

**MINUTES OF 135<sup>th</sup> STATE LEVEL BANKERS' COMMITTEE MEETING (SLBC) FOR GUJARAT STATE FOR THE QUARTER ENDED SEPTEMBER, 2012 HELD ON 6<sup>TH</sup> DECEMBER, 2012 AT AUDITORIUM, DENA BANK, ASHRAM ROAD, AHMEDABAD**

The above meeting was held on 6<sup>th</sup> December, 2012 to review the progress under various key parameters for the quarter ended September, 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 A.K. Joti**, IAS, Chief Secretary, Govt of Gujarat, **Shri Varesh Sinha**, IAS, Addl. Chief Secretary, Finance Department, Govt. of Gujarat, **Shri Sanjay Prasad**, IAS, Principal Secretary, Social Justice & Empowerment Deptt., Govt of Gujarat, **Shri R.P. Gupta**, IAS, Principal Secretary & Commissioner, Rural Development Department, Govt. of Gujarat, **Shri Sudarshan Sen**, Regional Director, Reserve Bank of India, **Shri H.R. Dave**, Chief General Manager, NABARD, **Shri S. A. Ramesh Rangan**, Chief 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 Field General Manager (Gujarat), Dena Bank while welcoming the participants informed that 135th SLBC meeting is convened to review the position for the quarter ended September, 2012. He then requested **Smt. Nupur Mitra** to address the House.

**Smt. Nupur Mitra**, while extending warm welcome to all the participants, made a special mention that Shri A.K. Joti, IAS, Chief Secretary, Govt. of Gujarat has made it convenient to attend the meeting and also Dr. Varesh Sinha, IAS, Additional Chief Secretary, Finance Department, Govt. of Gujarat is also present for today's deliberations. She said that there are certain issues which need to be addressed both by the State Govt. machinery as well as Banks in close co-ordination so that Financial Inclusion is achieved and the first action towards that direction is implementation of EBT as transactions in the account will happen and the benefit will reach the people.

She noted that since there is a considerable delay in implementation of FIP, Banks will have to be aggressive in appointing Village Computer Entrepreneurs (VCEs) as BC at the earliest. She said that disaggregation of FIP upto Branch / BC level is to be done and Branch Managers need to keep the things ready / handy so that they are also aware about their plan and for its implementation.

She shared with the House that during the meeting with CMDs of Public Sector Banks, the Hon'ble Union Finance Minister specifically advised that no Branch Manager should reject any education loan on flimsy grounds. She stated that loans to the students is the investment for the future of the country and education loans should not be denied to any eligible student.

She noted that there is a difference between the sanctioned limit reported by GLPC and the Banks under Sakhi Mandals / SHGs. She emphasised on the need of very close co-ordination between Rural Development Department, GoG and GLPC with all Member

Banks so that the real benefit can reach to the people. She appreciated the interest subsidy scheme introduced by the State Govt. and hoped that this would reduce the burden on Sakhi Mandal members.

Appreciating the initiatives taken by Regional Director, RBI and Chief General Manager, NABARD to guide Banks for formation of special scheme for purchase of Fodder and Concentrate Feed for the affected areas, she informed that Dena Bank has reported disbursement of Rs.38.17 crores in 8799 A/cs and State Bank of India have reported disbursement to the tune of Rs.4.85 crores to 1251 beneficiaries under the above scheme.

She noted with concern the poor performance under Govt sponsored schemes. However, she stated that since the Govt staff is now engaged in election work and once they become available after election, Banks through close co-ordination and with proper planning should ensure that the gap is positively achieved by 15th March, 2013.

Reviewing the performance under various key parameters, she mentioned that as of September, 2012, on year-on-year basis, deposits have gone up by 17.53% whereas advances have grown by 20.64%. She advised the LDMs of the districts where the CD Ratio is below 40% to review the same in every DLCC meeting for improvement.

Regarding performance under Service Area Credit Plan, she said that Banks have achieved 55.31% of the target during first half. She advised Banks to give priority to the Term loans under Agriculture loan and for that all Banks should explore new avenues. She said that unless Banks give the farmers all the agriculture implements which they need they would not be able to develop their farm land and advised Banks that it is very essential that the area of lending for agriculture implements is focussed by the Banks.

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

She said that the Bankers are committed for the inclusive growth for the people of Gujarat.

**Shri Suresh N Patel**, Convenor - SLBC & Field General Manager (Gujarat) requested **Shri A.K. Joti**, IAS, Chief Secretary, Govt of Gujarat to address the House.

**Shri A.K. Joti**, IAS, Chief Secretary, Govt of Gujarat informed that he has gone through the PPT which is very a comprehensive one and covers almost all the points, however, he had some points to stress upon and added that in the Agenda it is stated that by and large, BCs have been appointed in all the villages having population above 2000. He informed that the State Govt has set up e-gram centre in each village. He said that there are 18250 villages and 13650 Gram Panchayats in the State and all these Gram Panchayats have been provided broadband connectivity. He mentioned that there is a very good convergence and synergy and Banks should take advantage of the same for Financial Inclusion. In all the Gram Panchayats, VCEs have been appointed and about 90% of them are from the same village. These VCEs collect electricity Bills, issue Birth certificates and Land records, etc. He said e-gram centres are the empowered centre at

the village with broadband connectivity and Banks should utilize their services by appointing them as BCs.

He said that the first stage of Financial Inclusion is almost over and the second stage is coverage of villages having population below 2000 who really need more help. The 12th five year plan have been prepared .Priority has been given to inclusive approach. Thus Financial Inclusion is more important.

