

आंका/एसएलबीसी/08-09/92

दिनांक: 16.07.08

ZO/SLBC/(MP)/08-09/92

Date :16.07.08

एसएलबीसी के सभी सदस्य

प्रिय महोदय/ महोदया

विषय : मध्यप्रदेश हेतु राज्य स्तरीय बैंकर्स समिति की 132 वीं बैठक का कार्यवृत्त ।

हम इसके साथ दिनांक 27.06.08 को भोपाल में सम्पन्न मध्यप्रदेश हेतु राज्य स्तरीय बैंकर्स समिति की 132वीं बैठक का कार्यवृत्त भेज रहे हैं ।

अनुरोध है कि आप उक्त बैठक में लिये गये निर्णयों पर यथाशीघ्र कार्यान्वयन करें ।

सधन्यवाद,

भवदीय,

समन्वयक

राज्य स्तरीय बैंकर्स समिति भोपाल

संलग्न : यथोक्त

ALL MEMBERS OF SLBC.

Dear Sir /Madam

Sub: Minutes of the 132nd SLBC Meeting for Madhya Pradesh.

We are sending herewith the proceedings of 132nd Meeting of SLBC for Madhya Pradesh held at Bhopal on 27.06.08

We would request you to please implement the decision arrived at in the aforesaid meeting at an early date.

Thanking you,
Yours faithfully,

CONVENOR
S L B C-BHOPAL.

Encl: As above.

MINUTES OF 132nd MEETING OF
STATE LEVEL BANKER'S COMMITTEE, MADHYA PRADESH
HELD ON 27.06.2008 AT CENTRAL BANK OF INDIA
ZONAL OFFICE, BHOPAL

The 132nd meeting of State Level Bankers' Committee, Madhya Pradesh was held on 27th June 2008 at the Conference Hall of Central Bank of India, Zonal Office, Bhopal where performance of the banks during the year 2007-08 was reviewed. Shri K. Subbaraman, Executive Director of Central Bank of India presided over the meeting. The meeting was attended by Smt. Ranjana Choudhary, Agriculture. Production Commissioner, Shri Ashok Das, Principal Secretary Finance, Shri Anil Shrivastava, Secretary, Rural Development, Shri Satish Gupta, Acting Director, DIF. Shri S.K. Sinha, DGM, RBI & Shri K.Syed Ali, GM NABARD. Besides, top executives of Govt. Deptt. , Banks and NABARD. A list of participants of the meeting is enclosed.

Welcome address by Convenor

Initiating the proceedings, Shri P.C. Tiwari, Convenor, SLBC & Zonal Manager, Central Bank of India welcomed Shri K.Subbaraman, Chairman SLBC and Executive Director, Central Bank of India, Smt. Ranjana Choudhary, IAS, Agriculture Production Commissioner, Shri Ashok Das, IAS, Principal Secretary, Finance Deptt. Govt of MP and all the dignitaries / participants. In his inaugural speech, he made a mention of two Special SLBC Steering Committee meeting held on 04.06.08 & 19.06.08 to discuss the Agricultural Debt Waiver and Debt Relief Scheme 2008. Besides, a sub group meeting was also held on 05.06.08 to discuss issues like issuance of 100% KCC, Financial Inclusion, RUDSETI, CD Ratio etc.

Referring to the performance of banking sector during the period under review, Shri Tiwari informed that Banks operating in the State have surpassed targets under Annual Credit Plan 2007-08 including sub-targets for Agriculture. Banks have also performed exceedingly well in the area of complying with Government of India's directives to double the flow of credit in agriculture sector. Banks have also achieved targets under SGSY and PMRY during 2007-08.

Key Note address of Chairman:

Shri K. Subbaraman, Chairman, in his key note address expressed deep gratitude to senior officials from the State Government, RBI, NABARD and fellow bankers.

In his speech he emphatically mention with satisfaction from achievements in implementing the Annual Credit Plan 2007-08 which was surpassed by good margin. He also mentioned the shortcomings in achieving targets during the year like 100% coverage of all eligible farmers under KCC in the entire State and Total Financial Inclusion. He requested fellow bankers to ensure completion of targets.

In order to counter the increasing tendency, Reserve Bank of India hiked the repo rate twice during this month, by 25 basis points in the first instance and again by 50 basis points just two days back, taking it from 7.75% to 8.50%. CRR has also been raised by 50 basis points, from 8.25% to 8.75% which would take effect in two 25 basis point stages on July 5 and July 19.

These measures are expected to have a salutary effect, but they also put additional strain on the resources and bottom-line of banks. There is also a likelihood of a temporary hardening of interest rates. He was sure of improve situation in the coming weeks.

He emphatically referred to provide immediate succor to the people i.e. implementation of the Agriculture Debt Waiver and Debt Relief Scheme of the Government of India with great satisfaction that data desired by Government of India was communicated within time schedule. Authorities at various levels visited branches to have first hand feedback on the progress in executing the scheme. Ms. Vinita Kumar, Economic Advisor to Government of India, Ministry of Finance,

Banking Division has also undertaken a two-day visit to the State on 23rd & 24th of June 2008 in this connection. She inspected 2 branches of Commercial Banks and 4 branches each of Regional Rural Banks and Co-operative Banks. She expressed satisfaction over execution of Government of India's instructions to display list of eligible farmers from 26th June, 2008 and to complete the exercise by 30th June, 2008. The entire thrust of the scheme is to grant fresh loans to all eligible farmers which is also being implemented and member banks have already initiated appropriate steps for advancing loans for the ensuing Kharif Season.

