such branches, bank would have to ensure that Non-SME clientele of such branches are not put into inconvenience or deprived of banking facilities.

ITEM NO. 6: IMPLEMENTATION OF GOVERNMENT SPONSORED PROGRAMMES

6.1 PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME(PMEGP)

Khadi & Village Industries Commission (KVIC) has informed through their letter No.REGP/PMEGP/RBI/POLICY/08-09/dated 20.08.08 that the Ministry of MSME, Govt. of India has launched a new scheme titled "**Prime Minister's Employment Generation Programme (PMEGP)**" to empower first generation entrepreneurs to set up micro enterprises across the country by merging REGP scheme and PMRY schemes. The salient features of the new scheme are as under:-

- ❖ A credit linked central sector scheme
- ❖ Rs. 15,000/- crore estimated total credit flow in the scheme for setting up of micro enterprises across the country.
- ❖ Rs. 4,485 crore government subsidy will be provided.
- ❖ 37 lakh additional employment opportunities will be created during the period from 2008-09 to 2011-12 in rural and urban areas of the country.
- ❖ Higher rate of Government subsidy for marginalized sections of society for promoting inclusive growth.
- ❖ Below Poverty Line (BPL) families also eligible for assistance under the scheme.
- ❖ Rs. 25 lakh maximum cost limit for project/ unit under manufacturing sector and Rs.10 lakh under business/service sector.
- ❖ Minimum education qualification VIII passed for manufacturing sector and Rs. 10 lakh and above Rs. 5 lakh for Business /Service sector.
- ❖ Backward & forward Linkage support for awareness, project formulation, Entrepreneurship Development Programme (EDP)

training of two to three weeks duration, marketing support, electronics tracking of applications of beneficiaries, etc. envisaged.

- ❖ Handholding through Rajiv Gandhi Udyami Mitra Yojna for beneficiaries under PMEGP.
- ❖ Project profiles will be provided for selection of projects by beneficiaries.
- ❖ Khadi & Village Industries Commission (KVIC), a statutory body under the Ministry of MSME will be the single nodal agency for implementation of the scheme at the national level.
- ❖ The scheme will be implemented by KVIC/State khadi & village Industries Board (KVIB) in rural area as defined under KVIC Act and by District Industries Centres (DICs) in urban and other rural areas.
- ❖ Special focus with higher rate of subsidy for rural areas under the scheme. At least 60 percent outlay will be earmarked for setting up of projects in rural areas.
- ❖ Involvement of Public Sector Banks for expeditious and regular credit flow.
- ❖ Dovetailing Credit Guarantee Fund Trust Scheme to help the entrepreneurs for collateral security free loans.
- ❖ The subsidy levels under PMEGP are as under :-

Categories of beneficiaries PMEGP	Own contribution	Rate of subsidy	
		%to Cost of project	
Area		Urban	Rural
General	10%	15%	25%
Special (including SC/ST/OBC/ MINORITIES /Women/Ex- servicemen,Physically Handicapped, NER, Hill and Border Areas)	5%	25%	35%

DIF vide letter PDF/PMREGP/SVS/2166 dated 22.10.08 issue a detailed circular issued by RBI No. RPCD/PLNFSBC.No.41/09.04.01/2008-09 dated 10.10.08 to all for issue necessary instructions their branches for successful implementation of the scheme.

Target for the year 2008-09 for the State is 1540 cases.

ISSUANCE OF CERTIFICATE TO MINORITY COMMUNITY.

KVIC vide their letter PMEGP/MEETING/08/2008-09/8107 dated 20.11.2008 requested convenor to discuss and decide in SLBC, the authority for issuance of caste Certificate to minority community for availing extra benefit of margin money / subsidy under PMEGP

The Director of Industries desired that the vf/kdkj i= of Housing Land/building of the beneficiary may be accepted as collateral security under Self Employment Programmes. House may deliberate.