He also informed the house that Government is doing lot of good work viz under "kaushaly Vardhan Scheme." wherein about 3 lakhs peoples have been covered and imparted vocational training. People are ready to take work but they need to be provided with opportunity.

He said that there are about 2.02 lakhs Sakhi Mandals / SHGs in the State and all cases of sanction reported by GLPC must be disbursed at the earliest. He advised that the per capita disbursement per Sakhi Mandals / SHGs need to be made comparable vis-a-vis disbursements made to Sakhi Mandals / SHGs in the States like Andhra Pradesh, Karnataka, Tamilnadu and Kerala. He advised Rural Development Department for continuous capacity building exercise of Sakhi Mandal members. He said that Sakhi Mandals empowerment should also be a priority area in which one is the financial and the other is capacity building and for that synergy between Rural Development Department, Co-operation Department of the State Govt and Banks is required.

**Shri Suresh N Patel** then requested **Shri Sudarshan Sen**, Regional Director, RBI to address the House.

**Shri Sudarshan Sen**, Regional Director, RBI, at the outset, while appreciating the overall efforts being made for Financial Inclusion Plan, expressed concern over few issues saying that the performance under Agriculture Sector continuous to be below the benchmark as against the benchmark of 18%. Unfortunately the performance of Banks remained around 16% and therefore it is the responsibility of all the Banks to ensure that they reach the stipulated benchmark. Regarding finance to Weaker Section, he noted that here too Banks are below the benchmark during the quarter under review. He advised Banks to tighten up for improving performance under finance to Weaker Section and for reaching the benchmark.

He informed the house about the meeting of Controlling Head of Major banks in the State of Gujarat convened by RBI to review progress in 4 pilot districts selected for Direct Cash Transfers. He also informed that next review meeting in this regard will take place after 10th December 2012 and advised Member Banks to open maximum number of accounts by that date so that any gaps thereafter can be filled in the remaining period.

He said that another area of concern is providing banking services in villages having population below 2000 and said that as per the Plan submitted to them, it was observed that there was an overwhelming dependency on BC module and not on opening of branches. He said that RBI has drawn the attention of all the Banks that their branch opening programme will have to take into account the requirement of having atleast a quarter of them in tier 5 & 6 areas which is upto the population of 10,000/. He

requested the Regional Heads to follow up with their corporate offices and ensure that this happens.

On the issue of Disaggregation plan, he said that RBI has been advising that Banks have to disaggregate this plan down to the branch / BC level. However, most of the Banks have not done this exercise so far. He mentioned that FIP has to be translated to the reality and therefore Banks need to monitor the same very closely. The first phase is opening of the accounts and the second phase is to ensure that transactions take place in these accounts.

He also requested the Banks to open more FLCs as per revised guidelines of RBI for financial literacy.

He further informed the house that District Consultative Committee is having great potential at district level to improve bankable potential in creating holistic approach. Flow of credit needs close monitoring and follow up for improvement.

Regarding Financial Literacy from the school level, he informed that RBI has requested the Director of Text Books for inclusion of chapters in the text books on financial education. He requested Shri A.K. Joti, IAS & Chief Secretary, Govt of Gujarat for his kind intervention in the matter for early implementation.

**Shri Suresh N Patel** then presented various agenda items through Power Point.

### **Agenda No.1**

#### **Confirmation of the proceedings of last meeting.**

**Shri Suresh N Patel** informed that the proceedings of the 134<sup>th</sup> State Level Bankers Committee (SLBC) for the quarter ended June, 2012 held on 20.09.2012 were circulated to all the members on 8.10.2012. Since no comments / amendments have been received from any of the members, the House confirmed the same.

He also requested zonal / regional heads of all the Member Banks to submit SLBC data within the stipulated time frame without being reminded.

### **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)**

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#### **Allotment of land to RSETI, Navsari**

GLPC was requested to take up the matter once again with DDO, Navsari.

#### **RSETI, Narmada District**

Shri A.K. Joti advised LDM to once again contact the District Collector for allotment of land as he is well conversant with the issue because of his previous posting as MD, GLPC.

### **Progress under Construction of RSETIs premises**

The progress under construction of districtwise RSETI premises was reviewed by the House. **Shri R.P. Gupta** advised Lead Banks to complete the construction of RSETI premises at the earliest.

#### **Status of training programmes conducted by RSETIs upto the quarter ended September, 2012**

RSETIs were advised to improve settlement ratio through bank finance and RSETIs which had conducted less than 10 training programmes were advised to improve their performance.

### **2.2 Financial Literacy and Credit Counseling Centres (FLCCCs)**

The representative from Bank of Baroda informed that FLCCC at Tapi would be operationalised by February, 2013.

### **2.3 Setting up of Financial Literacy Centres (FLCs) with Lead District Manager's Office**

The representative from State Bank of India informed that in Rajkot, Jamnagar and Junagadh, FLCs have been set up in LDMs Office. The representative from Bank of Baroda informed that they would set up FLCs in their lead districts by March, 2013. It was informed by **Shri Suresh N Patel** that Dena Bank has already set up FLCs in LDM Office in all its 7 lead districts. **Shri H.R. Dave**, CGM, NABARD informed that NABARD would support RRBs to set up FLCs in every district.

### **2.4 Districtwise targets under Micro Insurance Products**

LDMs were requested to review the progress made under Micro Insurance Products in every DLCC meeting.

### **2.5 High Level Committee to review Lead Bank Scheme - Providing banking services in villages having population of over 2000 by September, 2012**

- (i) House reviewed the progress in the villages having population above 2000.
- (ii) **Extension of Swabhiman**

**Shri Suresh N Patel** informed that the progress in appointment of BC is not satisfactory and added that after appointing BCs, the second level to achieve is to ensure that transactions are taking place in the accounts opened by BCs at these villages. He said

that as the time left is very short and therefore requested Banks to gear up their machinery to meet the target as per deadline i.e. by March, 2013.

