

State Level Bankers' Committee, Jharkhand

Convenor: Bank of India

Minutes of 47thSLBC Meeting held on

27thMay'2014

at Hotel Radisson BLU , Ranchi

The 47th Meeting of SLBC, Jharkhand was held on 27th May, 2014 (Tuesday) at Hotel Radisson BLU, Ranchi. Sri Rajendra Prasad Singh, Honourable Finance Minister, Govt of Jharkhand, was the Chief Guest of the meeting. The meeting was chaired by Sri R. Koteeswaran, Executive Director, Bank of India. The meeting was also attended by Sri Sajal Chakraborty, Chief Secretary, GOJ, Sri Sudhir Prasad, Development Commissioner cum Addl Chief Secretary, GOJ, Dr. Alok Pandey, Director, DFS, Ministry of Finance, GOI, Sri Sourabh Sinha, G.M, R.B.I and other Principal Secretaries, Secretaries, Senior Functionaries of various departments of Government of Jharkhand, Chief General Manager of NABARD, Controlling Heads and other officials of all the Banks operating in Jharkhand. All 24 Lead District Managers of Jharkhand State besides representatives of UIDAI and other agencies. List of participants is furnished in Annexure-1.

At the outset Shri Jain Bhushan, General Manager, SLBC, Bank of India welcomed all the dignitaries and participants to the 47th Meeting of SLBC, Jharkhand. The various dignitaries were formally welcomed by the Controlling Heads of different Banks of the state, by handing over flower bouquets.

Welcome Address:

The Executive Director of Bank of India, Sri R. Koteeswaran welcomed Sh. Rajendra Prasad Singh, Honourable Finance Minister, Jharkhand, Chief Secretary, Addl Chief Secretary, Govt of Jharkhand, Principal Secretaries & Secretaries of various departments of GOJ, Director Financial Services, GOI, GM, RBI and other participants to the 47th SLBC meeting. Sri Koteeswaran emphasised the importance of SLBC forum in providing opportunity for meaningful discussion involving Policies for the overall development of the State. He congratulated Banks for reaching out in different corner of the State creating Banking network in the various remote centres, and continuing the process by opening 286 new branches in the State during 2013-14, and ATM network reaching to 2265. He informed that DBT has been successfully implemented in 7 DBT District and further extending to other districts of the State and around 12 lacs account were opened during 2013-14 under FI initiative. In his short and effective address, the Executive Director touched upon the following issues:

Observations	Action points emerged	Action to be taken by
State is blessed with rich natural resources. 30% of the land area is covered with forest. 76% of the population of the State reside in rural areas and 80% of it are dependent on Agriculture for livelihood.	All Banks to tap this opportunity and increase Agriculture lending	All Controlling Heads of different Banks in Jharkhand should monitor this aspect.

<p>This provides Huge opportunity for Banks under Agriculture lending.</p>		
<p>i) 18 District out of 24 are Left Wing Effectuated Districts which affects self employment opportunities resulting into migration of workforce. To counter the same ,Govt has initiated lot of developmental programmes through formation of WSHGs etc.Banks responded by opening more & more branches deep inside the State.</p>	<p>Govt / Banks to take the initiative forward for opening of Branches in Un Banked areas and Credit Linkages of WSHGs.</p>	<p>All Banks/ GOJ</p>
<p>ii)CD Ratio is at 59.63% as on March 2014. Credit grew by 18.70% on Y-O-Y basis during last year whereas Deposit grew by 18.40%. However, Performance under Agriculture, which is backbone of economy, is not encouraging. Only 41.34% of the ACP target could be achieved which is a matter of great concern.</p>	<p>All Banks to respond and improve lending under Agriculture Sector.</p>	<p>All Banks</p>
<p>iii)Non availability of Land records, Stringent Acts prevailing in the State affecting mortgagibility of land, non coverage of all crops under Insurance, Lack of Infrastructure for inducing multiple cropping are some of the areas where Govt intervention/support is required.</p>	<p>GOJ is requested to expedite necessary modifications /corrections in existing Acts/Rules.</p>	<p>Deptt of IF & PE,GOJ</p>
<p>iv)Regional Imbalance in CD ratio is found in the State. It is low in rural</p>	<p>All Banks need to step up lending in rural areas</p>	<p>All Banks</p>

areas where over 70% of the population reside.		
v)NPA is high in the State comparison to National Average. It affects fresh sanction and impedes growth	Govt/SLBC to formulate time bound strategies to check this menace	GOJ/ SLBC

The Executive Director, BOI, thanked Govt/ RBI for continued support and solicited their co-operation for inclusive growth & other developmental activities in the State.

Address by Sri Alok Pandey, Director, DFS, GOI

Sri Alok Pandey ,Director , DFS, GOI expressed his pleasure to be part of SLBC proceeding in Jharkhand and emphasised his focus on the micro perspective of Financial Inclusion which the Central Govt intends to carry forward seeking support of all State Govt in the country. He touched upon following points:

Observations	Action Point Emerged	Action to be taken by
Central Govt has incorporated FI in Mission form. Altogether, 286 Branches were opened in State during last year. But the same is low, considering 7840 odd branches opened by Public Sector Banks alone, across the country.	All Banks need to open more & more Branches especially in unbanked areas. The Branch Expansion Plan for 2014-15 be immediately submitted to SLBC.	All Banks
Likewise around 540 ATMs were set up in the State during last year, which is slightly above 1% to the total ATMs opened across the country. Performance is very dismal. As per the Budget announcement during last year ATMs were supposed to be opened at each branch location	All Banks to follow GOI guidelines regarding opening of ATMs at each branch location and ensure setting up on-site ATM as per GOI plan.	All Banks
Coverage of 4873 villages below 2000 population by the Banks was done during last year	Banks are requested to focus on qualitative functioning of BC at these locations	All Banks
In setting up USBs VGB & JGB are lagging behind in	Sponsor Banks/ RBI support solicited for increasing role of these Banks under FI.	SBI, BOI,JGB,VGB,RBI,NABARD