6.2 Performance under SGSY

(Amt in Crores)

Particulars	2007-08 (Sept `07)	2008-09 (Sept `08)
Target (Financial)	250.52	325.67
Sanctioned Individual	6.66	17.48
Group	51.01	77.70
Total	57.67	95.18
Disbursed Individual	5.35	15.11
Group	40.86	68.93
Total	46.21	84.04
% age Sanction	23.02	29.22
% age Disbursed	18.45	25.81

Bank wise and district wise data is given in **Table No. 14 Page 75-77 Percentage of sanction and disbursement has increased year to year basis for the same period under review.**

Year- wise data is as under:

(Amt in Crores)

	Target(amt.)	Sanctioned	Disbursed	% Achi.ment
March-06	185	202	181	98
March-07	200	206	192	103
March-08	251	265	245	106
June-08	325.67	16.23	11.63	3.57
Sep-08	325.67	95.18	84.04	25.81

Bank wise credit mobilization is as follows

- More than 35%** State Bank of Bikaner & Jaipur, Indian Bank, Punjab & Sindh Bank, Union Bank of India, Bank of India, State Bank of Indore.
- More than 20-34 %** State Bank of India, RRBs, Bank of Baroda, Central Bank of India, Allahabad Bank, Syndicate Bank, Punjab National Bank, Bank of Rajasthan.
- Less than 20%** Central Co-Operative Bank, Canara Bank, United Commercial Bank, Dena Bank, Bank of Maharashtra. Land Development Bank, Oriental Bank of Commerce.
- 0 %** Other Banks.

Revolving Fund

Up to Sept. 2008, 75793 groups were given revolving fund out of which 48101 SHGs have received cash credit limit to the tune of Rs92.71 crores.

Representative of Rural Development Department is requested to put forth his suggestions for better performance. Some steps required to be taken is enclosed. (Annexure No. I)

6.3 Swarna Jayanti Shahari Rojgar Yojana (SJSRY)

Revised Target for FY 2008-09

Targets	Self Employment Programme	DWCUA
Physical	26413	627
Financial	76.83	7.05

(Amt in Crores)

Particulars		USEP		DWCUA	
		2007-08 (Sept 07)	2008-09 (Sept. 08)	2007-08 (Sept. 07)	2008-09 (Sept. 08)
Tar. Physical		24012	26413	570	627
Financial	Subsidy	12.01	14.40	7.12	7.87
	Loan	64.03	76.83	7.12	7.05
	Total	76.04	91.23	14.24	14.92
Ach. Physical		1560	706	35	10
Financial	Subsidy	0.92	0.51	0.38	0.12
	Loan	4.94	2.11	0.34	0.11
	Total	5.86	2.62	0.72	0.23
% Ach. Physical		6.50	2.67	6.14	1.59
Financial %		7.66	2.73	5.32	1.49

Bank wise progress is given in **Table No. 15, Page 78-79.**

USEP

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

	Target(No)	Sanctioned	Disbursed	% Achievement
March-06	8645	34.58	21.0	60.17
March-07	8645	35.00	23.0	66.0
March-08	24012	64.03	54.43	68.00
June-08	26413	1.21	0.44	0.57
Sep-08	26413	2.12	2.12	2.73

DWCUA

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

	Target(No)	Sanctioned	Disbursed	% Achievement
March-06	403	4.53	1.77	37.72
March-07	403	4.00	2.00	39.00
March-08	570	6.41	2.42	37.62
June-08	627	0.30	0.05	0.72
Sep.-08	627	0.35	0.22	1.49

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

The M.P. State Scheduled Caste Financial and Development Corporation vide letter 2092 dated 20.11.2008 requested the banks to evolve the mechanism for achieving the target within stipulated

time limit under the Scheme for Rehabilitation of Manual Scavengers and free them from conventional work.