**(iii) Roadmap- Provision of Banking Services in villages with population below 2000**

**Shri Suresh N Patel** informed that the bankwise list has been circulated to all the concerned Banks. He also requested Member Banks to ensure that the target is achieved as per the FIP for the year 2012-13.

**(iv) Disaggregation of FIP of banks- from HOs to controlling of banks and bank branch level as per revised FIP monitoring format for the year 2012-13**

**Shri Suresh N Patel** requested Member Banks to submit the disaggregated plan in the prescribed format for State as a whole latest by 26.11.2012 as per RBI Cir No. RPCD.FID.No. 4001/4049/12.01.025 /2012-13 dt 16.10.2012.

**(v) Financial Literacy Centres ( FLCs )**

**Shri Suresh N Patel** presented the progress made by various Lead Banks and added that RBI has also advised that banks should consider setting up need based FLCs in other locations as well and financial literacy activities should also be undertaken by all the rural branches of Scheduled Commercial Banks including RRBs. He requested Lead Banks to submit progress report on quarterly basis in the prescribed format within 20 days after the end of each quarter. He informed that the matter was also discussed during the Video Conference with Dy Governor, RBI held on 02.11.2012 and advised the Member Banks to issue necessary instruction to their Rural Branches to organise financial literacy camp in the FIP allotted villages once a month and to follow the guidelines / instruction of RBI .

**(vi) Uploading of Service Area Plan on the district websites**

**Shri Suresh N Patel** stated that SLBC has received e-mail message from Ministry of Finance, Govt of India informing therein that in case of many districts the uploading of service area plan on the district websites is not done on regular basis and requested Lead District Managers to update the Service Area Plan on the districtwise websites on regular basis.

**(vii) Rollout Plan for installation of Cash Dispensers (CDs) in state of Gujarat for the year 2012-13 & 2013-14**

**Shri Suresh N Patel** informed that a meeting of Member Banks was convened on 21.11.2012 wherein the representative from M/s. Mphasis Ltd was invited to brief the House on roll out plan for installation of CDs. M/s. Mphasis Ltd were requested to implement the roll out plan as provided to them and report the progress on regular basis.

The representative from State Bank of India stated that looking to the poor performance by M/s. Mphasis Ltd in installation of ATMs as per the agreement, legal action should be initiated against them.

**(viii) New Agri-Products to meet the credit requirements of farmers-**

**Shri Suresh N Patel** informed that all banks have been advised by Ministry of Finance, Govt of India for implementation of the scheme of New Agri-Products to meet the credit requirements of farmers, arrange a meeting of its Agriculture Officers and other staff wherein the details of various schemes to be explained to them. He requested Banks to send compliance in this regard to Ministry of Finance, Govt of India through their H.O.

**Shri A.K. Joti** suggested that Banks, if needed, could take the help of Agriculture and Rural Development Department of the State Govt in this regard.

**(ix) Account Opening Drive particularly for migratory workers / labours and each house hold in Urban, Semi - Urban, Urban and Metro area**

**Shri Suresh N Patel** apprised the House about a meeting convened by the Department of Financial Services, Ministry of Finance to discuss the drive to open accounts in the state by replicating the drive initiated in Delhi by Oriental Bank of Commerce. He informed about the discussion / deliberation that took place in the Meeting about the experiences of the drive initiated by SLBC Convenor Bank in Delhi and the instructions of the DFS to start the drive on same line in all states also. He further said that accordingly, SLBC has initiated the action and decided to set up Call centre at Dena Laxmi Bhavan, Ashram Road Ahmedabad which would be manned by retired staff. Initially it is proposed to work in 2 shifts from 7.00 am to 9.00 p.m. on all working days. He also gave the details regarding toll free number, SMS No and E-mail ID of call centre

**(x) Opening of Bank Account of each House hold in Rural, Semi-Urban as well as Urban / Metro areas**

**Shri Suresh N Patel** informed that SLBC awaits the proper feedback from the Banks as to how many households have been covered and how many are yet left out. He requested Banks to complete the exercise of opening accounts of all households in a time bound manner. He said that after opening of accounts of all the households, the mapping exercise can be undertaken. He said that in order to fasten the process of opening of accounts of all households, SLBC has made available the Voterslist and also the list of NAREGA beneficiaries. He said that SLBC has requested Member Banks to advise their branches to obtain a certificate from Gram Panchayat to the effect that the accounts of all the households in the villages have been opened.

**(xi) Appointment of Village Computer Entrepreneur (VCE) as Business Correspondent (BC)**

**Shri Suresh N Patel** informed that the progress in respect of appoint of VCE as BC is not satisfactory and requested Member Banks to expedite the process as the deadline for the same approaches very fast.

**Shri Sudarshan Sen**, Regional Director, RBI said that Banks should be allowed to go for VCE in the villages having population above 2000. **Smt. Nupur Mitra** stated that if the Bank is feeling that the performance of BC is poor, then Bank can appoint VCE in place of BC.

**Dr. Varesh Sinha**, IAS, Addl. Chief Secretary, Finance Department, Govt of Gujarat mentioned that for the VCEs, some training programme should be devised to sensitise them with the functions of BC.

**(xii) Electronic Benefit Transfers ( EBT )**

**Shri Suresh N Patel** informed that under EBT, Banks have to ensure that accounts of all households are opened and wherever the list of beneficiaries is available under specified schemes, the accounts should be opened and mapped with the list. **Shri Sanjay Prasad**, IAS, Principal Secretary, Social Justice & Empowerment Deptt., Govt of Gujarat suggested that the accounts of all the members of household should be opened so that the beneficiaries to whom the finance under different schemes extended can be given the benefit of EBT. **Shri Suresh N Patel** requested to provide the data of various schemes to the Banks to enable them to map the same for EBT purpose.