<p>comparision to public sector Banks</p> <p>He appreciated the work done in DBT in Jharkhand State. He also informed the meeting that he would personally attend a meeting with GOJ for ensuring more co-ordination between the Govt & Banks..</p>	<p>All Banks to extend all support under DBT programme to State Govt.</p>	<p>All Banks</p>
<p>Structural support required in the State for increasing Agriculture lending. Cited example of Bhoomi Model of Karnataka State where on-line charge creation for Mortgage takes place. It benefits both Bank & Farmers</p> <p>Wide gap exists in issuance of Rupay card to KCC holders. As per extant guidelines of RBI/GOI all KCC Accounts to be issued with Rupay Cards.</p>	<p>GOJ requested to expedite digitisation and make available up-dated Land records to farmers for facilitating Agricultural Finance in the State.</p> <p>All Banks to issue only Rupay enabled KCC card as per GOI & RBI guidelines to all the KCC holders.</p>	<p>Deptt of IF & PI, GOJ</p> <p>All Banks</p>
<p>Performance under Education Loan needs to be looked into from the angle of targets set by Ministry. Large number of Students from Jharkhand go out of State for studies. Hence more & more Education loan requires to be done</p>	<p>All Banks to improve lending under Education Loan</p>	<p>All Banks</p>
<p>Gross NPA level is very high in comparison to National Average</p>	<p>He requested Govt. Of Jharkhand to extend full support to Banks for putting a check on rising NPAs.</p>	<p>Deptt of IF & PI</p>

Dr. Alok Pandey, Director, DFS,GOI put forth his confidence ,in the present SLBC team of Bank of India , in living up to the expectations of Govt. Of India.

Address by Development Commissioner, GOJ

Sri Sudhir Prasad , Development Commissioner, GOJ drew the attention of all the participants on the following issues:

Observations	Action Point Emerged	Action to be taken by
<p><u>CD Ratio</u></p> <p>The Development Commissioner started his deliberation expressing his firm belief on the fact that C.D Ratio of the State can only be improved by joint effort of the Banks & GOJ, and the motto should be “ we together, not we vrs. You”</p> <p>He informed about certain initiatives taken by State Govt during the last three months:</p> <p><u>Amendment in PDR Act</u></p> <p>i)Bank’s demand for waiver of fees under Certificate Cases.</p> <p>ii)Appointment of Dedicated Certificate Officer.</p> <p>iii)Amendment required as per RBI guidelines in Money Lending Act 1974.</p>	<p>Decision taken by the State Government for upfront payment of 25% of requisitioned court fees, remaining 75% to be recovered from 1st or subsequent amount recovered.</p> <p>Deliberation is in advance stage at Govt level regarding appointment of dedicated Certificate officers in each district. Final decision is expected before next meeting</p> <p>Deliberations at Govt level is in progress and a decision is expected before Next SLBC Meeting</p>	<p>GOJ- Board of Revenue order No. 127/6 dt. 16/12/13.</p> <p>GOJ</p> <p>GOJ</p>

<p>iv)Amendment in Tenancy Acts for allowing Mortgage of Lands belonging to SC/ST/OBC for availing Bank Loan..</p>	<p>Serious thought process has started in GOJ level. Matter is in the Stage of discussion, early resolution expected.</p>	<p>GOJ</p>
<p>v) Security of Banks Treasure .</p>	<p>SISF is already constituted having one battalion of 600 persons which is ready for deployment. The Controlling Heads of Major Banks are invited by IG(OPS) for formation of deployment details.</p>	<p>GOJ+BANKS</p>
<p>vi)Speedy investigation have been proposed in cases committed against Banks.</p>	<p>During 2013-14 NO incidents have been reported. During 2012-13 20 incidents were reported , out of which 2 are closed and charge sheet have been filed in 2 cases. 16 pending cases are being monitored for early disposal</p>	<p>GOJ</p>
<p>vii)Tertiary Sector in the State contributes 42% in GDP. Major share(over 50%) is of Real Estate / Construction sector. At present no building bye-laws exists in the State outside Municipal Area. Hence investment is coming only from private source not through Institutional lending.</p>	<p>High Level committee formed at GOJ level to Nominate the authority for approval of Building Plan and decide the modalities for approving building plan, in places below the level of Municipality. The Committee has submitted its report. Decision expected soon.</p>	<p>GOJ</p>
<p>viii)Rseti building has not been constructed in any District. Land for 22 Rsetis have already been allotted out of 24 Rsetis in the State. Govt has instructed respective District</p>	<p>All Banks requested to follow Bank of India's model so that work of building construction could start, at least at 8 to 10 places. Banks to include Innovative</p>	<p>Sponsoring Banks of RSETIs in Jharkhand. A work plan for construction to be submitted by Banks concerned</p>

<p>Authorities for speedy completion of allotment process in the remaining two Districts. Construction of building not taking place as cost involved is more than Rs. 1.00 cr grant given by MORD. BOI has come up with a model where cost involved is below Rs. 1`00 cr.</p> <p>Impact study has been proposed by State Govt to study the outcome of training programmes conducted at Rsetis.</p> <p>Development Commissioner further put stress on following aspect:</p> <p>i) Referred Ex RBI Governor Sri Y.B.Reddy visit to Latehar & Namkum block in the State two years back wherein 100% financial inclusion targets were given. Erased from the memory of Govt/RBI/Banks as no follow up took place.</p> <p>ii) The offices of LDM needs to be strengthened. He Requested ED, BOI to strengthen LDMO as it affects follow-up / overall functioning of LDMs in the District.</p> <p>Likewise Rseti Co-ordinator to be provided with support staff in order to have better monitoring of Rsetis.</p> <p>iii) Direct Money Transfer to all Panchayat(4500 in number) accounts in the State. Process smooth in BOI ,but problem with many other Banks. Further providing real time information regarding</p>	<p>trade/ Non-traditional trade in the curriculum of Rseti</p> <p>RBI to assess the progress made by Banks so far on the directions of then Governor RBI.</p> <p>Controllers of Banks having Lead District responsibility to take steps for strengthening LDMO.</p> <p>Likewise MORD to be advised for providing additional support to Rseti Co-ordinator</p> <p>Banks requested to share information regarding balances in Panchayat accounts or devise a way where Govt come to know Panchayat wise position of fund recd/ expenses done/</p>	<p>GOJ- JSLPS to complete this study before the next SLBC meeting and discuss the same in the next Steering committee meeting.</p> <p>Banks</p> <p>BOI/SBI & Allahabad Bank to come up with Action Plan and its effective implementation.</p> <p>MORD GOI</p> <p>Banks & Concerned Deptt. Of GOJ..Banks to provide permissible details to the Panchayats as & when required by them.</p>
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<p>balance available in these accounts should be smoothened.</p>	<p>balance available in order to know further requirement.</p>	
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Address by Chief Secretary, GOJ:

