

DENA BANK, SLBC, GMO, AHMEDABAD

MINUTES OF 134th STATE LEVEL BANKERS' COMMITTEE MEETING (SLBC) FOR GUJARAT STATE FOR THE QUARTER ENDED JUNE, 2012 HELD ON 20TH SEPTEMBER, 2012 AT AUDITORIUM, DENA BANK, ASHRAM ROAD, AHMEDABAD

The above meeting was held on 20th September, 2012 to review the progress under various key parameters for the quarter ended June, 2012 at Auditorium, Dena Bank, Ashram Road, Ahmedabad which was presided over by Smt. **Nupur Mitra**, Chairperson & Managing Director, Dena Bank and was attended by Shri **Varesh Sinha**, IAS, Addl. Chief Secretary, Finance Department, Govt. of Gujarat, **Shri R.P. Gupta**, IAS, Principal Secretary & Commissioner, Rural Development Department, Govt. of Gujarat, **Shri T. Natarajan**, IAS, Commissioner, Technical Education Department, Govt. of Gujarat, **Shri Sudarshan Sen**, Regional Director, Reserve Bank of India, **Shri H.R. Dave**, Chief General Manager, NABARD, **Shri S. Sahu**, General Manager, State Bank of India, **Shri Umakant Bijapur**, General Manager, Bank of Baroda (North Gujarat Zone), **Shri Suresh N. Patel**, Convenor - SLBC and other top bureaucrats of various Departments of State Govt. as well as executives from the Banks, Insurance, etc. also remained present in the meeting. The list of participants is enclosed.

At the outset, **Shri Suresh N. Patel**, Convenor, SLBC and General Manager (Gujarat), Dena Bank extended warm welcome to all the participants to 134th SLBC meeting convened to review the position for the quarter ended June, 2012. He then requested **Smt. Nupur Mitra** to address the House.

Smt. Nupur Mitra, Chairperson, SLBC & Chairperson & Managing Director, Dena Bank extending hearty welcome to all the participants. She informed that **Shri A.K. Joti, IAS**, Chief Secretary, Govt. Of Gujarat was to attend the meeting, but due to some other important engagements, he could not attend this meeting

She mentioned of issues in respect of implementation of Financial Inclusion need to be addressed both by the State Govt. machinery as well as Banks in close co-ordination so that real purpose of Financial Inclusion is achieved and the beneficiaries staying in the remote areas are benefited. She added that in this direction, the first action required is implementation of EBT which will help in making Financial Inclusion programme successful as the benefit will reach the people directly through their bank account. Banks have to ensure that each household should have bank account.

She informed that recently, the Govt. of India has given directives that on pilot basis, EBT is to be implemented in 4 districts of Gujarat viz. Mehsana, Anand, Valsad and Bhavnagar. From SLBC, a communication in this regard has already been sent to the concerned State Govt. Departments as well as Member Banks including Lead Banks so that the process can start immediately.

She also informed the house of Video Conference arranged by Ministry of Finance on 24th September, 2012 with SLBC Convenor and LDMs of Anand, Bhavnagar, Mehsana and Valsad for ensuring EBT, etc. and requested the House to frame up an implementable plan for making this pilot project a grand success for all the 32 schemes which are envisaged to be covered under EBT.

She also shared with the House that during the recent deliberations with CMDs of Public Sector Banks, the Hon'ble Union Finance Minister had specifically advised that no Branch Manager should reject any education loan on flimsy grounds and major thrust has been given on promoting Education Loan Scheme and requested Member Banks to ensure achieving the target for the year 2012-13 given by SLBC under MoF instructions.

She requested the House for approval / ratification of the revised scheme for Sakhi Mandals wherein minimum cash credit limit is enhanced from Rs.50,000/- to Rs.1,00,000/-. She appreciated the action initiated by the State Govt. for providing 5% interest subsidy to Sakhi Mandals under which the interest subsidy would be available to Sakhi Mandals from 01.04.2012.