**Agenda No.2**

**OTHER AGENDA**

**3.1 Strengthening of SHG - Bank Linkage**

Member Banks and Lead District Managers were requested to take note of the same.

**3.2 Modification to the Credit Guarantee Scheme (CGS)**

Member Banks and Lead District Managers were requested to take note of the same.

**3.3 Reallocation of Service Area Villages**

The House ratified the reallocation of service area villages which was approved by DLCC & DLRC, Gandhinagar held on 11.9.2012.

**3.4 Conversion of Short Term Crop loans in drought affected areas**

**Shri Suresh N Patel** requested Member Banks to take further necessary action in this regard.

**3.5 Unique Identification Authority of India (UIDAI) - Implementation of Aadhaar enabled payment**

The House requested Lead District and Banks operating in Mehsana, Valsad, Bhavnagar and Anand. to co-ordinate with the concerned authorities for successful implementation of Aadhaar enabled payments in the districts.

**3.6 Progress under financing to Indira Awas Yojana (IAY) - DRI Loan Scheme - as of September, 2012**

**Shri Suresh N Patel** informed the House that earlier the issue was discussed at length, but of late there has not been much follow up either from Banks or Rural Development Department on the scheme. He said that large number of applications are pending with

3 Lead Banks and if they instruct their branches to clear the same, much of the pendency would be cleared off. **Shri R.P. Gupta** advised that if the applications are not eligible, they should be rejected but should not be kept pending. **Shri A.K. Joti** said that all the three Lead Banks will have to take the drive to clear off the pendency, to which **Shri Suresh N Patel** said that it would be taken on a campaign basis so that by the end of December, 2012 quarter, there do not remain any application pending.

**(Action: 3 Lead Banks & other concerned Member Banks)**

### **3.7 Ground Level Credit Flow to Weavers Sector (S 10-Q&S13-Q) - Returns**

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**Shri Suresh N Patel** informed that despite continuous follow up from SLBC, Member Banks do not submit the required information and in view of the importance attached by Gol to handloom package, he once again requested to submit the information in prescribed format (S10-Q and S13-Q) on quarterly basis latest by 10th of the succeeding month of the quarter from the quarter ended December, 2012 onwards.

### **3.8 Monitoring of progress under finance extended to MSMEs, Housing and Auto Sectors under IBA Package**

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It was informed to the House that since the introduction of Stimulus Package, the Banks have extended finance to the tune of Rs.44,489.83 crores upto the quarter ended September, 2012, of which under MSME Sector - Rs. 21,832.68 crores (including Genset), under Housing Sector - Rs. 15,299.20 crores and Auto Sector - Rs. 7357.95crores

#### **Agenda No.4**

#### **REVIEW OF BANKING DEVELOPMENTS IN KEY AREAS FOR THE QUARTER ENDED SEPTEMBER, 2012:**

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The House noted the performance under various key areas for the quarter ended September, 2012. While reviewing the performance under Finance to Agriculture Sector it was emphasised that more thrust is required to be given to achieve the benchmark of 18%. **Shri Umakant Bijapur**, General Manager, Bank of Baroda (North Gujarat Zone), stated that due to the revised guidelines for Priority Sector advances, particularly the treatment for indirect agriculture advances, the percentage of Agriculture advances in general and indirect agriculture advances in particular has reduced and simultaneously percentage of MSME advances has increased. He, however, expressed hope that the benchmark of 18% would be achieved by the end of the year.

It was futher pointed out that advances to Weaker Sections have increased in absolute terms during the quarter under review, whereas DRI advances have marginally decreased both in absolute and percentage and requested Member Banks to improve the performance under both these categories so that the benchmark can be achieved.

### Agenda No.5

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

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The overall achievement in disbursement under Service Area Credit Plan by all the Banks was 55.31% upto the quarter ended September, 2012. The highest percentage achievement was recorded in AVCI & SSI - 61.76%, followed by Agriculture - 58.47% and Trade & Services - 38.74%. The House requested to achieve the target in the remaining period. LDMs of the districts were requested, where the performance was below the State average, to take along with them the observation of the House and to percolate the same during the next DLCC meeting so that improvement can be visible in December, 2012 quarter.

It was informed that mainly agriculture advances take place in the first half and therefore Banks will have to put in more efforts to fill in the gap in the remaining period of the year so that the target set for the year can be achieved. It was further emphasised on increasing term loan finance in the remaining period.

### Agenda No.6

### **COMPARATIVE POSITION OF CASES FILED UNDER GUJARAT STATE RECOVERY ACT, 1979 AS OF SEPTEMBER, 2012**

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It was informed that there are 1,79,291 to the tune of Rs.613.42 crores are pending with various Banks which blocks the recycling of the same for the development of the State. **Shri A K Joti** advised the Commissioner & Principal Secretary, Rural Development Department to help the Banks in recovery of pending recovery cases.

### Agenda No.7

### **REVIEW OF PROGRESS UNDER GOVT. SPONSORED PROGRAMMES FOR THE QUARTER ENDED SEPTEMBER, 2012**

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The House noted the performance under Central and State Govt programmes and requested Member Banks to improve performance as in case of various programmes it was observed that the performance during the first half of the year was found to be unsatisfactory. The House also observed that in various programmes, large number of applications are pending with the Banks. **Shri Sanjay Prasad**, IAS, Principal Secretary, Social Justice & Empowerment Deptt., Govt of Gujarat advised Banks to clear the pendency under GSCDC. **Shri A K Joti** advised the Principal Secretary, Social Justice & Empowerment Deptt., Govt of Gujarat to follow up with the banks through e-mail.