Sri Sajal Chakraborty, Chief Secretary, Govt of Jharkhand, , referred in his keynote address that the situation more or less is the same as prevalent 30 years back. Lending to needy people are not taking place, Banks are still having the same dilemma and apprehension of “Money given in Loan, not coming Back”. He emphasized the need of some serious introspection by Banks for bringing in overall growth in the State. Further, he raised certain issues mentioned below for the Bankers to ponder and bringing improvement therein:

Observations	Action points emerged	Action to be taken by
1. CD Ratio needs assessment based upon sector wise performance. Wide difference is still persisting between quantum of Bank Loans availed by affluent sector of the society and Loans availed by the poor people.	Banks asked to strive for inclusive growth meaning thereby benefits to all sections/ sectors.	All Banks to improve performance under weaker and neglected sectors of the society.
2. Attitude of Banks very bureaucratic. Poor people have to run here & there, but do not get timely help.	Bank staff to be sensitised for bringing changes in their approach.	All Banks/LDMS, to draw a sensitization plan and implement it accordingly
3. Need to kickstart all over again. If Jharkhand State has to flourish, we need to bring in change in approach. He suggested certain action points.	i) All Banks need to bring in Attitudinal change, looking forward towards lending with focus on inclusive growth. ii) Banks/Govt. Should spread awareness among the rural people. The Model of Financial Literacy Centres need to be strengthened further. iii) Institutional Finance Deptt, GOJ and SLBC to monitor the progress	All Banks All Banks/ Deptt of IF & PI ,to draw awareness campaigns & plan and implement it accordingly Deptt of IF & PI/ SLBC

	<p>more effectively` Discussion at SLBC to be more qualitative or of technical nature to make it more meaningful</p> <p>iv)Banks should go for innovative finance. Lot of new areas/ Non-traditional areas to be identified for lending to tap huge scope in the State of Jharkhand.</p>	All Banks/LDMs
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While concluding his address he exhorted all Stake holders to develop an attitude for working together in order to bring in overall development in the State.

Key Note Address by Sri Rajendra Prasad Singh, Honourable Finance Minister, Jharkhand :

in his keynote address Sri Rajendra Prasad Singh, The Honourable Finance Minister ,Jharkhand took forward the concerns expressed by CS and Development Commissioner and touched upon different aspect of Bank functioning in the State. He touched upon following aspect:

Observations	Action Point	Action to be taken by
BOI is the Lead Bank in the State. Govt is ready to provide full support to SLBC. All banks to join hand for overall growth of the State. Money deposited in Jharkhand is being spent & invested outside which needs to be stopped.	All Banks should sit together and formulate strategies for development of different sector in the State.	SLBC/ All Banks
Jharkhand is a tribal State People residing in far flung areas and are generally unaware about the existing facilities of Banks.	Banks are expected to create awareness among masses the benefits of Banking through publicity and other mode	All Banks/SLBC/GOJ
Public Sector undertakings like Coal India, NTPC etc spends a lot of money on CSR Activity. But Banks do not spend in that proportion in the State	All Banks are required to step up their CSR activities in the State	All Banks

Lack of basic amenities/ infrastructure at branch level resulting into hardships to customers. In Urban areas situation is worse. Poor people largely affected by this shortcoming	All Banks need to improve the basic facilities in the branch. Availability of a liaison officer shall help at branch level	All Banks
During earlier meetings Banks expressed intention to help poor tribal girls in the form of waiver of interest in Education Loan. Finance Minister in his Budget speech has already announced 2% Interest benefit in Education Loan to Girl students, whereas Banks did not respond to this by making announcement of additional subsidy of 1%.	Banks to immediately respond by formulating the scheme and announcement of 1% interest waiver on education Loans availed by the Girl students.	SLBC/RBI/All Banks
Many Good works have also been done by Bank like formation of women groups and lending to them. Good number of branches opened during last year.	Banks requested to open more number of Branches in the State specially in rural area. Focus required to be on remote areas/ poor people. SLBC forum to fix targets formulate Strategies for Banks in Backward areas. Devise ways for contribution in the form of i)Loans to poor section. ii)CSR Activity. iii)Recoveries of NPA – The State Government is ready to help the Banks in	All Banks SLBC/LDMs/All Banks/GOJ

	recovery in NPA Accounts. The Banks will also try to reduce NPA through follow up measures, negotiation & compromise	
NPA at high level. Assured all support of Govt. Suggested opening dialogues with NPA borrowers so that compromise acceptable to both parties could be entered into	All Banks should have such Authorities posted in the State who can have the delegated authorities to take Decisions in the matter of compromise / rehabilitation.	All Banks

Inaugural session concluded with the address of Honourable Finance Minister and after a break of ten minutes business session commenced

BUSINESS SESSION

AGENDA. 1 :URGENT MATTERS REQUIRING IMMEDIATE ATTENTION OF HOUSE

Observations	Action Point	Action to be taken by
<ul style="list-style-type: none"> ▶ Poor Performance in Agriculture under ACP during 2013-14. Vision Document for Agriculture Growth in State prepared by Planning Commission and ICAR for improvement in Agri. Credit. ▶ Popularising Subsidy Schemes for Allied Activities in Non-farm/ other Sectors ▶ Requirement of LPC for KCC/Crop Loans As per Extant Guidelines. Declaration on Land Holding is accepted in place of LPC for KCC/Crop Loans up to Rs. 50000/-.. The cut-off limit to be enhanced up to Rs.1.00 Lac 	<p>Banks/ GOJ and NABARD to make this vision document a reality</p> <p>Role of Govt / NABARD is important for implementation</p> <p>- Proposal of Enhancing the Limit of KCC/Crop Loans up to Rs.1.00 Lac on the basis of Declaration, authenticated by Designated official of Revenue Department of GOJ, in place of LPC was accepted by the house</p> <p>- GOJ to Nominate the Designated officer &</p>	<p>Banks/NABARD/GOJ</p> <p>NABARD/GOI/GOJ</p> <p>All Banks</p>