Regarding performance of Banking Sector in the State during the financial year ended March, 2008, he said:

- ♦ This State has been consistently achieving Annual Credit Plans for many years now. The achievement during the financial year 2007-08 stood at 112% of the target. (Target: Rs. 12620 crores, Achievement: Rs.14137 crores). While Commercial Banks and RRBs recorded above 100% performance, Co-operative Sector made it nearly with an achievement index of 99%.
- ♦ The banks added new business to the tune of Rs.27326 crores, an increase of 22.34% over the previous year.
- ♦ The Banks' thrust on expansion in the State was aided by the opening of 170 new branches.
- ♦ Aggregate deposits increased by Rs.16375 crores, from Rs.73229 crores as of March, 2007 to Rs.89604 crores as of March, 2008, reflecting a growth of 22.36%.
- ♦ Credit expanded by Rs.10951 crores, from Rs.49106 crores as on 31.03.2007 to Rs.60057 crores as of 31.03.2008, posting a growth of 22.3%.
- ♦ Credit Deposit Ratio at 67% was well above the stipulated level of 60%. However, the ratio was the same at the end of the last financial year, also. He urged to try and take it to a higher level during the current financial year.

- ◆ The ratio of Priority Sector advances to Total Advances stood at 62% as against the mandated level of 60%. The share of Agricultural Advances stood at 37.36% against the stipulated level of 18%.
- ◆ MSME (Micro, Small and medium Enterprises) Advances have shown a sharp rise of 67.38%, from Rs.3449 crores as of March, 2007 to Rs.5773 crores as of March, 2008.
- ◆ Advances to Weaker Sections constitute 12.36% of the Total Advances, against national norm of 10%.
- ◆ Under the flow of credit to agriculture sector, banks have surpassed the target by a wide margin. Against the target of Rs.8905 crores, the actual disbursement stood Rs.10612 crores, the achievement index being 119%.
- ◆ Similarly, as against the target of financing to 100 new farmers per branch in a year, the average new farmers financed per branch during the year were 121. The total number of new farmers financed by all the banks is 463137.
- ◆ During the year, Banks have sanctioned 11377 Educational Loans, involving a total amount of Rs.248.67 crores. Out of this, girls numbered 2075 with an amount of Rs.42.56 crores. The number of girl students availing educational loans will increase in the coming years to come.

He said that the Prime Minister's Rozgar Yojna stands discontinued with effect from 1st April, 2008 and replaced by Prime Minister's Employment Generation Programme. Details of the new scheme are awaited. The cut off date for completion of disbursement of loans sanctioned up to 31.03.2008 under discontinued scheme (PMRY) was 31.05.2008. He was optimistic that banks would have completed the exercise by the said date. The exact position would be made available in the next meeting of the Committee.

Three important missions taken up by the Committee during the year under review are at different stages of implementation. The progress is as follows:

1. **100% coverage of all eligible farmers under Kisan Credit Card scheme in the entire State:** In 17 districts the list of eligible farmers have already been distributed amongst the banks and in 16 districts, the work is in progress. In the remaining 15 districts, the list of farmers is yet to be furnished by the revenue officials. The State Government and Convenor Bank are constantly following up the matter with the concerned district authorities. More than two dozen communications have been issued by State Government and SLBC in this respect. He was hopeful that this goal would be accomplished before the end of September 2008.
2. **Financial Inclusion in 35 identified districts:** As per the data available with SLBC, out of a total 38155 villages, so far the work could be completed in 1854 villages. The data does not reflect the actual position as more than 15 lacs accounts have been opened under NREGS alone. The position was reviewed in the sub-committee meeting held on 05.06.2008 and banks were requested to look in to this aspect and report correct data.
3. **RUDSETI:** The Ministry of Rural Development convened a meeting of representative of Banks and State Govt. with a view to arrive at a consensus in setting up a RUDSETI in each district in the country. There are already about 100 RUDSETIs functioning. It was generally agreed to setup 40 more RUDSETI during the current financial year with a view to cover atleast 50% of the district in each state.

The states Government is expected to allot land / building for this purpose. The capital expenditure will also be subsidized by the Central Govt. to the extent of Rs. 1 crore for RUDSETI and 50% of the revenue expenditure will be shared by NABARD. Central Govt. will also meet 100% of the revenue expenditure incurred for training candidates from Below poverty live families.

Towards this year end banks will have to consider setting up more RUDSETI in this state as against one for each banks as decided during last year deliberations.

Address by Mrs. Ranjana Choudhary – Agriculture Production Commissioner:

In her speech she stressed under the following points :

- Congratulated the banking fraternity to achieve the targets under ACP 2007-08
- Low CD ratio in few districts is a matter of concern. She requested banks to improve the same as these districts are tribal districts.
- Keeping in view the pace of work done by banks, she was hopeful that Debt Waiver and Debt Relief Scheme 2008 will be completed in scheduled time.
- Appreciated the work done in Issuance of Kisan credit card, particularly by the cooperative sector.
- Appealed to the banks to give more credit to agriculture sector, which is the life line of economy.
- The disparity between the urban and rural income per labourer is Rs 3000 and Rs.500/- respectively. This has to be addressed appropriately.
- Agriculture finance jumped from Rs. 3000 crores to Rs.12000 crores. This is productive sector. Banks have shown that there is scope in agril section. They deserve complements.
- In manufacturing sector most of the industries are agril based. ITC, Godrej and medium players depend on agriculture.
- Out of 94 lakhs land holders, 67, lakh small/ marginal farmers are possessing 30% of total land. 27 lakhs Agriculture. Labour families do not have any land.
- Hon'ble Chief Minister of M.P. organized mahapanchayat of Kisan where he assured increasing quantum of subsidy to agriculture sector through fertilizer subsidy, micro irrigation, lifting devices, waiver of electricity bill etc.
- Ancillary agricultural activities like fisheries, animal husbandry, goatry, piggery, should also be considered. These are having subsidies.
- During Kharif campaign main stress is given on soyabean. Productions in double or triple in MP compared to national level.
- MP farmers are more progressive as they are using BT cotton. More than 7 lakhs hectare area in Nimar Region is under B.T. Cotton.