Taking note of the valuable guidance provided by Shri Sudarshan Sen, RD, RBI and Shri H.R. Dave, CGM, NABARD to the Banks for designing the scheme of loan for Purchase of Fodder and Concentrate Feed, she stated that due to very proactive approach of the members of this forum, Purchase of Fodder and Concentrate Feed Loan Scheme was evolved which was also circulated to all the Member Banks for implementation in 92 blocks of 13 scarcity affected districts. She requested Member Banks to ensure that their branches extend help to all those needy persons who require funds for purchase of fodder and concentrate feed.

She called for co-ordination among Member Banks and the concerned Govt. Agencies for showing perceptible improvement under various Govt. Sponsored programmes in coming quarters as the data shows that it is not satisfactory during the first quarter.

Mentioning about allotment of all the villages irrespective of population below 2000 and directives given by the Regional Director, Reserve Bank of India, she requested all Banks to submit their Branch Expansion Plan for these FI villages keeping in view the RBI guidelines for Branch Authorisation.

She appealed Banks for making sincere efforts for improving CD Ratio particularly in the districts which are lagging behind and also for giving due weightage for meeting Agriculture advances and sub-targets under Priority Sector advances.

She expressed sincere thanks for support and co-ordination extended by the State Govt. for the development of the State and implementation of the various schemes and also thanked Govt. of India, Reserve Bank of India and NABARD for their continuous guidance and support to the Banks.

Summing up her address, she stated that the Bankers are committed for the inclusive growth for the people of Gujarat.

Shri Varesh Sinha, IAS, Addl. Chief Secretary, Finance Department, Govt. of Gujarat in his address, informed that the State is passing through a very important phase. Referring to the scarcity hit areas, he expressed hope that due to late rainfall in such areas, the kind of burden would not be there as we used to apprehend. He also lauded the efforts made by RBI and NABARD in providing guidance to Banks for formulation of Scheme for Purchase of Fodder Loan Scheme. He advised for focussing on improving Priority Sector Advances and CD Ratio of the State. He said that the State Govt. and the Banks have to work in tandem and added that the banking system is very instrumental in building the faith.

He said that the Govt. intends to transfer all the benefits through EBT system and here the role of Banks becomes very important and there is no other option. Therefore, there is a need to reach every nook and corner of the State for which all type of activities have been established such as road connectivity, internet connectivity, etc. But there is a need to evolve a mechanism for reaching to all the targeted groups as all the rural areas are yet not covered.

He mentioned that Gujarat is the first State to cover 13,695 Gram Panchayats with broad band connectivity and the State Govt. is serving the people through this mode. He appealed all the participants that to ensure the motto of increasing CD Ratio and Priority Sector advances and to reach the people in proper perspective, in proper manner.

Shri Sudarshan Sen, Regional Director, RBI in his address stressed for quantitative as well as qualitative work. He said that it is not a game of numbers, it is a compliance issue, it is about delivering results to every family in the State and to that extent, he urged to all the Banks to consider what needs to be done one is to draw a plan and it is another to implement the same. He requested for a greater emphasis for proper implementation.

He said one area of concern is Priority Sector advances which is marginally below the benchmark for the quarter under review. He said that the benchmark is minimum and when Banks talk about Financial Inclusion, then this number automatically has to go up. He advised to pay attention to this area.

Regarding Financial Inclusion, he said that there are two stages, first stage is villages above 2000 population. He said that these villages have been covered, but in a large number of these villages even today every household does not have a reliable access to banking services and therefore it is extremely important that in all the 3502 villages, BC module, wherever the branches is not available, is actually working. He advised to ensure the functioning of BC module very carefully. Coming to the second stage i.e. Villages having population below 2000, he said that here again, emphasis has been given to the villages having population between 1600 to 2000. Referring to the mention

made by the Chairperson of SLBC on providing banking services in villages between 1600-2000 population, he said that DCCs have drawn up a plan to cover the villages and while scrutinizing the same, RBI has noticed a very peculiar thing that out of 13,136 villages, Banks have proposed to cover 13,088 villages through BC module, 47 villages through full-fledged branch and 1 village through Mobile van banking over a period of 4 years. He said that if Banks stick to this proposed plan, then they will not be in a position to open 3 times of branches in other areas i.e. Urban, Semi-Urban and Metro centres as per RBI guidelines. He advised Banks to resubmit their plan duly prepared in consultation with their respective Head Offices fulfilling the above guidelines. He stated that this is not an exercise in number, but meaningful exercise to reach to every village.