<p>► Creation of Alternative delivery channel through BC network/ Micro ATM. Bank's performance so far not encouraging.</p> <p>► CD Ratio of some Banks below 30%. Regional imbalance in CD Ratio among the Urban/ Semi-urban/ Rural Centres</p> <p>► Export Finance for products of Jharkhand being exported, is taking place from Kolkata and other major cities of the country due to Shortage of Bank Branches in the state.dealing in Export Finance.</p> <p>► Decision Taken at SLBC level not percolating downwards at the Branches.</p>	<p>Notification to be issued on that effect.</p> <p>All the Banks must intensify the action of creation of alternative Delivery Channels</p> <p>Viz. BC Network, Coverage of CSC, Activation of Micro ATM & USB.</p> <p>Banks should formulate Action Plan to increase CD Ratio with focus on Rural& Semi Urban Areas.</p> <p>GOJ should pro actively support the Banks in matters related to Recovery and create an environment conducive for enhancement of Bank Loan.</p> <p>All Banks need to open at least one Authorised Branch in the State of Jharkhand to cater to the requirement of Export/Forex.GOJ may explore setting up a Air Cargo Centre in Jharkhand State.</p> <p>Requires urgent attention of all the Controllers & higer level functioneries of GOJ.</p>	<p>Government of Jharkhand</p> <p>All Banks</p> <p>All Banks.The corporate offices of all those Banks having CD Ratio below 30% to submit their Action Plan 2014-15 within a month</p> <p>Govt. Of Jharkhand</p> <p>All Banks</p> <p>GOJ</p> <p>Banks & GOJ</p>
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GM SLBC then requested Principal Secretary Agriculture to address the House and highlight the issues related to Agriculture.

Observations	Action Point	Action to be taken by
<p>Dr.N.M.Kulkarni, Secretary Agriculture discussed outcome of meeting of SLBC sub-committee on Agriculture in which following steps suggested:</p> <p>i) Achievement under Agri Sector under ACP during 2013-14 is 41.34%. 10 District below State Average</p>	<p>Need to take up each District & each Bank individually for review</p>	<p>LDM/ NABARD of concerned District to closely monitor</p>
<p>ii) Discrepancy exists in the Target for 2014-15 between the figures given by NABARD & SLBC. SLBC circulated target of 6287 Cr for the State whereas NABARD has given the target for Agriculture under ACP to be 6335 Cr.</p>	<p>Amount subsequently revised to Rs.6335.00 Crore by NABARD.</p>	<p>NABARD/SLBC</p>
<p>iii) Issues raised regarding Budget under Agriculture to Co-operative Bank</p> <p>CS, GOJ – wanted to know the ways to achieve the Budget for co-operative Bank.</p> <p>GM SLBC – requested NABARD to explain the processes involved in identifying available potential under PLP</p> <p>CGM, NABARD – Said that District wise PLP is prepared upon consultation & consolidated at State level. Based upon PLP each District prepares ACP which is consolidated &</p>	<p>The GM,SLBC informed the Participants, that it has been decided in a Meeting convened by The Principal Secretary, DOIF, that the Target of coop. Banks will not be enhanced in line with the instruction of GOI and the original Target of Cooperative Bank as decided by DLCC of each District will prevail.</p>	<p>SLBC</p>

<p>added for the State. He put up strategies for achievement of Budget as under:</p> <p>a) Issuance of KCC need to be taken up in a big way. Last year performance lower than earlier year.</p> <p>b) As co-operative Bank is in transition phase their Budget may be reduced to 100 crores for 2014-15</p> <p>DFS – Questioned increase of Budget by 30 times in case of co-operative Bank</p> <p>GM, RBI – Clarified that target of all Banks have increased based upon ambitious target given by Union Govt. Further, Union Govt while giving Budget suggested that Co-operative Banks to be given 17.50% of the total target. By that count Target for co-operative Banks should have be even higher to the present level.</p>	<p>All Banks to prepare a plan of action. Controllers to review plan of action on regular basis vis-à-vis performance.</p> <p>No change in Budget to Co-operative Banks</p>	<p>All Banks including Co-operative & Private Banks</p> <p>SLBC/Co-operative Bank</p>
<p>iv) Average lending per KCC account is very low in Jharkhand in comparison to other States. Though Avg land holding is very low, even then size of KCC loan is very small</p>	<p>Each Bank to come up with a clear Action Plan for bringing improvement in Average KCC size</p>	<p>All Banks</p>
<p>v) Progress under Rupay KCC Card issuance is very slow. Generally not being issued by many Banks.</p> <p>SBI & other raised objection regarding</p>	<p>All Banks to issue only Rupay enabled KCC to farmers. All new KCC should compulsorily be issued with Rupay Card.</p>	<p>All Banks</p>

<p>issuance of Rupay Card to Illiterate farmers</p> <p>GM SLBC referred RBI/Govt guidelines – Circular dt May 16 , 2013 & July 24, 2013 – which says that Rupay Card to be issued in all KCC accounts.</p> <p>Director, DFS – said that as per GOI guidelines only Rupay enabled KCC card to be issued. Even illiterates can also be issued the card</p> <p>Development Commissioner observed that purpose of this forum shall be defeated if guidelines/ instructions are not followed</p>	<p>All existing KCCs to be converted to Rupay enabled</p> <p>The Controlling Heads of All the Banks should ensure that guidelines/instructions of SLBC is followed at all levels.</p>	<p>All Banks</p>
<p>vi)KCC applications are kept pending for 4/5 months and then rejected in one go. Timeline needs to be fixed for rejection/ sanction of applications</p>	<p>Applications under KCC must be disposed of within 15 days of its receipt.The Applications un fit for Sanction should be sent back to the Block authority within 15 Days of receipt.</p> <p>Each Rural Branch shall take up one village and saturate it with KCC to all eligible farmers apart from taking FI initiative therein</p>	<p>All Banks/LDMs</p> <p>All Banks/LDMs</p>
<p>vii) Large number (Approx 16000) of KCC applications are pending with Banks for disposal as they are insisting for revalidation of applications which in fact is not required</p>	<p>All pending applications at Banks are to be disposed of. There is no requirement of fresh revalidation of such applications</p>	<p>All Banks/LDMs</p>
<p>viii) With a view to further simplify the process, it has been proposed that LPC</p>	<p>Necessary notification / detailed instruction of Govt/</p>	<p>Deptt of Agriculture, GOJ / Deptt of Revenue, GOJ /SLBC</p>