- Fishermen and dairy sector persons are to be given much more attention while financing.
- She also applauded Vaidyanathan Committee recommendations for the cooperative sector for their performance. She appealed to bankers to be proactive in financing small / marginal farmers in Agril Sector and provide them assistance in all the manner to increase agril advances.

ITEM NO.1 CONFIRMATION OF THE MINUTES OF THE 131st MEETING OF STATE LEVEL BANKERS' COMMITTEE HELD ON 25.3.2008

No amendments/comments were received from any member. The minutes of the meeting were confirmed.

ITEM NO.2. FOLLOW UP ACTION ON DECISION OF EARLIER MEETING

Action Point 1:

Doubling of Agriculture Credit during 2007-08

1.1 Progress in doubling flow of Agriculture Credit upto March 2008.

Banks have disbursed an amount of Rs.10612 crores upto March 2008 against a target of Rs.8905 crores, of which commercial banks, RRBs, & Cooperative Banks have disbursement was Rs.5501, Rs.1675 & Rs. 3436 crores registering an achievement index of Rs.129%,130% & 102% respectively.

1.2 Financing to New Farmers.

Commercial Banks have financed 121 new farmers per branch upto March 2008 against the target of 100 new farmers in a year while RRBs have financed 81 new farmers per branch. Chairman complemented the Cooperative Banks who have done a very good job by financing 174 new farmers per branch. Commercial Banks have financed 109 new farmers per

branch. Shri Das Principal Secretary, Finance expressed dissatisfaction over the performance of RRB's. RRBs have assured to increase the same during this financial year.

1.3 New Investment Projects Financed

18594 new investment projects have been financed by 1673 rural and semi urban branches of Commercial Banks, which comes to 11 new projects financed per Branch.

Govt. of India norms is to finance 2 to 3 projects per branch / per year.

1.4 Financing to Agri Clinic/ Agri. Business

Banks have financed three Agril graduates to the tune of Rs 11 lacs for setting up of Agril. Clinic/ Agril business.

Principal Secretary Finance, have expressed his concern over the progress that even after repeated efforts, graduates are not turning up. The convenor informed that Banks are willing to give loan but Agricultural graduates are not coming forward. Principal Secretary (Finance) desired to evolve strategy to attract more and more graduates to derive benefit from the scheme.

1.5 Kisan Credit Card

Banks have issued 437271 Kisan Credit Cards, of which 183093 by Commercial Banks, 58181 by RRBs and 195997 cards by Cooperative Banks during the year ended March 2008.

Poor performing Banks were Bank of Rajasthan, Punjab & Sindh Bank, & Indian Overseas Bank. Heads of these Banks have assured to improve their performance in the current year.

Mrs. Ranjana Choudhary, Agriculture Production Commissioner said that branches are achieving their targets by financing tractor loans. Bank should

pay attention to other activities also with special emphasis to marginal and small farmers.

1.6 Relief Measures provided to Farmers:

Reviewing the progress Chairman said that when crop failure occur small / marginal farmers are much affected while other farmers manage the situation any how. Default is more in case of marginal and small farmers.

Action Point No.2.

KVIC Margin Money

As per decision of last meeting, DIF has written a letter to KVIC requesting them to release the pending margin money of two cases of Central Bank of India. Margin Money has not refund so far.

Shri S.L. Dixit, AGM, UCO Bank informed the house that KVIC has called back the released subsidy on the plea that unit is not functioning. This fact has came during joint inspection case where default is observed.

Chairman said that insfpection after two years of installing the unit have no meaning. It should be inspected just after installation of unit. Inspection after such a long time is not fair on the part of KVIC to call back the released subsidy.

Convenor, SLBC requested DIF to take up the matter again with KVIC / KVIB for release of subsidy.

(Action- KVIC & DIF)

Action Point No.3

Implementation of 100% Coverage of Kisan Credit Cards.

3. a) Progress of issuance of KCC's in all the District of MP.

Convenor said that the Motto is to issue 100 % KCC's to all the eligible farmers. In 17 districts the list of eligible farmers have already been distributed amongst the banks and in 16 districts, the work is in progress. In the remaining 15 districts, the list of farmers is yet to be furnished by the revenue officials. The State Government and Convenor Bank are constantly following up the matter with the concerned district authorities. More than two dozen communications have been issued by State Government and SLBC in this respect. He was hopeful that this goal would be accomplished before the end of September 2008. Principal Secretary, Finance has written a DO letter to Collectors of these 15 Districts for early completion of task. Agriculture Production Commissioner informed that rainfall is normal in 40 districts and there is great hunger for credit in rural areas.

(Action All Banks/DIF)

3. b) Issuance of KCC to Kotwars.

Despite the specific request of the Convenor to member banks to finance Kotwars, as desired by Hon'ble Chief Minister's, only 4917 kotwars have been financed. The progress does not appear satisfactory. Convenor again requested to the member banks to accelerate their machinery for fulfilling the Chief Minister's directive to finance all the eligible kotwars at earliest.

(Action : All Banks)

Action Point 4.

FINANCIAL INCLUSION IN 35 DISTRICTS OF MADHYA PRADESH

In order to fulfill our Prime Ministers' clarion call to include the financially excluded persons under the banking umbrella in M.P. it was decided to complete the exercise of 100% financial in 35 selected districts by different banks, but in reality, it was observed by the sub group meeting of SLBC on 05.06.2008, that out of 38155 villages, only 1854 village is covered under 100% financial inclusion. Though the banks have opened 15 lakh NREGP

accounts, house felt that reporting of data by banks to SLBC is not proper and be checked once again

Shri Anil Shrivastava, Secretary RD said that under NREGS Act, payment to the labourers have to made through Banks only. Banks have to open account of job Card holders only. Convenor appealed to fellow bankers to report the data timely to SLBC and also to issue necessary instructions / guideline to the field level functionary to complete the task, so that the real achievement can be reflected in next SLBC.