He further said that there can not be EBT without penetration and advised for giving top priority for ensuring that every household is covered in the 4 districts selected on pilot basis for EBT in first phase. He requested State Govt. and Banks to work together for achieving the goal. He also stated that the most important thing at the last mile is there has to be connectivity to each of the household in the villages in these 4 districts.

Regarding MSME Sector, he said that this is a sector which comes under a great deal of stress particularly during economic downward phase. He advised to identify incipient sickness and take corrective action at that initial stage. He requested to show some consideration in the national interest to the large number of MSME which are great employment generators.

Shri Suresh N. Patel, thereafter, with the permission of the Chair took up agenda items through PPT for discussion. He appealed all the Member Banks to ensure timely submission of data as requested by SLBC so that desired information / data for the Banking industry as a whole in the State can be furnished to the concerned authorities at State, National, RBI and NABARD level.

Agenda No.1

Confirmation of the proceedings of last meeting.

The proceedings of the 133rd State Level Review Meeting (SLRM) for the year ended March, 2012 held on 24.05.2012 were circulated to all the members on 31.05.2012. Since no comments / amendments were received from any of the members, the House confirmed the same.

Agenda No.2

FOLLOW-UP ACTION ON DECISIONS TAKEN IN LAST MEETING :

2.1 Allotment of Land by State Government for Setting up of Rural Self Employment Training Institutes (RSETIs)

Shri R.P. Gupta, Commissioner & Principal Secretary, Rural Development, Govt of Gujarat stated that despite allocation of land for construction of RSETI long back, at none of the district, the construction work has started and if that is the case then what is the point in allocating the land for RSETI construction. He advised to chalk out a time frame so as to complete the construction of RSETI premises at the earliest.

Shri Suresh N. Patel informed that respective Regional Offices of Dena Bank had floated the tender twice in the past, but they could not get sufficient bidders and therefore from GMs Office level tender has been floated for construction of 5 RSETIs of Dena Bank.

Shri Umakant Bijapur, General Manager, Bank of Baroda informed that their Bank too had same difficulties for RSETI, Surat and they also faced similar problems in the State of Rajasthan. He suggested whether any kind of help from the State Govt is available to Banks for construction of RSETI, to which Shri R.P. Gupta said that proposal be sent to them.

(Action : Bank of Baroda)

Status of training programmes conducted by RSETIs upto the quarter ended June, 2012

Shri R.P. Gupta desired to know why the loan applications of beneficiaries trained by RSETIs are not sponsored to bank branches for sanctioning credit facilities. He also showed great concern over pendency and rejection of loan applications.

He also advised Director, RSETIs to keep tracking of the beneficiaries who have been given training and about their activities after getting training He also advised RSETIs to analyse the reasons for low settlement ratio.

2.2 Financial Literacy and Credit Counseling Centres (FLCCCs)

The forum discussed the progress in operationalising the FLCC as per revised guidelines issued by RBI and requested BOB to operationalise the FLCC in the remaining district viz. Kheda, Navsari and Tapi at the earliest. Forum also requested the lead Banks to submit the progress report every quarter in the prescribed format to SLBC so as to enable the SLBC to appraise the progress to RBI.

(Action : BOB & SBI / BOB/ DB)

2.3 High Level Committee to review Lead Bank Scheme - Providing banking services in villages having population of over 2000 by June, 2012

As of June, 2012, Banks have provided banking services through brick and mortar branches in 104 villages, through Ultra Small Branches in 757 villages, through

Business Correspondents in 2625 villages and through Mobile van banking in 16 villages.

The House noted the progress in providing banking services in villages having population over 2000.

(ii) Extension of “Swabhiman”

Banks were requested to ensure the extension of banking services in the villages allotted to them on or before 31st March, 2013.