The data received from Department is as under:

(Amt. in Crores)

Year	2008-09					
	(A) SRMS		(B) Antyavaysayee		Total (A+B)	
	07-08	08-09	07-08	08-09	07-08	08-09
Target	3800	7100	10000	12000	13800	19100
Sponsored	832	2787	11234	12788	12066	15575
Sanctioned No.	326	756	2064	1218	2390	1974
Disbursed No	326	756	2064	1218	2390	1974
Amt	0.66	5.96	5.93	4.70	6.59	10.66
Rej/ Retd	12	79	856	596	868	675
Pending	494	2503	8314	10974	8808	13477

Bank wise progress is given in Table No. 16 & 16 I Page 80-83

PRATISTHA/SRMS

Year wise performance:

(Amt in Crores)

	Target(No)	Sanctioned	Disbursed	% Achievement
March-06	4144	10.25	8.50	85
March-07	5500	8.42	4.20	61
March-08	3237	8.52	1.51	44
June-08	7100	2.53	2.53	-
Sep-08	7100	5.96	5.96	10.64

(B) Antyavayasayee Swarojgar Yojana

The M.P. State Scheduled Caste Financial and Development Corporation vide letter 2092 dated 20.11.2008 appeal to the bankers to achieve the targets under the Antydoy Swarozgar Yojna.

ANTYAVSAYI

Year wise performance:

(Amt in Crores)

	Target(No)	Sanctioned	Disbursed	% Achievement
March-06	8120	41.52	27.21	85
March-07	8120	42.57	30.00	90
March-08	10000	27.37	19.89	92.11
June-08	12000	0.92	0.92	-
Sep-08	12000	4.70	4.70	10.15

ITEM NO 7: IMPLEMENTATION OF SPECIAL FOCUS PROGRAMME**7.1 Self Help Groups (Under NABARD Scheme)****(Progress from April 08 to Sept 08)****(Amt. In Crores)**

A	HSS A/cs opened		15908
B	Amount deposited in HSS A/c		11
C	Out of (A) A/c credit linked		1496
D	Amount disbursed		10
E	Balance Outstanding	(No.)	68152
		(Amt.)	290
F	NPA Amount		12
G	% age NPA		4.13

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

As per NABARD, the committee on Financial Inclusion has identified SHG –Bank Linkage Programme as an important tool for providing access to formal financial institutions and also credit mobilization for the poor. However, the programme is yet to gain momentum in Madhya Pradesh. During the year 2008-09, 5055 SHGs were formed and 1263 are credit linked so far, against the linkage target of 25000 by NABARD but allocation of targets has not given to the banks. Concerted efforts are required to be made by all the partners in the programme, viz., banks, government departments, NGOs, etc. Priority should be accorded to ensure credit linking of all the existing SHGs which conform to the guidelines of SHG-Bank Linkage Programme.

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

As per Reserve Bank of India guidelines, banks should attain a share of housing finance at 3% of the incremental deposit of the previous year i.e. Rs.491 crores. Banks have disbursed Rs 533 crores by the end of Sept. 08.

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

	Cases (No)			
	Received	Sanctioned	Disbursed	Return/Rejected
Mar.-06	36534	34365	34584	2164
Mar.-07	23076	21067	28523	1822
Mar.-08	24547	22759	21728	1839
June-08	5236	4337	4415	339
Sept.08	10914	10476	10036	438

(b) Golden Jubilee Rural Housing Finance Scheme

During the year 2008-09 up to Sept 08, financial assistance of Rs 4.35 crores has been provided under the scheme to 256 beneficiaries. The poor progress is because of non-availability of title.

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

Cases (No.)				
	Received	Sanctioned	Disbursed	Return/Rejected
March-06	1369	1318	1285	33
March-07	1208	1190	1212	11
March-08	1016	976	925	40
June-08	301	281	190	2
Sept.08	362	329	256	33

7.3 Financial assistance to Minority Communities (State)**(Amt. in Crores)**

Community	Disbursement 08-09 (April 08 to Sept 08)		Outstanding Balance Sept. 08	
	No.	Amt.	No.	Amt.
Muslim	13517	188.06	147482	1258
Sikh	1901	53.13	29104	576
Christian	803	12.99	11611	85
Zoroastrian	17	0.21	556	3
Buddhist	156	1.71	3285	21
Jain	3451	40.70	64397	934
Total	19845	296.80	256435	2877

Bank wise position is given in **Table No. 22 & 23, Page 92-95** for review of house.