**Shri A.K. Joti** advised the representative from various Govt departments to pursue the matter of pendency of loan applications with bank officers and review progress regularly so that the pendency might be mitigated where it is very high and beneficiaries can be benefited timely.

**(Action : Implementing agencies of Govt. Sponsored programmes)**

**Shri Suresh N. Patel** introduced Shri Sanjay G. Hedaoo to the House who has recently assumed the charge of State Director, Khadi & V.I. Commission, Ahmedabad who discussed the following points before the house :

State Director informed that during the current year a target of Rs. 31.41 Crores under PMEGP scheme was received for the Gujarat State with clear instructions that pending margin money claims for the year 2011-12 will be settled first by the concerned State and added that Gujarat State is having pending margin money claims to the tune of Rs. 31.37 Crores as at the end of financial year 2011-12 and accordingly no additional target has been allotted for the current year 2012-13. As against target of Rs. 31.41 Crores an amount of Rs. 26.56 Crores was received as a first installment from their H.Q., of which Rs. 24.50 Crores has already been utilized for clearing pending margin money claims of all three implementing agencies.

He also informed that a cut off date was fixed up to 15.10.2011 for sanctioned, disburse of project & claiming of margin money by the SLBC but it is observed that few Bank Branches have also sanctioned the projects after the cut off date. He stated that Bankers opined that such project should be considered and margin money subsidy may be disbursed out of the current year target i.e. 2012-13 which was agreed upon by the SLBC.

Further he informed that it is observed that some financing Bank Branches have already sanctioned and disbursed the loan but margin money subsidy is yet to be claimed by concerned branch and requested to the Controlling Heads to issue necessary instructions to their branches for claiming margin money subsidy immediately.

He further informed that for settlement of all claims pertaining to SBI group & SGB, they have nominated SBI, Ellis Bridge Branch, Ahmedabad as a Nodal Bank and as per the guidelines of PMEGP the Nodal Bank concerned will settle all claims without taking any prior approval / sanction from the implementing agency to avoid delay for settlement of margin money claims, but the said Bank / Branch every time seek approval for settlement of each and every claim and specially requested to Chief General Manager, SBI, to look into the matter and pass necessary instruction to the concerned Bank/Branch.

State Director informed that Ministry of MSME has two apprehensions in implementation of PMEGP as per the latest correspondence/instructions

PMEGP beneficiary does not avail the total sanctioned working capital/CC limit and takes the benefit of subsidy on total sanctioned amount, however as per the guidelines proportionate margin money subsidy has to be refunded to KVIC on such unavailed WC/CC limit.

Financing Bank/Branch is not crediting margin money subsidy kept in the form of TDR for three years in the borrowers loan account and in this regards the Ministry sought some information from the financing bank/branch in the prescribed format, which State Office is separately sending formats to financing Bank/Branches for collecting the related information.

He requested all Bankers to please pass on necessary instruction to all Branches under their jurisdiction to furnish the information on top priority for compilation and onward transmission to our H.Q. /Ministry of MSME.

## **Agenda No.8**

### **FINANCING UNDER OTHER PROGRAMMES / SCHEMES**

#### **(i) FINANCING TO MINORITY COMMUNITIES & WOMEN ENTREPRENEURS**

House was informed that Banks are lagging behind in reaching to the stipulated benchmark of 15% of PS advances and requested Banks to increase the finance to these Community so that the benchmark can be achieved.

#### **WOMEN ENTREPRENEURS**

Member Banks were 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) &(b) Districtwise / Bankwise information on Sakhi Mandals**

House was informed that upto September, 2012, total 2,09,125 SHGs have been formed. GLPC has reported credit linkage of Rs.1068.89 crores.

**Shri H.R. Dave**, CGM, NABARD informed that zonal workshops are being organised wherein the representatives from GLPC, Branch Managers and District Co-ordinations and representative from SLBC are invited. He also pointed out that the quality of the groups is not very encouraging and therefore serious efforts required to upgrade the quality of the Groups. He noted that the House monitors the loans sanctioned, but do not monitor the loans disbursed and advised that disbursement of loans to SHGs be monitored very closely so that the level of income generation of the members of SHGs can be improved and the purpose behind formation and credit linkage of SHGs can be achieved. He also advised Banks to organise sensitisation programmes for the benefit of their branches. **Shri A.K. Joti** stated that average sanction amount per SHG works out to around Rs.65,000/- only which is very low looking to the members of the SHG group.

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

Fresh loans worth Rs.1792.44 crores have been granted to 27,408 beneficiaries during the quarter ended September, 2012 under Direct Housing Finance. The outstanding level reached to Rs.18,751.88 crores in 3,07,150 accounts.

#### **Golden Jubilee Rural Housing Finance**

Fresh loans worth Rs.26.88 crores have been granted to 1834 beneficiaries and the outstanding level reached at Rs.339.90 crores in 13,515 accounts as of September, 2012.

**(iv) REVIEW OF PROGRESS UNDER EDUCATION LOAN**

The Banks have disbursed Education loans to 3744 students to the tune of Rs. 93.00 crores. The outstanding under Education loans reached to Rs.1288.93 crores in 47,765 accounts as of September, 2012.

Member Banks were requested to claim the interest subsidy claims as advised by Ministry of Human Resources Development vide their letter dtd. 17th October, 2011 and which were circulated to all the Member Banks vide SLBC letter dtd. 8.12.2011.