(Action : Member Banks)

(iii) Road map - Providing Banking Services in villages having population below 2000

It was informed to the House that all the Banks submitted their plans for providing banking services in villages having population below 2000 which was compiled and submitted to RBI by SLBC. According to the plans submitted by these Banks, there are 13,136 villages where banking services need to be provided by March, 2015 in a phased manner. Out of these 13,136 villages, Banks proposed to provide banking services through brick and mortar branches in 47 villages, in one village through Mobile Van banking and in remaining villages through Business Correspondent module.

In view of the above, Reserve Bank of India advised Banks to again work out their plans as the one submitted by them only proposes opening of brick and mortar branches in 47 villages whereas as per the RBI policy, Banks are required to open full-fledged branches in at least 25% of their annual branch opening action plan in Tier 5 (population 5000 to 9999) and Tier 6 (Less than 5000).

The Banks, therefore, were advised to submit their revised plans to SLBC at the earliest.

(Action : Member Banks)

(iv) Opening of One account per family - house hold

The house formed a sub-committee of SLBC comprising 3 Lead Banks (Bank of Baroda, State Bank of India and Dena Bank), RBI, NABARD, Finance Department and Rural Development Department and Development Commissioner of State Govt to decide further course of action to complete 100% coverage of opening of accounts per household for smoother implementation of EBT.

Shri R.P. Gupta informed that about 80% of MNREGA accounts are with Post Offices and remaining are with Banks. He also informed that the village wise / taluka wise details of MNREGA beneficiaries and other schemes is available in soft copy and

requested SLBC to obtain the same and make available to the Member Banks. He requested to make use of Village Computer Entrepreneur infrastructure and if Banks require State Govt help, Banks can enter into an MoU with State Govt.

Shri Sudarshan Sen suggested that Govt should take the initiative at district level, identify the beneficiaries in the villages and provide the same to the concerned Lead District Manager so as to complete the mapping exercise within the time schedule.

Regarding Strategy & Guidelines on Financial Inclusion Para 5.3 - progress in opening of branches in underbanked districts, FIP allotted banks were requested to ensure to open Ultra Small Branches / Brick & Mortar branches in the villages allotted to them on or before 30th September, 2012.

(V) Progress under various parameters under Financial Inclusion

The House was informed the progress and latest developments under various parameters under Financial Inclusion.

Urban Financial Inclusion

Shri Suresh N. Patel requested the LDMs to submit the data of ward wise list of allocation of areas for Urban Financial Inclusion. LDMs and Member Banks were requested to work collectively to ensure that all the households in their respective areas have been provided banking facilities by opening SB / No Frill a/c with any CBS enabled bank branch.

Roadmap for providing banking services in villages having population below 2000

Member Banks were requested to re-submit the roadmap for providing banking services in villages having population below 2000 in consultation with their controlling offices.

Uploading of Service Area Plan on District website - Modification of Format

All the controlling offices were requested to issue instructions to their respective Regional Offices as well as their branches for timely submission of data to LDMs so that LDMs can upload the same on district website.

Establishment of Clearing House at centres having 3 or more bank branches

LDMs were requested to provide the information to SLBC so that the same can be provided to RBI.

(Action : LDMs)

Regarding Micro Insurance Products, **Shri R.K. Purohit, CRM, New India Assurance Co. Ltd** informed the House that district wise target of Micro Insurance Products for the year 2012-13 would be submitted to SLBC at the earliest.

(Action : New India Assurance co.)

Agenda No.3

OTHER AGENDA

3.1 Non - receipt of Groundnut Crop Insurance Claim under NAIS for Kalyanpur Block of Jamnagar District for the year 2005-2006

The House was informed that the farmers of Kalyanpur taluka of Jamnagar District Co-op. Banks were paid insurance claims @ 36.39% as per Gujarat High Court order.

3.2. Implementation of Revised Kisan Credit Card Scheme - Publicity Campaign

The representative from NABARD apprised the House regarding publicity campaign on the captioned scheme.