7.4 Data on Minority communities in identified district i.e., Bhopal

The information on the financial assistance given to minority communities in Bhopal district as on Sept. 08 is as follows:

(Amt. in Crores)

Communities	Sept 08	
	No.	Amt.
Muslim	37623	671.29
Sikh	11928	138.02
Christian	937	17.71
Zoroastrian	0	0
Buddhist	534	3.13
Jain	-	-
A. TOTAL	51022	830.15
B. Total Priority Sector adv. In Bhopal Distt.	730797	6438.26
C. Total Advances in Bhopal Distt.	1212936	7349.82
% age to A to C (Total Advances)	4.20	11.29

7.5 Financial Assistance to Schedule Caste /Schedule Tribe

The progress up to 30.09.2008 is as under:

(Amt. in Crores)

Item	Schedule Caste		Schedule Tribe	
	No. of A/cs	Amt.	No. of A/cs	Amt.
App. Recd.	10877	78	7660	46
App. San.	10096	72	7234	44
App. Disb.	9877	59	7058	42
Ap. Rejected	198	2	112	0.57
App. Pend.	583	4	247	1.19
Total Bal. O/S	580112	1679	354060	1107
NPA Amt.	65591	265	42954	142
% age NPA	11.30	15.78	12.13	12.82

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

7.6 Swarojgar Credit Card (SCC)

DIF vide their letter No प्रविवि/ग्राउ/संविस/2008/2396 दिनांक 04.12.2008 requested to add the agenda item submitted by Directorate of Handloom MP Bhopal vide their letter क्र० हा/बुन/रा.बैठक/08/4595 दिनांक 24.12.08 Annexed (Annexure II Page No. 30-32)

House may discuss.

Targets fixed for the year 2008-09 (NABARD)

SN	Name of the agency	Target (NO)	Remarks
1	Commercial Bank	7,584	@ 3 cards per branch
2	RRBs	7,357	@ 7 cards per branch
3	DCCBs	130	Target allocated to 8 DCCBs
4	DCARDBs	76	@ 2 cards per branch
	Total	15,147	

The progress up to 30.09.2008 under Swarojgar Credit card scheme is given below:

(Amt. in lacs)

Particulars	Comm. Bks	RRBs	Co-op Banks	Total
Annual Target (No.)	7584	7357	206	15147
No. of SCCs Issued	644	1748	12	2404
Amount Disbursed	175	519	3	697
% Achievement	8.49	23.75	5.82	15.87

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

Submission of Progress Report

NABARD has informed that reporting of progress by Banks is not satisfactory. This adversely affects the monitoring process as also feedback to GOI and RBI. Banks are requested to ensure submission of the reports on a quarterly basis, on or before 5th of the subsequent month in the prescribed format.

The house may review the progress.

7.7 Artisan Credit Cards

As per information given by the Banks the target set for 2008-09 is 4010 against which Banks have issued 512 cards upto the quarter ended Sept 08. Total cards issued under the scheme since inception are 5638.

Bank wise position is given in **Table No 27, Page 102-103**. Some of the banks have reported no progress in the scheme.

7.8 General Credit Card (GCC) Scheme.

As per information given by the Banks, they have issued 3123 cards during the F.Y. 2008-09 up to Sept 08 against the self set target of 12784 Total cards issued under the scheme since inception are 24662. Bank wise position is given in **Table No 27, Page 102-103**.

7.9 Education Loan

Banks have sanctioned 7365 cases under education loans amounting to Rs187 crores during the current financial year of which Rs 48 crore have been sanctioned to 2146 girl students.