<p>requirement can be done away with upto Rs. 1.00 lacs subject to obtention of declaration of Applicant on Land Holding, supported by authentication of one official of Revenue Department identified by Govt.</p>	<p>SLBC to be issued in this regard</p>	
<p>ix) Lot of publicity/awareness is required among farmers regarding the benefits of KCC/ timely repayment/ interest subvention etc.</p>	<p>Govt/SLBC/Banks to take active participation publicising this aspect.</p>	<p>Deptt of IF & PE/ Deptt of Agriculture GOJ, SLBC, All Banks</p>
<p>x) BLBC Meetings not taking place on regular basis in the District. DLCC meetings not taking place regularly.</p> <p>Deoghar LDM advised that meetings are taking place in his District on regular basis</p> <p>Development commissioner suggested the need for analysing the data for last 15 months which can form the basis for corrective measures both at Govt & Bank level</p>	<p>BLBC & DLCC Meetings must be conducted as per RBI instructions and the roaster should be prepared with schedule of Meeting.</p> <p>SLBC should collect informations regarding meetings held during last 15 months and then submit the findings so that corrective actions can be initiated at Govt/Bank level</p>	<p>All LDMs/GOJ</p> <p>SLBC/LDMs/ Deptt of IF & PI</p>
<p>xi) Coverage under Agriculture insurance is available for select crops and that too during certain periods of the year. Since as per RBI instructions all KCC loans are mandatorily to be covered under insurance, scope of KCC financing gets limited, for</p>	<p>SLBC/Govt/RBI to take up the issue for resolution since it requires intervention by GOI</p> <p>Insurance coverage is required to be available for all crops round the year</p> <p>The Insurance cover should be Limit Specific and not crop specific as Multiple</p>	<p>SLBC/ Deptt of IF & PI/NABARD/RBI</p>

<p>non-availability of Insurance cover.</p> <p>DGM SBI observed that no claim has been given in Latehar, Garhwa&palamu District. Reasons need to be ascertained by GOJ/Insurance companies</p>	<p>crop is raised, during separate periods of the year, by the same limit .</p>	<p>Insurance Companies</p>
<p>xii)Role of Private Banks need to be reassessed. Their contribution to Agriculture lending is very less. Targets are on paper only</p> <p>GM, RBI suggested identification of such Banks and writing their CMD for bringing improvement in their performance in the State with a copy marked to MOF, GOI</p> <p>GM, SLBC informed that such letter has been written in the past but despite their assurances no sizeable result could be seen</p>	<p>SLBC to identify such Banks and monitor their performance closely, and if the performance does not improve within a definite time frame then penal action in some form need to be initiated at Govt/RBI level.</p>	<p>SLBC/RBI</p>
<p>GM, SLBC suggested following while summing up the discussion on Agriculture:</p> <p>i)Scale of finance needs revision at the start of the year itself</p> <p>ii)Considering the target under Agriculture whole hearted support required from NABARD for boosting investment credit in the State with a focuss on</p>	<p>i)Scale of Finance to be revised and made available in the Start of the year itself or before commencement of cropping season</p> <p>ii)In each District DDM NABARD should identify atleast 20 progressive farmers for different activity under investment credit for lending by Banks as</p>	<p>All LDMs/ NABARD/GOJ</p> <p>NABARD/LDMs</p>

<p>Subsidy oriented schemes of NABARD</p> <p>iii) Informations regarding availability of subsidy under different schemes is also required to be disseminated to create awareness.</p>	<p>farmers are regularly interacting with them for subsidy or even otherwise for expert guidance.</p> <p>iii) More & more utilisation of subsidy to be planned and implemented through Bank</p> <p>3- 4 type of activities under PLP to be taken up by NABARD for financing by Banks in a big way</p>	<p>NABARD/ Deptt of IF & PI</p>
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GM ,SLBC then requested Sh. N.N.Sinha, The Principal Secretary, I.T, GOJ to present his view over current status of DBT & F.I in the State.

<p><u>Issues Related to DBT/ FI</u></p> <p>The Principal Secretary, then started deliberation on issues/expectations of State Govt under DBT/FI. He raised following issues:</p> <p>i) As per GOJ decision all Gram Panchayats were to have one BC/BCA. Progress by Banks found to be very slow. Out of 4800 GPs in the State only around 1700 have been covered till date</p> <p>Coverage of village below 2000 population also very low as per information of SLBC available. Only 4595 villages below 2000 have been covered against Target of 12018.</p> <p>ii) Standardisation of the services of Technical Service Providers need to be pursued in order to have</p>	<p>All Banks to deploy BCAs at the Gram Panchayat allotted to them within a definite time-frame</p> <p>Coverage of villages below 2000 population to be completed strictly in terms of Roadmap prepared</p> <p>SLBC to arrange a meeting of all TSPs so that standard/ good practices can be uniformly adopted</p>	<p>All Banks/LDMs</p> <p>All Banks/LDMs</p> <p>SLBC</p>
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<p>He said that in Koderma there is some issue regarding BCA appointment by BOI</p> <p>LDM Koderma informed that UTL (BCO) was given a deadline for appointment of BCAs in certain panchayats. However upon their non compliance Bank appointed its own BC. Hence matter to be treated as closed</p> <p>ZM, BOI, Hazaribag Zone assured the Principal Secretary to personally look into the matter and resolve it.</p> <p>iv)PSIT observed that lot of work has been done under DBT. However under E-Kalyan data for beneficiaries presently residing outside State is pending for seeding since long</p> <p>SLBC informed that out of 23000 such data, 14509 data has already been seeded and the remaining is in the process of completion</p> <p>Director DFS observed that greater co-ordination is required at District level</p> <p>vi) Two Gramin Banks – VGB & JGB are yet to move on to BC platform</p> <p>Chaiman VGB submitted as Aadhar penetration in Jharkhand is very high, Banks should enter into agreement with UIDAI and</p>	<p>Seeding work under E-kalyan for beneficiary residing outside State must be completed immediately</p> <p>Both Gramin Banks in the State must integrate itself to BC model without further loss of time</p>	<p>BOI</p> <p>All Banks/ LDMs</p> <p>JGB/VGB/Sponsoring Bank</p>
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<p>implement E-KYC. It will smoothen the process of account opening</p> <p>DFS observed that E-KYC needs to be adopted by all Banks which will help in a great way</p> <p>PSIT informed that co-operative Banks in the State shall move to E-KYC very shortly</p>		All Banks.
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Subsequent to the deliberations on DBT/FI, GM SLBC started discussion on other Agenda Items detailed hereunder:

Observations	Action Point	Action to be taken by
<p><u>Agenda Item no. 2</u></p> <p><u>Confirmation of the minutes of 46th SLBC Meeting</u></p> <p>GM SLBC requested the House to Confirm the minutes of last meeting</p>	<p>The same was confirmed without any motion of modification</p>	
<p><u>Agenda Item No 3</u></p> <p><u>Issues pertaining to State Government</u></p> <p>1.Updating of Land Records and Amendment in Tenancy Acts.</p> <p>2.Amendment in PDR Act.</p> <p>State Govt. in line with MP &UP recovery Acts, which are model PDR Acts, shall make necessary amendment on the issue of paying fees upfront and incentives to Recovery Officer , as per the Pattern adopted by Govt. of Orissa & Bihar</p>	<p>Serious thought process has started in GOJ level. Matter is in the Stage of discussion, early resolution expected.</p> <p>Decision taken by the State Government for upfront payment of 25% of requisitioned court fees, remaining 75% to be</p>	<p>Government of Jharkhand</p> <p>Government of Jharkhand</p> <p>Board of Revenue order No. 127/6 dt. 16/12/13</p>

<p>—</p>	<p>recovered from 1st or subsequent amount recovered.</p>	
<p>Time Line Suggested in 46TH SLBC Meeting- 2 Months.* Copy of the Act applicable in U.P has been provided to GOJ by SLBC</p>	<p>Deliberations at Govt level is in progress and a decision is expected before Next SLBC Meeting.</p>	<p>Government of Jharkhand</p>
<p>3.“Amendment to the Bihar Money Lenders Act 1974 and Rules” as prevalent in Jharkhand. Time Line Suggested in 46TH SLBC Meeting- 1 Month. *Copy of the Act applicable in Bihar ,along with Model Money Lender Act of RBI have been provided to GOJ by SLBC</p>	<p>Deliberation is in advance stage at Govt level regarding appointment of dedicated Certificate officers in each district. Final decision is expected before next meeting.</p>	<p>Government of Jharkhand</p>
<p>—</p> <p>4. Deployment of Dedicated Certificate Officers for Recovery of Bank’s dues. Time Line Suggested in 46TH SLBC Meeting- 1 Month.</p>	<p>SISF is already constituted having one battalion of 600 persons which is ready for deployment. The Controlling Heads of Major Banks are invited by IG(OPS) for formation of deployment details.</p>	<p>Government of Jharkhand & Banks BOI/SBI/PNB/CANARA BANK/Allahabad Bank</p>
<p>5. Security arrangement for safety & security of Banks Treasure in Jharkhand Time Line Suggested in 46TH SLBC Meeting- 2 Months</p>	<p>1.All Banks requested to follow Bank of India’s model, in which buiding construction cost has been brought down to Rs.1.00 Crore, so that work of building construction could at least start at 8 to 10 places.Banks to include Innovative trade/ Non-traditional trade in the curriculum of Rseti.</p>	<p>Government of Jharkhand</p>
<p>—</p> <p>6. Allotment of land to R-SETIs</p>	<p>High Level committee formed at GOJ level to</p>	

<p>—</p> <p>6.Notification for declaration of competent authority for approval of Building Plan in localities outside/below the area of Municipal authorities.</p> <p><u>Issues related to Bank</u></p> <p>i)Updating of uploaded Service Area Plan on respective District website of NIC needs to be done by LDM on periodical basis</p> <p>ii)Timely Conduct of DLCC/DLRC meeting to be ensured as per roaster.</p> <p>iii)Construction of Rseti Building should start without further loss of time</p> <p>iv)Reporting under LBR system(LBR I II & III) subsector wise should be ensured. NABARD to provide format in soft copy</p>	<p>Nominate the authority and decide the modalities for approving building plan, in places below the level of Municipality. The Committee has submitted its report. Decision expected soon.</p> <p>30th June fixed as deadline for updation of data for 31.03.2014</p> <p>All LDMs to strictly adhere to the Roaster prepared for DLCC/DLRC meeting</p> <p>Construction of Building at least at 4 to 5 centres should start before next meeting</p> <p>All LDMs must ensure that branches report the sub-sector wise performance, in format devised by NABARD(LBR). NABARD to provide the reporting software “Samriddhi”</p>	<p>All LDMs</p> <p>All LDMs</p> <p>BOI,SBI,PNB, Canara Bank & Allahabad Bank</p> <p>All LDMs/ All Banks</p>	
<p><u>Agenda Item No 4</u></p>	<p>-It has been observed that there is regional</p>	<p>Three Banks from Top</p>	<p>Three Banks from Bottom</p>

<p><u>Key Indicators</u></p> <p>GM SLBC submitted the performance of Banks, under various key indicators, before the House</p> <p><u>C.D Ratio</u></p> <p>Disparity in CD ratio observed. It has declined in rural/ SU area.</p> <p>The Development Commissioner expressed his firm belief on the fact that C.D Ratio of the State can only be improved by joint effort of the Banks & GOJ,</p>	<p>disparity in CD Ratio i.e C.D Ratio of Rural & Semi Urban places are very low.</p> <p>C.D Ratio needs to be closely Monitored and for which a qualitative as well quantitative Review should be initiated, for which the effort of three best Performing Banks should be Appreciated and at the same time Three low performing Banks should Be sensitized so that the can strive for Better performance</p>				
		BANK	CD RATIO	BANK	CD RATIO
		Indusind	241.67	LVB	3.50
		HDFC	97.85	ING Vysya	7.39
		SBI	64.65	Yes Bank	7.50
<p><u>Priority Sector Advances</u></p> <p>It was observed that although the State has achieved the Mandatory percentage of PSA by achieving 71.97% of ANBC , however the performance of some the Banks needs to be improved.</p>	<p>Banks to increase lending under PSA ,as there is huge scope for the Same in Jharkhand. And the Banks should be encouraged/sensitized</p> <p>Depending upon their performances</p>	PRIORITY SECTOR ADVANCES(%age of TOT ADV.AS OF 31.03.14)			
		Three Banks from Top.		Three Banks from Bottom.	
		BANK	%age of Total Adv	BANK	%age of Total Adv
		UBI	102.80	J & K	5.57
		Syndicate	93.75	LVB	7.47
		SBBJ	92.07	HDFC	19.14
<p><u>Agenda Item No. 5</u></p> <p><u>Review of Performance under ACP 2013-14</u></p> <p>i.GM, RBI observed that Actual Achievement is only 72 % of the Budget. It is 93% if we take outside sanction, but as per RBI guidelines Disbursement made within the State is considered only for calculation of achievement under ACP.</p> <p>ii.Development Commissioner stressed on</p>	<p>The Development Commissioner advocated for performance wise review. He also suggested that the best three performers should be encouraged whereas the last 3 performers should</p>	Action : All Banks/LDMs			
		PERCENTAGE ACHIEVEMENT IN ACP (IN TOTAL ADVANCES)			
		Three Banks from Top.		Three Banks from Bottom	