3.3 Review of Credit related issues concerning MSME Sector by Secretary (MSME) on fortnightly basis

The forum advised Banks to implement the following action points to achieve the sub-target under MSME Sector. The Director, MSME also emphasised on the following points :

1. Adherence to targets fixed by PM^os Task Force on MSMEs to be discussed in the SLBC meeting i.e. achieving a 20 per cent year-on-year growth in credit to micro and small enterprises, achieving allocation of 60% of the MSE advances to the micro enterprises (to be achieved in stages viz. 50% in the year 2010-11, 55% in the year 2011-12 and 60% in the year 2012-13 and achieving 10% annual growth in number of micro enterprise accounts.
2. Banks to adhere to the time frame for sanction, rehabilitation of sick MSEs etc. as per the extant RBI guidelines / instructions.
3. Each bank must display their MSME vertical at their headquarters, headed by atleast a CGM level officer.
4. There must be a spread of interest rates for SMEs, which may be determined by a policy laid down by each Bank.
5. IT enabled tracking for the borrower may be introduced by banks by March, 2013.
6. Banks to facilitate large scale training for financial literacy for potential and existing MSME entrepreneurs.

7. To persuade banks to follow Cluster Finance Model.
8. Opening of 2000 SME branches i.e. in each identified cluster in a period of six months.

3.4 Placement of Funds with CGTMSE for meeting the Guarantee Fee (GF) / Annual Service Fee (ASF) requirements in respect of loans sanctioned by Member Lending Institutions (MLIS) of CGTMSE to Handloom Weavers and covered under Credit Guarantee Scheme

The forum advised Banks to provide their estimates for requirement of the Guarantee Fee (GF) / Annual Service Fee (ASF) required in respect of loans to be sanctioned by MLI under CGTMSE to Handloom Weavers and covered under CGS.

3.5 Meeting of the Steering Group for Bank linkage and Micro Credit Programme for Sakhi Mandals

(A) Micro Finance Campaign - Strategies - Guidelines and its Implementation

The House was informed about the important action points emerged from the meeting held at NABARD on 6th July, 2012 and requested Member Banks for implementation of the same.

(B) Enhancement of minimum Cash Credit sanction to the Self Help Groups from the minimum amount of Rs.50,000/- to Rs.1,00,000/- under Mission Mangalam

The House deliberated and ratified the action of the Steering Group regarding raising the present level of cash credit limit to SHG from Rs.50,000/- to minimum Rs.1,00,000/-. All other terms and conditions of the scheme remain unchanged.

3.6

A. Standardised Loan Application form for loans under Agri. Clinics and Agri. Business Centres Scheme of Govt. of India

The Member Banks requested to take the note of the revised loan application form of Agri Clinic and Agri Business centres.

(Action : Banks)

B. Unit cost for Dairy Animals, Farm Mechanisation , Plantation & Horticulture

The House was apprised of the unit cost for Dairy Animals, Farm Mechanisation, Plantation & Horticulture, etc. Member Banks were requested to take note of the same while financing for the said activities.

3.7

(a) Reallocation of FI Village Vaghach, Ta : Naswadi, Dist : Vadodara

The House ratified the decision of DLCC, Vadodara.

(b) Reallocation of FI villages allotted to IDBI Bank to Other Banks in Patan District

The House ratified the decision of DLCC, Patan.

3.8 Interest Subsidy Scheme for the Tribal MBBS / BSAM / BAMS / BDS / MD / MS Doctors

The Member Banks requested to take note about the Interest Subsidy Scheme for the Tribal MBBS / BSAM / BAMS / BDS / MD / MS Doctors and to popularise this scheme so that Tribal doctors can take maximum advantage of the Scheme.

3.9 Progress under financing to Indira Awas Yojana (IAY) - DRI Loan Scheme - as of June, 2012

The forum noted the Districtwise & Bankwise progress under IAY upto the quarter ended June, 2012.

Shri R.P. Gupta expressed concern over huge pendency and reasons given by bank branches for rejecting the loan applications. He mentioned that it is the concern of the State Govt for Weaker Section and for that the State Govt has implemented IAY so that the Weaker Section beneficiaries could get financial assistance at a concessional rate and can get their houses constructed by availing bank loan under the Scheme.

All the Banks implementing IAY were requested to closely monitor the branchwise progress under the Scheme. Similarly, all the Lead District Managers are requested to closely monitor the progress in BLBC and DLCC meetings.