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

7.10 Advances to Women beneficiaries

Advances to women beneficiaries is Rs 4112 crores which is 6.58 % of the total advances against the target of 5%.

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

7.11 Progress under National Horticulture Board Scheme

(Amt in Crores)

Particulars	Unit	2008-09 Up to Sept. 08
Cases Received	No	217
Cases Sanctioned	No	182
Cases Disbursed	No	180
	Amt	4.36
Cases Rejected	No	13
Cases Pending	No	22
Balance Outstanding	No	3835
	Amt	68.55

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

NHB Progress report:

The progress up to 30.09.2008 under NHB scheme is given below:

(Amt in Crores)

Particulars	Number	Amount
LOI placed before Board	316	-
LOI approved by Board	301	-
No. of cases where subsidy released through NHB Bhopal:		
Below Rs.20 lac	52	0.39
Above Rs. 20 lac		
TOTAL	52	0.39

7.12 Advances under Differential Rate of Interest.

There are crystal clear directions from Govt. of India that advances under DRI scheme should be 1% of the total net bank credit. The matter was deliberated in detail and reviewed in the 129th SLBC meeting by Shri P.K. Bansal Hon'ble State Minister of Finance, Govt. of India. Convenor bank requested for member banks vide letter dated 18.10.08, 21.10.08 and 03.11.08 to take immediate steps for increasing the flow of credit under the scheme. Particularly in view of the upward revision in the income criteria as well as maximum lending amount under the scheme though there had been increase in quantum of loan under the scheme, there is no progress in percentage terms.

Finance Ministry, Deptt. of Financial Services, Govt. of India has expressed its concern over low progress. Banks are again requested to take appropriate action in the matter.

7.13 Setting up of credit counselling centres on Pilot Basis

As per suggestion of RBI, convenor bank has opened Literacy cum Counselling Centre at Ratlam. The centre is running successfully since August 2007. RBI vide their circular ROPCD.LBS.CO.No.10506/02.01.01/2006-07 dated May 10, 2007 on the subject suggested that on the basis of experience gained from Ratlam Distt. The scheme may be replicated in other districts of the state and progress be reviewed in SLBC. House may deliberate.

मद सं.-08 राजभाषा नीति का कार्यान्वयन

मध्यप्रदेश में 49 बैंकों में से केवल 41 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 116 में समीक्षा हेतु स्थिति दी गई है।

ITEM NO.9: OTHER AGENDA ITEMS

9.1 : CUSTOMER SERVICE IN BANKS :

Public representatives submitted a memorandum before Hon'ble State Human Right Commission wherein some serious allegations has been made regarding banking services provided by banks to their loanee customers. Hon'ble Human Rights Commission, Madhya Pradesh desired appropriate action on the subject. (Annexure-3) Page No. 33-36.

ITEM NO. 10: ANY OTHER ISSUE WITH THE PERMISSION OF CHAIR

ANNEXURE I**SGSY DEPTT. HAS GIVEN FOLLOWING SUGGESITIONS FOR BETTER PERFORMANCE:**

- 1 More and More participation from Banks in the training programmes of SGSY.
- 2 Rural Development Department is ready to give assistance like land acquirement and other infrastructure needed for the establishment of the RUDSETI / Model Training Institute. Proposals from Banks are required.
- 3 Encouragement from banks for promoting marketing of the SHGs products in association with Zilla Panchayat.
- 4 Block level Camps for reducing pendency and disposal of cases and entertain quality cases from the SHGs only.
- 5 Block level assessment and listing of the banks whose performance is zero percentage and the list should be sent to Ministry of Rural Development for further necessary action.
- 6 The rate of interest is not uniform. It varies from 8% to 13%, it should be minimum and also uniform in rural area for SGSY schemes.
- 7 The return of subsidy from the banks is heavy in some districts resulting in heavy deduction of the allocation by Ministry of Rural Development in the Districts. Many banks are yet to reconcile the previous years' subsidy given to the branches in their districts.