IT ENABLED FINANCIAL INCLUSION PROGRAMME

Regarding transactional cost on IT enabled financial inclusion programme. Shri Anil Shrivastava Secretary RD expressed that Govt. of M.P. is planning to think to gave some transactional cost not exactly 2% but they are in the progress analyzing the mechanism and very soon they will reach to some conclusion.

Mr. Ganesh, Dy. General Manager, SBI, expressed thanks for though of Govt. on this issue. Chairman expressed that door step facility is provided to person which require lot of expenditure in BC's / correspondents and other works is required some sort of transactional cost expenses.

Sub Committee meeting held on 05.06.08 has expressed deep anguish over the progress of different banks in this sector. Although the detailed discussion took place to give cognizance of the importance of the IT enabled financial inclusion. Still the progress is unsatisfactory. Convenor again requested to those bankers who have not started at all this exercise and also those banks who have done half hearted. In order to given effect of the modern banking mantra of 100% financial inclusion, IT enabled technology must be implemented in geometrical progression to have an impact in a highly populated country like India.

Again all the member banks are also requested to fulfill this mission wholeheartedly.

(Action all Banks)

Action Point 5**A. Settlement of SLR Bonds**

State Government was requested to settle the same.

B. Discounting of SIDBI / IDBI bills

Progress will be reviewed and discussed at RBI.

Action point NO. 6**LOW CD RATIO**

Over all CD ratio in Madhya Pradesh is satisfactory. As per RBI directives a sub group meeting was convened on 05.06.08 to review the CD Ratio of all the 48 districts in Madhya Pradesh. During the meeting present status was discussed and CD Ratio of 6 districts namely Didori, Anuppur, Umaria, Shahdol, Sidhi & Rewa. was found below 40% in M.P.

In colliery areas deposits are more in the month of March though the target under Annual Credit Plan of the districts were achieved even than CD ratio is less than 40%.

Convenor SLBC requested the State Level Heads of the Banks having Lead Bank responsibilities in above Districts to take suitable measures to increase the CD ratio at par with other districts.

(Action- Banks)

Action Point No. 7**Rural Development and Self Employment Training Institutes (RUDSETI)**

Chairman said that atleast 15 RUDSETI are to be established in MP in this year with the help of State Government up to March 09. Hence all concerned should take appropriate steps in this regard.

Shri Das, Principal Secretary Finance desired to constitute a sub-committee to look after the issue. It was resolved that the Committee will be headed by the Rural Development Department with the following members:

- i) Technical Education Department.
- ii) SC/ST Welfare Department.
- iii) School Education Department
- iv) Directorate of Institutional Finance
- v) All State Level Chief Executives of Lead Banks in the State

Secretariat assistance will be provided by the SLBC. The Action Plan papers will be presented in the next SLBC meeting so that by the end of Dec.08 institutes will be started..

(Action- SLBC /Lead Banks / RD Deptt. Of Govt. of MP)

Action Point 8:

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

Convenor requested to the Head of Allahabad Bank, Bank of India, Punjab National Bank, State Bank of India, State Bank of Indore, and Union Bank of India to either refund the amount or give certificate to SLBC that Banks have credited the subsidy into beneficiary account at the earliest to enable the Convenor to submit full details to D.I.F.

(Action All Lead Banks)

Action Point 9:

DROUGHT SITUATION IN M.P. - RELIEF MEASURES BY THE BANKS TO PERSONS AFFECTED BY NATURAL CALAMITIES.

As per notification issued by Principal Secretary, Revenue, vide their letter No. file F-21/R-C/St.(Drought) 2007 dated 06.11.07, F-21/R-C/St.(Drought) 2007/1269 dated 16.11.07 & Single file F-21/R-C/St.(Drought) 2007/1290

dated 24.11.07, 39 Districts comprising of 164 Tehsils have been declared drought affected based on observation at a glance Annawari / Najri Aakalan.

Convenor requested to the Banks to go ahead for relief measures RRB's & Apex Banks will follow the guidelines issued by NABARD while nationalized Banks will act as per RBI norms and submit the progress report to SLBC.

(Action Banks/ RRBs)

Action Point No. 10

FOREST DEPTT. (FOREST SECTOR & LOK VANIKI)

Shri Syed Ali GM NABARD informed the house that a separate meeting was conducted with representative of Forest Deptt. and a model scheme was prepared.

Chairman said that plants preventing soil erosion to be encouraged. NABARD will provide the list to convenor for circulated and its implementation.

(Action – NABARD)

ITEM NO. 3

AGRICULTURE DEBT WAIVER AND DEBT RELIEF SCHEME 2008

The captioned scheme was announced by the Hon'ble Union Finance Minister in Budget Speech 2008-09. The detailed guidelines on the captioned scheme were issued by Govt. of India on 23.05.08 The Hindi version of the scheme was provided to all member banks by SLBC for display of the same on Notice Board of their branches. Special SLBC meeting was convened on 04.06.2008 to discuss the scheme and its implementation. Points raised by Member Banks were clarified and certain points were referred to RBI / Govt. for further clarification. A power point presentation by the Convenor SLBC

was made in the 1st meeting and queries as well as frequently asked question were replied by CGM, NABARD and Convenor, SLBC.

To monitor the progress and for smooth implementation of the scheme, Steering Committee meeting was convened on 19.06.08 chaired by Shri Ashok Das, Principal Secretary (Finance), Government of Madhya Pradesh. to discuss and sensitise the member Banks regarding readiness of branches regarding the formats of Certificates to be issued to Small Farmers and Marginal Farmers and also the undertaking to be obtained from Other Farmers in respect of Agriculture Debt Waiver and Debt Relief Scheme – 2008. Members were impressed upon to –

- (a) Confirm to SLBC the preparations made for supply of formats of Certificates, Undertaking and letter of Hon'ble Prime Minister to the farmers.
- (b) Clarifications received from Govt. are informed to all concerned.
- (c) List and amounts are well checked and super checked to enable SLBC to confirm to Department of Financial Services so that clearance is received for display of lists on Notice Boards of Branches.
- (d) Member Banks were requested to submit weekly progress report on every Monday to SLBC for further submission to RBI.