the requirement of increasing lending to Minorities by Banks

iii. Director, DFS observed that the target though exceeded this year for lending to Minority community. Sachchar Committee norms must be followed. MIS in RBI devised format to be adopted for reporting

iv) Though performance under MSE is good at 90%, coverage under CGTMSE is only 9%.. Needs attention as lending to micro enterprise in the State is below the norms of 60%.

v) Achievement under lending to NPS has also come down from last year.

vi) The Secretary, Agriculture expressed his serious concern over the low Achievement performance in the Agricultural Sector, by private Banks.

be sensitized for better performance.

Banks to maintain continued support by observing norms set by Sachchar Committee i.e. 15% of ANBC.

Banks to improve coverage under CGTMSE. This can be achieved by extending more & more Loan to micro enterprise

The GM, SLBC explained about the various steps which have been proposed for the improvement of Disbursement in Agri. Sector during 2014-15.

BANK	%age Achvmt of Target	BANK	%age Achvmt of Target
HDFC	306.71	CORP Bank	4.37
IOB	274.61	YS	8.32
FEDERAL	146.22	COOP BANK	16.67

PERCENTAGE ACHIEVEMENT IN ACP (IN AGRICULTURAL ADVANCES)

Three Banks from Top.		Three Banks from Bottom	
BANK	%age Achvmt of Target	BANK	%age Achvmt of Target
KOTAK	327.33	SBP	0.50
KBL	158.00	SBBJ	0.66
FED.	104.69	PSB	3.58
BANK			

**ANNUAL CREDIT PLAN
2014-15**

GM, RBI observed as under:

i) Actual Target set for current year 2014-15, in "other" segment of Priority Sector Advance is less than to the Achievement of last year.

ii) CGM NABARD explained that target is as per the scope of PLP prepared after consultations & identification of the potential.

iii) The GM, SLBC submitted the revised ACP 2014-15 after incorporating the Enhanced Agricultural Target of Rs.6335.00 Crores.

Thus The Revised ACP 2014-15 for Total Advances was enhanced to Rs.24531.97 Crore .

The Revised Target was Approved in the Meeting, **with following Notes**

The original Target approved by the DLCC in Agri. Sector for Cooperative Banks in ACP 2014-15 was kept unaltered and no-enhancement as per GOI suggestion was incorporated/added in the Target of Cooperative Banks..

The Director, Financial Services , GOI put stress on Achievement of Sector wise Target of the ACP and

All Banks/LDMs/GOJ

	<p>suggested that the ACP Target should be taken as sacrosanct.</p> <p>The Development Commissioner appreciated the ACP 2014-15 and explained the Targets to be achievable, he further suggested for close monitoring of Target on quarter to quarter to basis.</p> <p>The GM,SLBC confirmed the commitment of All the Banks and expressed his hope that all the Banks would achieve the Targets set under ACP for 2014-15.</p>	
<p><u>Agenda Item No 6</u></p> <p><u>Review of lending to different sector</u></p> <p>Lending to Agriculture Sector is already discussed in detail,in Agenda No:1</p> <p>(Pg. 12 to 18)</p> <p><u>MSE Sector</u></p>		

<p>GM RBI observed that Loan tracking System of PMEGP Applications has not been put in place by most of the Banks. Even in The Banks in which the same is available ,the facility is not working properly.</p> <p>GM, SLBC informed that Empowered Committee of SLBC suggested organising workshops for Micro Enterprises lending/ CGTMSE coverage.</p> <p>He requested Industry Deptt/ Chamber Of Commerce & Industries to suggest further specific requirement</p> <p>The Secretary, Deptt. Of Industries,GOJ observed as under,</p> <p>i)Large number of applications under PMEGP sent to Banks.Against which number of sanctions is low. Many applications have not yet been rejected. She requested SLBC for consideration of those applications in current year without revalidation.</p> <p>ii)She informed that good scope for Food processing unit exists in Jharkhand. Govt is providing lot of subsidies. Govt has brought separate policy for Food processing sector. She requested Banks</p>	<p>All Banks must put in place an active E-Tracking System for PMEGP Loan.</p> <p>Data under tracking system required to be generated regarding Appl received/ sanctioned/ Disbursed/ pending etc for monitoring at Controlling office level</p> <p>The Schedule of all the Districtwise meetings/workshop s for sensitization of Bankers as well as Entrepreneurs have sent to the Banks.</p> <p>First & Second Meeting organized by SBI & BOI took place at Ranchi & Jamshedpur.</p> <p>All Banks to ensure that sanctioned / Rejected/ Disbursed cases of last year are entered in e-tracking system.</p> <p>No decision taken on automatic revalidation as it involves technical issues</p> <p>GM,SLBC requested the Secretary to provide the list of such</p>	<p>All Banks</p> <p>All Banks to submit the status and action plan to SLBC.</p> <p>All Banks</p> <p>All Banks</p> <p>All Banks/SLBC</p>
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<p>to actively participate in lending to this sector</p> <p>GM, SLBC informed that lot of applications are pending for disposal on subsidy. Principal Secretary Industries assured disposal if a list of such cases is provided to her.</p>	<p>entrepreneurs in the food processing industries who are interested to start projects with Bank Finance. All Banks to actively participate in financing to Food processing unit.</p>	
<p><u>Education Loan</u></p>		<p>All Banks</p>
<p>It was observed that</p> <p>i) Disbursement around Rs.428.94 crores has taken place in Education Loan during 2013-14, which is an Achievement of 56.74% vis-a-vis Target given under ACP.</p>	<p>All Banks to improve lending under Education loans in Jharkhand as many students go out of State for Studies</p>	
<p>ii) The Director, DFS explained the importance of Education Loan, and expressed his opinion by saying that "Education Loan helps in building up the future base of the Country." He told that the amount disbursed is not sufficient considering the large number of students from Jharkhand taking admissions every year, in various Technical colleges of the country.</p>		<p>All Banks.</p>