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

The number of outstanding KCCs in the State has increased from 28,62,024 as of March, 2012 to 28,90,616 as of September, 2012 against total land holdings of about 42.39 lakhs in the State, showing net increase of 28,592 KCCs during the quarter ended September, 2012.

**Shri H.R. Dave** pointed out that the growth over March, 2012 is not satisfactory and advised Banks to increase the issuance of KCCs by JLG model.

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

Member Banks under formation of JLGs and its credit linkage upto the quarter ended September, Banks have formed 2235 JLGs, of which 1385 JLGs have been credit linked to the tune of Rs.1651.96 lakhs under Farm Sector and 836 JLGs with Rs.554.00 lakhs under Non-Farm Sector.

Member banks were requested to explore all possibilities to form JLGs and provide credit linkages which may help in improving weaker section advances.

**(vi) SWAROJGAR CREDIT CARD (SCC) :**

Banks have issued 2302 SCCs to the tune of Rs.6.67 crores during the quarter. In all 13,906 SCCs have been issued and the amount outstanding is Rs.31.41 crores.

RRBs have issued 5313 SCCs and GSCBs have issued 4778, whereas the remaining Banks have issued only 3815 SCCs.

**(vii) ARTISAN CREDIT CARD (ACC) :**

During the quarter, 167 ACCs were issued by Banks amounting to Rs.92.01 lakhs. Thus, upto the end of September, 2012, the outstanding ACCs were 3096 amounting to Rs.2099.01 lakhs.

**(viii) Weavers Credit Card (WCC)**

Member Banks, upto the quarter ended September, 2012, 8 WCCs have been issued to the tune of Rs.42 lakhs. The outstanding under WCC was 135 accounts amounting to

Rs.85 lakhs. The Progress reported by Syndicate Bank, Union Bank of India, State Bank of India and Dena Bank.

Member Banks were informed that despite communication sent to Member Banks from SLBC to report the progress to NABARD regularly, the same is not being submitted to NABARD. The matter is being referred by NABARD to SLBC to request Member Banks to furnish the progress to NABARD to enable them to compile the same and onward submission to Ministry of Textiles, Govt of India.

**(ix) REVIEW OF FLOW OF CREDIT TO SSI SECTOR AND CREDIT LINKED CAPITAL SUBSIDY SCHEME FOR TECHNOLOGY UPGRADATION OF SSI (CLCSSTU) :**

SSI advances stood at Rs.36,004.22 crores at the quarter ended September, 2012. During the quarter under review, banks have disbursed Rs.59.16 crores to 181 units under CLCSSTU taking the outstanding level to Rs.897.52 crores in 3577 accounts.

**(x) ADVANCES TO SC & ST BENEFICIARIES :**

The outstanding advances to SC beneficiaries as of September, 2012 was Rs.1683.74 crores in 1,83,552 accounts, forming 10.40% Weaker Section advances, which was 11.30% as of March, 2012.

Similarly, the outstanding advances to ST beneficiaries as of September, 2012 was Rs.1764.75 crores in 2,10,837 accounts, forming 10.90% of Weaker Section advances, which was 11.93% as of March, 2012.

**(xi) Progress under "No Frills Accounts" with overdraft facility and issuance of General Purpose Credit Cards (GCC)**

Member Banks have opened 2,45,922 "No Frills A/cs" during the quarter ended September, 2012. Banks have provided overdraft facility to 4,01,024 a/cs amounting to Rs.1450.00 lakhs. Total number of "No Frills Accounts" reached 28,02,771 as of September, 2012 with an amount of Rs.36,015.15 lakhs in these accounts.

During the quarter, 2318 GCCs amounting to Rs.172.87 lakhs have been issued by Member Banks. The cumulative position as of September, 2012 reached 48,563 GCCs amounting to Rs.4237.32 lakhs.

**Table Agenda**

**No.1 Credit Risk Guarantee Fund Scheme for Low Income Housing**

**Shri R.K. Arvind**, Manager, National Housing Bank presented before the House the salient features of the Credit Risk Guarantee Fund Scheme for Low Income Housing. **Shri S. A. Ramesh Rangan**, Chief General Manager, State Bank of India inquired whether the scheme can be extended to Indira Awas Yojana to which **Shri R K Arvind** informed that he would propose the suggestion of SLBC, Gujarat to their Head Office.

**(Action : NHB)**

## **No.2 Agenda sponsored by NABARD**

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NABARD vide its e-mail dtd. 3rd December, 2012 has sponsored the following agenda items for discussion in the meeting.

### **(i) Compulsory coverage of Loanee farmers under Crop Insurance Schemes :**

Members were informed that despite the Govt directives that all the farmers who have availed Short Term loans were not covered and therefore GoI directed NABARD to issue urgent instructions to all the field level functionaries to ensure 100% coverage of all short term crop loanee farmers. He requested all LDMs to discuss this issue during DLCC and BLBC meetings. Shri B.S. Rahul, CRM, AIC of India informed that there is total coverage of insurance of Rs.6060 crores in 26 districts of the State, of which Rs.6000 crores coverage in 13 districts and remaining Rs.60 crores are in remaining districts. He said that these figures show that there is imbalance in insurance coverage and he requested Member Banks to cover all the loanee farmers under the Scheme. It was informed that by and large the claims are submitted by Co-operative societies only.

### **(ii) Conversion of Short Term Crop Loans in Drought Affected Areas :**

Members were informed that in terms of GoI letter ref. F.No.3/65/2012-Ac dated 17 September 2012, it has been decided that the 2% interest relief which is already available for short term crop loans to PSBs, Commercial Banks and RRBs, will continue for the current financial year on the full restructured amount, in case rescheduling of loans takes place. It is also stated therein that such converted/ restructured loans will attract normal rate of interest from next financial year onwards as per the policy laid down by the RBI. The guidelines have been circulated by NABARD to GSCB, RRBs and DDMs vide letter no 7612 to 15 dated 22/11/2012 and 7674 dated 23/11/2012 .