3.10 Appointment of Agricultural Finance Corporation Ltd. (AFCL) as Project Management Agency (PMA) for publicity and Awareness Building of Venture Capital Assistance Scheme (VCAS) of Small Farmer's Agri. Business Consortium (SFAC)

The House was informed that Small Farmers Agri. Business Consortium (SFAC) is implementing the Central Sector Venture Capital Assistance Scheme to promote investments in agri. Business enterprises. The scheme is operational across the country and provides interest free margin money to entrepreneurs to enable them to leverage bank finance to set up agri. Business units. The scheme is proposed to be continued during XII plan (2012-17) with an enhanced outlay.

3.11. Measures initiated to cope up with Scarcity declared by State Govt.

Shri Suresh N. Patel informed the House that following the announcement of scarcity, the sub-group of SLBC was formed which met twice i.e. on 21st August, 2012 and 29th August, 2012 and formed a scheme for Purchase of Fodder and Concentrate Feed for implementation in 92 blocks of 13 districts. He requested the House to ratify the action initiated by SLBC.

The House ratified the action initiated by SLBC on the above.

Further, **Shri H R Dave, CGM, NABARD**, requested the member banks to issue necessary instructions to their branches for implementation of the Fodder Cultivation Scheme in Scarcity affected areas. He further informed that if required, the number of months for fodder purchase may be reduced from 10 months planned in the unit cost to required number of months on case to case basis as per actual need.

3.12 Installation of CC TV at Bank Branches

Shri R.P. Gupta informed that the matter would be taken up with the DGP, Gujarat State and also requested Banks to take up the matter of installation of CC TV with their Head Offices.

(Action : RDD, GoG)

3.13 Monitoring of progress under finance extended to MSMEs, Housing and Auto Sectors under IBA Package

The House was informed that since the introduction of Stimulus Package, the Banks in Gujarat have extended finance to the tune of Rs.42,516.93 crores upto the quarter ended June, 2012, of which MSME Sector: Rs. 20,631.43 crores (including Genset), Housing Sector: Rs.14,762.57 crores and Auto Sector: Rs.7,122.93 crores

Agenda No.4

REVIEW OF BANKING DEVELOPMENTS IN KEY AREAS FOR THE QUARTER ENDED JUNE, 2012 :

The Forum noted the performance under various key areas for the quarter ended June, 2012.

Agenda No.5

REVIEW OF PROGRESS UNDER SERVICE AREA CREDIT PLAN (SACP) 2012-13 FOR FRESH LENDING TO PRIORITY SECTOR :

The overall achievement in disbursement under Service Area Credit Plan by all the Banks was 30.29% upto the quarter ended June, 2012. **Shri Suresh N. Patel** requested the Banks to put in more efforts to improve the performance in the remaining quarters of the year.

Shri H.R. Dave stated that achievement under Agriculture Term Loan against the target stands at 20.32% for the quarter ended June, 2012. Keeping in view the importance of term loans in facilitating capital formation under Agriculture, all Banks were requested to improve their lending under this sector. It may be noted that the targets fixed for 2012-13 under Agriculture loans are substantially higher than the achievement during 2011-12. Further, as per revised Priority Sector guidelines of RBI, Food and Agro Processing Sector, hitherto classified under Agriculture Term Loan will now be reckoned under MSME Micro & Small Enterprises. This would mean that for increasing lending under Agriculture Term Loan, greater focus will have to be given to traditional activities under Agriculture Term Loan like MI, FM, Horticulture, Animal Husbandry, etc.

Shri Dave also informed that NABARD has been implementing Tribal development programmes in several tribal districts of Gujarat. He informed the house that some of the branches of Bank of Baroda, Dena Bank and RRBs had done a good job in issuing KCC to tribal families participating under NABARD assisted Wadi & Watershed programmes, banks were requested to review and take necessary follow up in this regard. He also emphasised to implement JLG model to outreach Tribal farmers.