In the said meeting the clarifications received from the Govt. vide letter dated 18th June 2008 were discussed and copies were provided to the member Banks. It was impressed upon the Member Banks that they should organize the activities in such a way that the work relating to checking and super checking of list is completed positively by 22nd of June 2008. Minutes of the above two meetings were circulated to all the members.

Chairman said that the scheme and its implementation part were discussed in length in the Special SLBC and its Steering Committee meeting. The only thing is to submit the data in time, by Commercial Banks to SLBC directly and by RRB and Co-operatives through NABARD.

(action NABARD , SLBC)

**ITEM NO.4: PERFORMANCE OF BANKING SECTOR IN MADHYA PRADESH
AT A GLANCE**

3.1 Branch expansion

There is net increase of 170 bank branch during current financial year.

3.2 Deposit growth

During the period of review the aggregate deposits of the bank in Madhya Pradesh increased by Rs. 16375 crores from Rs.73229 as of March 07 to Rs. 89604 crores as of March 08 thus posting a growth of 22.36%.

3.3 Credit Expansion

During the period under review gross credit in the State is surged by Rs10951 crores from Rs49106 crores as of March 07 to Rs.60057 crores as of March 08 thus exhibiting a growth of 22.30 %.

3.4 Credit Deposit Ratio

During the period under review overall CD Ratio of banks for the State of Madhya Pradesh remains at 67%.

3.5 Priority Sector Advances

During the period under review, the Priority Sector Advances of Banks in Madhya Pradesh grew by Rs. 7480 crores from Rs29648 crores as of March 07 to Rs. 37128 crores as of March 08, thus recording a growth of 25.22 %.

3.6 Agriculture Advances

The Agriculture Advances in the State during the review period has witnessed an increase of Rs. 5079 crores from Rs.17362 crores as of March 07 to Rs.22441 crores as of March 08 thus showing a growth of 29.25 %.

3.7 MSME Advances

The advances to MSME sector during the period under review has registered an increase of Rs.2324 crores from Rs.3449 crores as of March 07 to Rs 5773 crores as of March 08 thus showing a growth of 67.38 %.

3.8 Advances to Weaker Section

During the period under review the advances to weaker section is increased by Rs. 1101 crores from Rs 6322 crores as of March 07 to Rs.7423 crores as of March 08 thus showing a growth of 17.41 %.

ACHIEVEMENT VIS-A-VIS NATIONAL GOALS

Highlights

1. The ratio of Priority Sector Advances to total advances as of March 08 stands at 62% as against National Goal of 40%.
2. The share of agricultural advances to total advances, as of March 08 is 38% against the National Goal of 18%.
3. **The advance to weaker section constitutes 12% of the total advances as against the National Goal of 10%.**
4. The CD Ratio in rural & semi urban area is above the National Goal of 60% by recording a level of 71% as of March 08.
5. During the period under review, the DRI advances increased by Rs.3 crore.

ITEM NO. 5: RECOVERY

5.1 NPA POSITION

Convener informed that NPA level was highest in PMRY scheme 26% and in other schemes like SGSY (Group) 9%, SGSY(Ind) 20%, SJSRY 24%, Pratistha 26% and in Antyavavsai 20%. Recovery under Government sponsored scheme was very poor which was a cause of concern for all the Banks. Government machinery, particularly the departments concerned, should assist the banks in recovery of dues.

Chairman requested to Sate Government to issue necessary instruction to the concerned departments implementing the scheme to cooperate with the banks in recovery of their dues.

Shri Das PS, Finance informed that schedule caste and tribal deptt. has taken a decision that they will provide interest subsidy to bankers and they will not disburse direct loan to beneficiary. Chairman stated that all the banks are to be included under the scheme.

Shri Gupta GM, MPSCFDC on poor recovery in cases financed directly by the Corporation said that repayment was not regular in old cases and borrower are simply refusing to repay.

Principal Secretary, Finance said that as per RBI norms recovery agent are to be appointed and they will help in recovery.

Chairman informed the house that Banks have to take initiative and sort out all the minor points and start the recovery work in more effective manner. Recovery agent only pursuate in recovery and there is need to reexamine the issue. State Govt. have lot of authority and with their help recovery can be improved.

He desired State Govt. authority should help and find out some way so that NPA level can be reduced and sub committee can be formed to review the same.

Shri Gupta, General Manager, Apex Bank said that due to declaration of Agri. Waiver and Debt Relief Scheme 2008 even loanee of 2007-08 are not repaying the loans and liquidity crunch is their. A campaign should be launched for special recovery drive, so that repayment culture can be develop.

(Action – Banks/DIF)

5.2 Year Wise Position of Write- Off Accounts

An amount of Rs 2160 Crores in 814052 accounts have been written off till March 2008. Convenor stated that written off of amount is a sacrifice of Bank's fund and is the last recourse resorted to by Banks for reducing NPA.

Implementation of MP Public Money Recovery Act /BRISC Scheme:

Shri Gupta Joint. Director, DIF informed that under BRISC scheme the State Government is trying to computerize the complete data. He requested Banks to submit CD of BRISC Data at the earliest and requested all those banks who have not joined BRISC scheme (particularly to private banks). to join immediately.

He said that all the banks will become member if they will fulfill the criteria of BRISC. Scheme is not applicable to cooperative Banks only 19 banks are under the scheme private banks are approaching for membership.

Chairman, Shri Subbaraman stated that BRISC scheme is very good, and all the banks be included in the scheme. Amount recovered is quite good. A reasonable target is to be allocated for recovery i.e. 25% of the outstanding RRCs to the Collectors by the State BRISC cell.

DIF said that after filling RRC's, banks are not following up. Convenor said revenue officers are also not taking initiatives for recovery.