Term loan under KCC eligible for refinance

In terms of revised KCC guidelines circular No.71 /PCD - 04 /2011 -12 dated 30.03.2012, it has been indicated that term loans for Investments towards land development, minor irrigation, purchase of farm equipment and allied agricultural activities under KCC, are also eligible for NABARD refinance under Investment Credit.

### **(iii) KCC - Personal Accident Insurance Scheme:**

All banks were requested to make all out efforts to bring maximum number of farmers under PAIS.

### **(iv) Monitoring the progress of the KCC scheme by DFS - GOI.**

Member Banks were requested to issue of ATM - cum - Debit Card as Kisan Credit Card to all eligible farmers under KCC revised scheme.

### **(v) Ground Level Credit Flow to Weavers Sector ( S10-Q & S13 - Q )- returns**

It was stated that that it is observed that the information on flow of ground level credit to weavers sector is not being furnished by member banks on regular basis to NABARD. Further, the data on formation of Handloom Weavers Groups is also not made available to NABARD by CBs, RRBs, & DCCBs. He requested all banks to submit the return to NABARD on quarterly basis latest by 10th of the succeeding month of the quarter.

**(vi) Progress under the Scheme for issuance of Weaver Credit Card (WCC)**

The House was informed that as per the latest data received from Member Banks, only 51 WCCs to the tune of Rs.12.75 lakhs have been issued which can be termed as very poor. Banks were requested to dispose off the pending applications positively and to submit the data directly to NABARD.

The meeting ended with vote of thanks by **Shri Umakant Bijapur**, General Manager, Bank of Baroda.

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**LIST OF PARTICIPANTS OF THE 135TH STATE LEVEL BANKERS' COMMITTEE  
(SLBC) MEETING HELD ON 06.12.2012 AT DENA BANK, ASHRMA ROAD,  
AHMEDABAD**

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<b>Sr. No.</b>	<b>Name S/shri/Smt.</b>	<b>Designation</b>	<b>Institution</b>
1	A.K. Joti, IAS	Chief Secretary	Govt of Gujarat
2	Smt. Nupur Mitra	Chairperson & Managing Director	Dena Bank
3	Varesh Sinha (IAS)	ACS	Finance Deptt., GoG
4	R.P. Gupta (IAS)	Commissioner & PS	RDD, GOG
5	Sanjay Prasad (IAS)	PS	Social Justice & Empowerment, GoG
6	Sudarshan Sen	Regional Director	Reserve Bank of India
7	H.R. Dave	CGM	NABARD
8	Ramesh Rangan	CGM	State Bank of India
9	B.K. Singhal	FGM	Central Bank of India
10	Suresh N. Patel	Field General Manager (Guj.) & Convenor - SLBC	Dena Bank
11	Umakant Bijapur	General Manager	Bank of Baroda
12	A. Khandual	GM	IDBI Bank
13	S.Sahu	GM	State Bank of India

**GOVT.**

14	D.D. Parmar	System Consultant	GMFB
15	K.D. Suthar	Dy. Secretary	UD & UHD, GoG
16	B.A. Shah	Jt. Director	CCRI, Gandhinagar
17	G.L. Patel	Dy. Director	-do-
18	Alpa B. Bhatt	ACI	MSME, IC Office, Gandhinagar
19	Sanjay G. Haedoo	Director	KVIC
20	Vijendrasingh	Nodal Officer	-do-
21	Dipak Patel	Dev. Officer	KVIB
22	Tushar D.	Supervisor	-do-
23	R.K. Patel	Dy. Commissioner (Tribal)	Dept. of Tribal, Gujarat Rural Hsg. Board
24	M.L. Meena	Asst. Director	MSME DI AHM
25	T.K. Solanki	-do-	-do-
26	Manish B	PM-MF/FI	GLPC
27	Jignesh G Patel	APM - RSETI	-do-
28	K.G. Vanzara	Director	OBC Welfare, GoG
29	M.A. Narmawala	Director	SJ&ED, GoG
30	C.J. Mecwan	Director (F)	Finance Deptt., GoG

31	U M Vasnawala	Jt. Registrar (Credit)	Commissioner, Co-op. Office, GoG
32	L A Patel	ADH	DDH, Adpad

<b>RBI /NABARD/SIDBI/NHB</b>			
33	N.K. Gayon	GM	RBI
34	B.N. Lonare	DGM	RBI
35	Sanjay T Gupta	AGM	RBI
36	Rajesh V Surti	AGM - LDO	RBI
37	Avedeshkumar Shukla	Asst. Advisor	RBI
38	Rahul V Kachhap	Manager	RBI
39	Ravi Rawal	Manager	RBI
40	G.K. Gurnani	AGM	RBI

41	K.H. Pandit	Mgr	RBI
42	R.K. Sharma	Mgr (LDO)	RBI
43	P.S. Shamraj	GM	NABARD
44	R.N. Chauhan	DGM	NABARD
45	Shaila Kamath	DGM	NABARD
46	Mohan Subramanian	DGM	NABARD
47	Dr. Dhirendra Kumar	AGM	NABARD
48	Sanjay Gupta	DGM	SIDBI
49	R.K. Arvind	Manager	National Housing Bank