Agenda No.6

COMPARATIVE POSITION OF CASES FILED UNDER GUJARAT STATE RECOVERY ACT, 1979 AS OF JUNE, 2012

The House was informed that there are large numbers of cases pending and requested all Lead District Managers to critically review the position of pending Recovery Certificates in every DLCC meetings and pursue the matter with the District Authorities for immediate disposal of the same.

The forum also noted the Bankwise position of Outstanding, NPA, Percentage of NPA to Outstanding upto the quarter ended June, 2012

Agenda No.7

REVIEW OF PROGRESS UNDER GOVT. SPONSORED PROGRAMMES FOR THE QUARTER ENDED JUNE, 2012

The Forum noted the performance under various State and Central Govt programmes and requested Member Banks to improve performance so that the target allotted for the year 2012-13 are achieved.

Agenda No.8

FINANCING UNDER OTHER PROGRAMMES / SCHEMES

(i) FINANCING TO MINORITY COMMUNITIES & WOMEN ENTREPRENEURS

Member Banks were requested to step up finance to Minority Community so as to reach the benchmark of 15% of Priority Sector advances.

Member Banks are requested to boost up financing to the Women Entrepreneurs in order to reach the stipulation of 5% of Net Bank Credit.

(ii) Self Help Groups (SHGs) :

(a) Upto June, 2012, total 2,05,856 SHGs have been formed, of which 1,79,530 i.e. 87.21 % have been promoted exclusively for Women in the State. Out of 2,05,856 SHGs, 1,10,563 SHGs have been linked with Bank finance with an outstanding of Rs.654.42 crores.

(b) Districtwise / Bankwise information on Sakhi Mandals

Out of total 2,01,799 Sakhi Mandals, 1,83,071 Sakhi Mandals are graded i.e. 90.72%. Out of total 1,83,071 Sakhi Mandals graded, 1,62,639 Sakhi Mandals have been credit linked (88.84%) involving credit amount of Rs.1077.55 crores as of June, 2012 as against 1068.58 Crores as of March, 2012.

(iii) REVIEW OF PROGRESS UNDER DIRECT HOUSING FINANCE & GJRHF

Director Housing Finance

Fresh loans worth Rs.816.31 crores have been granted to 14,329 beneficiaries during the quarter ended June, 2012 under Direct Housing Finance.

Golden Jubilee Rural Housing Finance

Fresh loans worth Rs.8.59 crores have been granted to 363 beneficiaries and the outstanding level reached at Rs.395.23 crores in 14,392 accounts as of June, 2012.

The forum reviewed the performance under Direct Housing Finance & Golden Jubilee Rural Housing scheme

(iv) REVIEW OF PROGRESS UNDER EDUCATION LOAN :

The forum reviewed the performance under Educational loan scheme and advised Member Banks to provide the progress under the Scheme to SLBC on monthly basis.

(v - a) KISAN CREDIT CARD (KCC) :

The forum reviewed the performance under KCC and advised Member Banks to cover maximum number of remaining eligible farmers under the fold of KCC.

(v - b) Target for formation of Joint Liability Groups (JLGs) & its credit linkage and target for addition of new farmers under KCC fold

Shri H.R. Dave mentioned that financing JLGs is a national priority area for meeting credit requirements of share croppers, land less and agricultural labourers. As against target of financing 6679 JLGs during the year, till now, 1399 JLGs have been credit linked. Dena Bank, Bank of Baroda, DCCBs and all RRBs have initiated steps for supporting JLGs of land less farmers (particularly tribals) taking land on lease. He requested other Banks to also take similar initiative. He also informed that NABARD grant support is available to Banks and NABARD has disbursed grant to the tune of Rs.16.40 lakhs during the year to NGOs / Banks for promoting JLGs.

The forum reviewed the progress under various programmes like issuance of Swarojhaar Credit, Card, Artisan Credit Card, Weavers Credit Card, flow of credit to SSI Sector and Credit linked capital subsidy scheme for technology upgradation, Advances to SC & ST beneficiaries and progress under No Frills a/cs with Overdraft facility and issuance of General Purpose Credit Cards.

Table Agenda

Table Agenda No.1

RBI Master Circular on Natural Calamity dtd. 2nd July, 2012 - Implementation thereof

Shri Suresh N. Patel informed Member Banks that guidelines contained in RBI Master Circular dtd. 2nd July, 2012 on all parameters need to be implemented.