Once RRC's is filed, efforts are joint both from bankers and Govt. officials. So recovery is improved and increased the percentage of recovery.

The House resolved that all the commercial banks and Regional Rural Banks operating in the State will be members of the BRISC Scheme provided they abode by the Rules and directives of the Scheme, which again will be circulated by the DIF.

ITEM NO.6: IMPLEMENTATION OF ANNUAL CREDIT PLAN 2007-08

The overall achievement for total priority sector under ACP 2007-08 up to March 08 was 112% for all the banks, while for commercial banks RRBs and cooperative bank it was 115%, 131% and 99% respectively. Some of banks like Andhra Bank (40%), , State Bank of Hyderabad (19%), State Bank of Saurashtra (12%), Axis (25%) United Bank of India (25%), Laxmivilas Bank (1%), Mahakaushal RRB 34%, Indus Ind Bank (9%), J&K Bank (25%), and MPSARDB (21%) were having very low achievement. RBI advised these banks to improve the performance.

(Action – Banks)

6.1 Doubling of Flow of Credit to SME's in 5 year finance to SME Sector

Under SME an amount of Rs.1524 crores disbursed to 34779 numbers of accounts, Targets will be achieved in stipulated period.

ITEM NO. 7: IMPLEMENTATION OF GOVERNMENT SPONSORED PROGRAMMES.

7.1 Prime Minister's Rojgar Yojana - P.Y 2007-2008

Convenor informed the house that even though the target of sanctions was achieved (117%) disbursement is only 88 %(upto March 08).

Govt. of India, has decided to extend the validity of disbursement for the programme year 2007-08 to May 31, 2008. As such Reserve Bank of India have instructed all implementing banks to strictly adhere to this deadline and complete disbursement of sanctioned cases under the programme year 2007-08 by May 31, 2008 without fail, this period shall not be extended further

(Action- All Banks)

7.2 Performance under SGSY 2007-08

Targets were achieved 105.71% in sanction and of disbursement 97.67% Shri Shrivastava Secretary Rural Department informed the house that different Banks are charging different rates of interest .Chairman informed that this matter was discussed in detail in last meeting Banks have to charge according to their PLR so the rate of intt is different in various banks, they are charging reasonable interest.

(Action- All Banks)

7.3 Swarna Jayanti Shahari Rojgar Yojana (SJSRY)

The progress of year 2007-08 was reviewed by the house.

Representative of Urban Administration & development Deptt. Informed the house that some Banks were having subsidy problem in the first half of 2007-08, but we have already provided the 90% subsidy to all the Banks in the month of Nov.2007, & remaining 10% in the month of Feb.2008. Progress of the DWCUA is not appreciable. He requested banks to achieve the targets in current year.

Convenor said that recovery is not good and ask the Deptt. to find out some mechanism to improve the same. Shri Sadhao Joint Director assured to issue the circular for recovery of dues to the district authorities.

Chairman suggested that training in particular trade can be imparted before availment of loan by the applicant so that recovery can be improved.

7.4 Scheme for Liberation and Rehabilitation of Scavengers (SLRS)

Progress was reviewed by house. Shri Gupta GM MPSCFDC informed that SLRS is renamed as SRMS. It is in the priority in Prime Ministers Programme. Scavengers are to be rehabilitated before March 2009. Out of total 11010 Scavengers in the State, 7100 is the target for this year and remaining shall be covered in coming year. There are only 16 districts covered under this scheme. Targets are already passed on to the banks/branches. Since the amount financed is very less, he requested the banks to provide assistance to remaining scavengers.

Chairman opined that activity should be of such type that justify the requirement of the beneficiaries. Cases sponsored are to be sanctioned by the banks but it seems that sanction cases are less than targets and mostly cases are prepared of business sector, he advised to take care at the time of preparing the application itself.

Shri Gupta informed said though we have directly disbursed so many cases under transport sector, but this cases became NPA & recovery is not forthcoming.

Shri Das, opined that training is to be provided before disbursement of loan and cases should be prepared 125% of the target
Shri Gupta said that training is provided in each districts and all the cases will be sponsored before Sep.08.

(Action-MPSCFDC / Banks)

ITEM NO 8: IMPLEMENTATION OF SPECIAL FOCUS PROGRAMME

8.1 Self Help Groups (Under NABARD Scheme)

Scheme was reviewed by the house and found that performance is not satisfactory. Shri Sayeed Ali, G.M. NABARD requested all the banks to credit link the groups already formed. SHG is a tool for financial inclusion.He also stressed that banks has to take care while submitting the data to reflect the factual position.

Shri Subbaraman Chairman said that in Annual credit plan physical targets are to be fixed so progress is monitored effectively. Mrs. Ranjana choudhary APC endorsed the same.

8.2 KVIC Margin Money Scheme.

The representative of KVIB informed that targets were achieved under KVIB and KVIC schemes during the year 2007-08 and Margin Money in all the cases have been provided to Banks.

8.3 Housing Finance

a) Direct Housing finance

Convenor informed that Banks have crossed the set target of 3% of incremental deposits of previous years.

b) Golden Jubilee Rural Housing Board

During the year 2007-08 financial assistance of Rs 17.84 Crores has been provided under the scheme to 925 beneficiaries. The poor progress is because of non-availability of title of land.

(Action- Banks/Rural Dev. Deptt)

8.4 & 8.5 Financial assistance to Minority Communities in Bhopal District

Bhopal is one among the 103 Minority Concentrated districts notified by Govt of India, Ministry of Welfare. Chairman informed that 15% of total advances to minority communities by March 2009 and 19% by 2010 has to be provided by the banks. As such disbursement as well as statistics should be proper.

Convenor requested the Bankers to submit District wise figures. Shri Subbaraman said that it is needed to examine assistance provided to these communities, if it is properly reported than real progress will be monitored.