#### **BANKS**

50	S.K. Behera	DGM	Bank of India
51	Sanjay Pawar	DGM	Bank of India
52	K. Devadanam	DGM	UCO Bank
53	Dr. Lalji Dabhi	Manager	IDBI Bank
54	Neelam Gupta	AGM	IDBI Bank
55	H.S. Shah	DGM	Bank of Baroda
56	N.K. Bhatnagar	AGM	Bank of Baroda, SG Zone
57	B. Panigrahi	GM	Baroda Gujarat Gr. Bank
58	R.C. Baraiya	GM	Saurashtra Gramin Bank
59	G.K. Paneri	Chairman	Dena Gujarat Gramin Bank
60	R.S. Chowdhary	GM	Dena Gujarat Gramin Bank
61	C.K. Raipuria	AGM	All Bank Z O
62	G.S. Iyer	DGM	Canara Bank
63	M. Abdul Ajees	AGM	Canara Bank
64	D.D. Nayak	AGM	United Bank of India

65	Krishnalal Bansal	DGM & CRM	Indian Overseas Bank
66	K.K. Vikani	Manager	Indian Overseas Bank
67	K.C. Dayanand	AGM	State Bank of India
68	U. D Pai	DGM	Syndicate Bank
69	D.K. Gupta	Asst. Manager	Syndicate Bank
70	P. Vijay Kumar	Sr. Manager	Central Bank of India
71	Ajay Khurana	DGM	Vijaya Bank
72	Sumit N	Manager	Vijaya Bank
73	Arun Singhal	Chief Manager	Punjab National Bank
74	Pravin Jain	Sr. Manager	Punjab National Bank
75	S.K. Gupta	AGM	Oriental Bk of Commerce
76	S.R. Mansuri	A.Ex	J & K Bank
77	R. Vardharajan	DVP	HDFC Bank
78	Thomson Jose	Zonal Head	HDFC Bank
79	Deepak Ranadive	Manager (Admn)	Federal Bank
80	Deepak Chougale	AGM	Bank of Maharashtra
81	M.J. Parmar	Sr. Manager	Bank of Maharashtra
82	P.K. Kanani	Sr. Manager (R&AB)	Bank of Baroda, ZO, Ah <sup>dg</sup>
83	J.C. Dave	AGM	Gujarat State Co-op. Bank
84	V.C. Patel	Asst. Manager	Gujarat State Co-op. Bank
85	J.V. Shah	CEO	Gujarat Urban Bank Federation
86	Prasad Bhat	Asst. Manager	Karur Vysya Bank
87	Sunil Gupta	DGM	Union Bank of India
88	P.J. Lal	Chief Manager	Union Bank of India
89	Anupam Pande	Area Manager - ARB	ING Vysya Bank
90	Hariharan T M	Chief Manager	State Bank of India
91	Vipin Munja	Manager	Corporation Bank
92	T.K. Mandalia	Asst. Manager	State Bank of Patiala
93	Rajiv Joshi	DGM	ICICI Bank
94	Dr. J.D. Singh	Chief Manager	Indian Bank

95	Narendra Singh	Asst. Manager	Indian Bank
96	Binita	Asst. Manager	AXIS Bank
97	Vilesh Singh Vaghela	Dy. Manager	AXIS Bank

98	D.G. Purohit	Officer	Gujarat State Co-Op & Agri. Rural Dev. Bank
99	Sanjay Jha	Officer	Punjab & Sind Bank
100	G.T. Vyas	AGM (SLBC)	Dena Bank
101	V.S. Patel	CM (SLBC)	Dena Bank
102	Pramukh A Patel	Sr. Manager (SLBC)	Dena Bank

<b>LDMs</b>			
103	Atul J.Vora	Surat	BoB
104	M.C.Chaudhari	Tapi	BoB
105	R.P.Laddha	Bharuch	BoB
106	B.B.Kothiwala	Narmada	BoB
107	P.R. Sharma	Panchmahals	BoB
108	D.R. Patel	Valsad	BoB
109	Babulal Gupta	Dangs	BoB
110	D.K. Jogani	Anand & Kheda	BoB
111	J. K. Dwivedi	Dahod	BoB
112	P.V. Arvadia	Navsari	BoB
113	Pradip Perry, ALDM	Vadodara	BoB
114	R.K. Patel	Patan	Dena Bank
115	I.C. Gatiala	Banaskantha	Dena Bank
116	A.P. Purohit	Gandhinagar	Dena Bank
117	R.D. Kataria	Sabarkantha	Dena Bank
118	Vijay S. Patel	Kutch	Dena Bank
119	A.G. Sindhav	Surendramagar	SBI
120	K.V. Sangot, ALDM	Jamnagar	SBI
121	P.M. Gohil	Bhavnagar	SBI
122	R.K. Bhatt	Porbandar	SBI
123	H.D. Rathod	Amreli	SBI
124	R.N. Kathrotia, ALDM	Junagadh	SBI
125	P. Rangarajan	Rajkot	SBI
<b>INSURANCE</b>			
126	B.S. Rahul	CRM	AIC of India
127	M.R. Makwana	Manager	AIC of India
128	Dr. R.K. Purohit	CRM	New India Assurance Co.Ltd.
129	M.K. Makwana	Dy. Manager	New India Assurance Co.Ltd.
130	Ramesh Chandra Birla	RM	Oriental Insurance Co. Ltd.
131	S.K. Pachpute	Manager	Oriental Insurance Co. Ltd.
132	Dameksha Choudhary	Admn. Officer	Oriental Insurance Co. Ltd.
133	S.K. Tiwari	RM	United India Insu. Co. Ltd.

134	V.D. Suthar	Chief Manager	LIC of India
135	R.K. Vyas	Nodal Officer	LIC of India
136	N.O. Loya	Asst. Manager	LIC of India
<b>OTHERS</b>			
137	Jaydeep Barot	Research Fellow	GCCI

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