Table Agenda No.2

Interest Subsidy Scheme for SHGs by Gujarat Livelihood Promotion Co. (GLPC)

Shri Bhupendra Prajapati, APM - MF, GLPC, presented the captioned scheme through PPT and requested Banks to prepare the interest subsidy claim as of half year

ended Sept.2012 as per the procedure mentioned in the PPT and circulated to member banks.

Table Agenda No.3

NABARD vide its e-mail dtd. 14th September, 2012 has sponsored following agenda items for discussion in 134th SLBC meeting.

Item No.(i)

Swarojgar Credit Card (SCC)

The House was informed about the various features of the Scheme and about availability of NABARD refinance for advances under SCC to eligible banks against their lending to the borrowers in rural areas as per norms under the Enterprise Loan Scheme. The House also reviewed the performance for the year 2011-12 and allocation of targets for the year 2012-13.

Item No.(ii)

Revival Restructuring and Rehabilitation of Handloom Package

Member Banks were informed that as decided in the 5th National Implementation, Monitoring & Review Committee meeting (NIMRC), all claims towards individual loan waiver, duly recommended by State Implementation Monitoring & Review Committee should be submitted by **30th September 2012** and after that no claims would be considered. Also fresh loans by banks are a necessary precondition under the package. It was also advised by NIMRC that the fresh loans by banks may be monitored by Block, District and State level forums (BLBC, DCC/DLRC and SLBC)

It was informed that Saurashtra Gramin Bank has submitted their claim in revised format along with Statutory Auditor's certificate. SBI and Dena Bank were requested to submit claims in the revised format along with Statutory Auditor's certificate, immediately for presenting before SIMRC.

Item No.(iii)

Weavers' Credit Card (WCC)

The House was informed that SLBC was requested to furnish the information on monthly physical and financial progress in respect of WCC from June, 2012 onwards, however, the information submitted by SLBC was incomplete / partial.

Shri Suresh N Patel informed that despite their best efforts, Member Banks do not submit the required information in full and in time and therefore once again requested Member Banks to furnish the progress on monthly basis as per the format prescribed by NABARD so that SLBC can submit the same to NABARD.

Member Banks were also requested to dispose off pending applications in a time bound manner.

Item No.(iv)

Financing of Emu farms under Poultry - Venture Capital Fund (Subsidy) scheme

Shri H.R. Dave requested Member Bank to be cautious while financing for Emu farming.

Item No.(v)

Artificial Recharge of Ground Water through Dug Wells Submission of utilization certificate by Banks

Member Banks were informed that the subsidy amounts under the above scheme were released by NABARD to various banks during the years 2008-09 and 2009-2010. Despite their follow up with the concerned banks to submit utilization certificates in respect of the amounts remitted to them, still 24 banks have neither submitted the utilization certificate nor refunded the initialized subsidy amount, if any to NABARD .

The forum requested the member banks to immediately furnish the utilization certificates and or refund the initialized subsidy, if any, under the scheme.

(Action : Banks)

Table Agenda No.4

Unit Cost for Dairy Animals, Farm Mechanization, Plantation & Horticulture

Member Banks were requested to instruct their branches to consider unit cost while financing for Dairy animals, Farm Mechanization and Plantation and Horticulture, Minor Irrigation activities, Land Development and Fisheries Sector as given in Annexure on the captioned agenda.

Table Agenda No.5

Education Loan Scheme

Shri T. Natarajan, IAS, Commissioner, Technical Education Department, Govt. of Gujarat mentioned that some of the States are doing exceedingly well, whereas the State of Gujarat is found to be lagging behind. He attributed poor performance to the

low level of awareness about the scheme with the Banks and advised for evolving a mechanism so that this scheme is carried forward and more number of eligible students get benefits offered under the Scheme.

The house felt that each Bank must create awareness amongst the branches and also should organise camps in concerned colleges / institutions so that eligible students can get loans easily.

The meeting ended with vote of thanks presented by Shri S. Sahu, General Manager, State Bank of India.