8.6 Financial assistance to Schedule Castes and Schedule Tribes

An amount of Rs.2559.61 crores is outstanding in 649564 accounts under financial assistance to Scheduled Castes and Scheduled Tribes. The percentage of NPA in Schedule Castes was more than Schedule Tribes over which house expressed concern.

8.7 Swarojgar Credit Card (SCC)

Total 6139 cards were issued against the target of 16596 cards, amounting Rs 18.54 Crore recording an achievement of 36.99%

Convener said that progress is poor because of non-reporting / incorrect reporting by the branches. All the banks were requested to report the correct figures to SLBC.

(Action- Banks)**8.8 Artisan Credit Card**

Against the target of 3360 cards banks have issued only 1221 cards. Since inception of scheme 4395 cards are issued. The House showed concern over the poor progress.

Financing of Handloom Weaver Group

Since 14 handloom / handicraft clusters have been identified by Directorate of Handloom in M.P., as such, banks were requested to extend financial support to the beneficiaries of these clusters by issuing Artisan's Credit Card & provide assistance to weavers. Departments. Representative of Handloom Deptt. said that Banks are refusing to loan proposals and not accepting the loan proposal. Chairman Shri Subbaraman said that before rejection banks have to give specific reason.

(Action-Banks)**8.9 General Credit Card**

Banks have issued 1002 cards during the Financial Year 2007-08 against the self-set target of 12411. Total cards issued under the scheme since inceptions are 21728.

Convenor requested the Banks to provide assistance under G.C.C. as per requirement of beneficiaries after opening of no frill accounts, as it is a part of Financial Inclusion. In Central Bank of India Janta Credit Cards are popular.

8.10 Education Loan

Banks have sanctioned 11377 education loans amounting to Rs. 248.67 Crores during the current financial year of which Rs 42.56 crores have been sanctioned to 2075 girl students.

Shri Satish Gupta Joint Director DIF said that a special scheme for providing interest subsidy is prepared for class III & IV employees' daughter for higher

education purpose. A copy of the scheme has been provided to all banks. he requested to submit claim for the year 2004 -05 to 2007-2008.

(Action – Banks)

8.11 Advances to Women Beneficiaries

An amount of Rs. 3861 crores is outstanding advances to women beneficiaries which is 6.48% of the total advances against the target of 5%.

7.12 National Horticulture Board/Mission

Proress was reviewed by the house.

मद सं.-09 राजभाषा नीति का कार्यान्वयन

मध्यप्रदेश में 54 बैंकों में से केवल 40 बैंकों ने राजभाषा नीति के कार्यान्वयन संबंधित तिमाही आंकड़े भेजे थे अतः संयोजक ने शेष सदस्यों से अनुरोध है किया कि वे एस.एल.बी.सी. के प्रारूप में अपेक्षित आंकड़े समय से भेजना सुनिश्चित करें चूंकि सभी बैंकों को विवरणी प्रेषित करना है अतः समय पर विवरणी प्रेषित करने से अच्छी प्रगति परिलक्षित होगी ।

(कार्यवाही - बैंक)

ITEM NO. 10 : OTHER AGENDA ITEMS

10.1 SCHEME ON ARTIFICIAL RECHARGE OF GROUNDWATER THROUGH DUG WELLS

Mr. Syed Ali, GM NABARD elaborated details of the above scheme which is applicable on hard rocked areas of MP, where 100% subsidy is available. Banks have to open a saving account as subsidy will be routed through this account only. Nodal department for this scheme is Rural Development Deptt.

Chairman informed the house that all the modalities are to be worked out by NABARD & banks have to take initiatives and avail the facility. This scheme is for increasing the ground water level.

10.2 CUSTOMER SERVICE IN BANKS

Shri Madhusudan Dy General Manager Oriental Bank of Commers informed that the referred case is under finalisation and there was no negligence on the part of the Bank. He appreciated the efforts made by the Collector of Chhindwara Distt. Chairman said that Banks should have human touch in the customer service for increasing the customer relationship.

Release of ANNUAL CREDIT PLAN - 2008-09 of M.P. State

The bookset of Annual Credit Plan of the state for the current Financial Year, involving a credit outlay of Rs.15440 crores has been released in the meeting. Chairman requested all member banks to involve themselves wholeheartedly in achieving the Plan targets.

Vote of Thanks

Shri P.M. Ganesh, DGM, State Bank of India on behalf of SLBC, extended vote of thanks to Shri K. Subbaraman, Chairman of SLBC and Executive Director, Central Bank of India, Smt, Ranjana Choudhary, Agriculture Production Commissioner for her valuable guidance to the forum and to Shri Ashok Das, Principal Secretary Finance, for his active participation and cordial redressal of issues of bankers. He also thanks all other dignitaries / participants for making it convenient to attend the meeting and making it purposeful by their valuable deliberations and suggestions.



**LIST OF PARTICIPANTS
OF 132nd STATE LEVEL BANKERS' COMMITTEE MEETING
HELD ON 27.06.2008**

S. N.	Govt. Deptt. /Bank/ Institution	Name	Designation
1	2	3	4
1	Central Bank of India	Shri K. Subbaraman	Executive Director
2		Shri P.C.Tiwari	Dy. General Manager & Convenor Asstt. General Manager Bhopal Zone
3		Shri V.G. Bhavsar	A.G.M. Raipur Zone
4		Shri A.K. Bose	Chief Manager - SLBC
5		Shri K.M. Banerjee	Chief Manager
6		Shri T.C. Jain	Senior Manager -SLBC
7		Shri D.K. Jaimini	LDM Hoshangabad
8		Smt. Usha Fernandes	