<p>ii)A Sub-committee has been formed under Tribal Advisory Committee for giving recommendation /report on availability of education Loan to tribal student against mortgage of land</p> <p><u>Housing Loan</u></p> <p>It has been observed as under:</p> <p>i)There are some issues pending at the Govt level , which need to be expedited for growth in this sector. They Are,</p> <p>a) Enactment of State Apartment Act.</p> <p>b)Formation of Building laws and appointment of designated authority for approval of Building Plan in the area beyond Municipal limit.</p> <p>ii)The GM,SLBC, said that Apartment Act on the pattern of Maharashtra & other State required as presently loan remain unsecured till registry of flat.</p> <p>iii)RBI observed that State Apartment Act need to be enacted in a time-frame manner. Presently mortgage is created only after construction of the partment</p> <p>Dev Commissioner suggested raising of the issues at appropriate forum</p>	<p>GOJ requested for speedy disposal of pending issues</p>	<p>Deptt of IF & PI</p> <p>Government of Jharkhand.</p> <p>Government of Jharkhand</p> <p>Government of Jharkhand</p> <p>Government of Jharkhand</p>
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<p><u>Financing to WSHG</u></p> <p>The CGM, NABARD observed that Banks need to actively support WSHG programme. Account opening of WSHG and credit linkages of the WSHG, need to improve. He suggested certain action points which can boost WSHG financing</p>	<p>i) Banks to support anchor NGOs effort in each district.</p> <p>ii) FLCs to popularise SHG to create awareness</p> <p>iii) Controllers of all Banks to review the performance at field level</p> <p>iv) Fix a day as SHG day in each branch</p> <p>v) Opening of SB account of SHG to be smoothed</p>	<p>All Banks</p> <p>FLC/LDMs/All sponsor Bank</p> <p>All Bank</p> <p>All Bank</p> <p>All Bank</p>
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Agenda 7. Financial Inciusion

Detailed discussion took place during Agenda No. 1((refer Pg. No. 18 to 20)

Agenda No.8

Important Issues for Implementation as per MOF,GOI guidelines.

DBT

Arvind Prasad, ADG UIDAI observed that as per NPCI over 6 lacs Aadhar mapped under DBT, share of Jharkhand being 40%, 739 Micro ATMs deployed across the State, but hardly 12000 transactions taking place under AEPS on monthly basis.

DFS observed:

i)Asked Bank to deploy Aadhar enabled new Machine.

ii)If beneficiaries not having Aadhar then transfer the amount through NEFT etc

Detailed discussion took place during Agenda No. 1((refer Pg. No. 18 to 20)

All Banks to monitor progress of activation of BC network created so far

All Banks

All Banks to procure Aadhar enabled machines in the field/ BC channel

All Banks

Banks to continue payment to both Aadhar or non-aadhar holder

**Agenda. 9 - N.P.A
Recovery**

- The GM,RBI expressed his concern over rising N.P.A of the State, which is adversely effecting the Banks bottom line as well as Capital base.
- The Dy.General Manager, S.B.I requested the functionaries of GOJ to provide Active help in recovery of dues of Banks.
- The GM,SLBC asserted for early appointment of dedicated Certificate officers, amendment in PDR Act. He further told that GOJ has to play very vital role in this field to remove the apprehension of the Bankers ,so that all the related issues such as improvement in CD Ratio ,Low disbursement in ACP in some Districts etc, are solved .

Agenda No .10

NRLM

The Disbursement Target (Credit Linkage) for Groups formed under NRLM for AFY 2014-15 fixed at Rs.350.00 crore.

The Meeting approved the Target of Rs.350.00 Crore for AFY 2014-15.

- The representative from JSLPS informed the participants that Bank wise and District wise allocation is given in the Enclosure No- 11 of the *Agenda Book*. All LDMs are suggested to

Deptt of IF & PI

All Banks

JSLPS

<p>Dev Comm suggested as under:</p> <p>i) Skill Development in NRLM should be assured primarily before Credit Linkage.</p> <p>ii) One Committee to be constituted involving Nodal officer Rseti/ Mission Director/ Spl Officer Skill Dev Mission for identification of new trade.</p> <p><u>RSETI</u></p> <p>Sh. Bodh Narain, State Co-ordinator RSETI informed that 68 activities are presently identified by NIRD and they are liberal to include area specific activities. He further observed as under:</p> <p>i) Credit Linkages of trainees is very low. No single loan to trainees have been provide in six district. They are Bokaro, Giridih, Sahebganj, Dhanbad, Latehar & Chatra.</p>	<p>distribute & fix the Bank wise credit Targets in their district and get it approved by DLCC and communicate it to SLBC and JSLPS as soon as possible (within 1st quarter of Financial Year 2014-15).</p> <p>In the light of Dev Comm suggestions one Committee to be constituted.</p> <p>All LDMs / Controllers to ensure that trainees are credit linked for the particular trade.</p> <p>Progress in these six district to be monitored by respective LDMs. Matter to be discussed in DLCC.</p>	<p>LDM/RSETI Directors & Controllers of All the Banks.</p> <p>LDM</p> <p>Director RSETIs/BOI/SBI/PNB/Canara Bank/Allahabad Bank.</p>
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<p><u>Annual Action Plan Target of RSETI for 2014-15</u></p> <p>1. No of Training Programmes to be conducted – 644.</p> <p>2.No of Youth to be Trained- 19245</p> <p>3..No of Awareness Programmes to be conducted - 1281.</p> <p>2. Budget Sanc. For Training- 609.92 Lacs.</p>	<p>The Participants of the Meeting approved the Budget of RSETI.</p>	
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The Meeting was concluded after Vote of Thanks was proposed to all the participants , by Sri Pramod Kumar, Dy. General Manager, Canara Bank .

There after the Date of next SLBC Meeting on 12.08.2014 was approved.