G O V E R N M E N T

9	Agriculture Deptt.	Smt. Ranjana Choudhary	Agri. Production Commissioner
10		Shri S.S. Parihar	Add. Director
11		Shri S.N.S. Mehra	Dy. Director
12	Finance	Shri Ashok Das	Principal Secretary
13	Panchyat & Rural Dev.	Shri Anil Shrivastava	Secretary
14		Shri Vikas Awasthy	Joint Commissioner
15		Shri K. Nayar	Asst. Proj. Officer
16	Directorate of Institutional Finance	Shri Satish Gupta	Jt. Director
18		Shri Sultan Ahmed	O.S.D.
19	MPMVVN	Shri P.K. Mittal	F.M.
20	MPKVIB	Shri P.K. Jain	Dy. Director
21	MP Khadi Gramodyog Board	Shri A.K. Dhameniya	Dy. Director
22	KVIC	Shri V.S. Raghuwanshi	Asstt. Director
23		Shri Veer Pal Singh	Nodal Officer
24	Industries Department	Shri D.S.Valre	Joint Director
25	MP Hastshilp	Shri R.N. Sharma	General Manager
26	Mahila Vita Vikas Nigam	Shri O.P. Gupta	G.M.
27	Horticulture	Shri M.L. Hirwane	Dy. Director
28	Urban Administration & Dev.Deptt.	Shri Sadhav	Joint Director

R B I & Other Institutions

29	RBI	Shri S.K. Sinha	Dy. General Manager
30		Shri S.V. Satpute	Asstt. General Manager
31	NABARD	Shri S. Mohapatra	Chief General Manager
32		Shri A.K. Panda	Dy. General Manager
33	SIDBI	Shri G. Sampath Kumar	Dy.General Manager
STATE BANK GROUPS			
34	State Bank of India	Shri P.S. Ganesh	Dy. General Manager(RB)
35		Shri S.H. Iyer	Asstt. General Manager
36	State Bank of Indore	ShriM.C. Jacob	General Manager(p&D)
37		Shri Bharat Dave	Dy.General Manager(Bhopal)
38		Shri Naveen Dhiwan	AGM (Bhopal)
39	State Bank of Mysore	ShriA.S. Hegde	Branch Manager
40	State Bank of Patiala	Shri M.A. Mustafa	Asstt. Manager
41	State Bank of Saurashtra	Shri Suresh Khanter	Branch Manager
42	State Bank of Travancore	Shri D.S. Chauhan	Chief Manager
43	State Bank of Bikaner & Jaipur	Shri M.M. Lasod	Branch Manager
43	State Bank of Hyderabad	Shri Ved Mitter Kashyap	Branch Manager

OTHER NATIONALISED B A N K S

44	Allahabad Bank	Shri L.N. Choudhary	Dy. General Manager
45		Shri U.K. Solanki	Senior Manager
46	Andhra Bank	Shri Jagdeeshwar Reddy	Chief Manager
47	Bank of Baroda	Shri K.K. Chaturvedi	Asstt. General Manager
49		Shri Ashutosh Sharma	Manager
50	Bank of India	Shri Deepak Kumar Guha	Zonal Manager
51	Bank of Maharashtra	Shri Ajit Kishore	Regional Manager
52		Shri A.C. Bhalawe	Manager
53	Canara Bank	Shri J. Venkataraman	Asstt. General Manager
54	Corporation Bank	Shri M.R.Rukmansundar	Chief Manager
55		Shri S. Ramesh Kumar	Officer
56	Dena Bank	Shri K.P. Agrawal	Senior Manager(credit)
57		Shri G.P. Chakraborty	Manager
58	Indian Bank	Shri R.P. Saxena	Asstt. General Manager
59	Indian Oversease Bank	Shri G.S. Rana	Chief Regional Manager Jaipur
60	Oriental Bank of Comm.	Shri R. Madhusudan	Dy.General Manager
61	Punjab National Bank	Shri Vivek Arya	Circle Head

62		Shri Salil Chetterjee	Sr. Manager
63	Punjab & Sind Bank	Shri Ravi Kumar	Dy. General Manager
64		Shri B.K. Sethi	Chief Manager
65		Shri Bishan Singh	Officer
66	Syndicate Bank	Shri K.N. Pandey	Dy. General Manager
67	Union Bank of India	Shri R.S. Raghwan	Asstt. General Manager
68	United Bank of India	Shri S.R. Garg	Senior Manager
69	UCO Bank	Shri S.L. Dixit	Asstt. General Manager
70		Shri Satish Gupta	Chief Officer
71		Shri M.L.N. Shetty	Chief Manager
72	Vijaya Bank	Shri Prakash Kotwani	Manager

P R I V A T E B A N K S

73		Shri Kuldeep Rawat	Manager
74	Axis Bank	Shri Ramakant Mena	Executive
75	HDFC Bank	Shri Vikas Tiwari	Regional Manager
76		Shri Gaurav Shrivastav	Branch Manager
77		Shri. Sridhar P	Branch Manager
78	ICICI Bank	Shri Sanjeev Varshney	Chief Manager
79		Shri Rohit Mehta	Officer
80	IDBI	Shri Nitin Shukla	Manager
81		Shri Debangshu Chakrabarty	Asstt. Manager
82	J & K Bank	Shri Ashok Kumar	Manager Advances
83	Bank of Rajasthan	Shri A.K. Lohiya	Senior Manager
84	Karur Vyasya Bank, Indore	Shri Mahadevan S.R.	Manager
85	Federal Bank	Shri P.G. Sukumaran	Senior Manager

Cooperative Banks

86		Shri S.K. Mishra	Managing Director
87	Apex Bank	Shri S.K. Gupta	Dy. General Manager
88	MPSCARBD	Shri B.S. Shukla	D.S.D.

Regional Rural Banks

89	Satpura RRB	Shri B. Mondal	Chairman
90	Jhabua Dhar RRB	Shri Sharad N. Parikh	Chairman
91	Mahakaushal RRB	Shri S.S. Dashora	Chairman
92	Madhya Bharat RRB	Shri P.K. Shrivastava	Chairman
93	Narmada Malwa RRB	Shri A.B. Rane	Chairman
94	Vidisha Bhopal RRB	Shri S.P. Chiney	Chairman