

**Minutes of 38th meeting of State Level Bankers' Committee, Jharkhand held on
09th May'2012 at Hotel Capitol Hill, Ranchi.**

The 38th meeting of State Level Bankers' committee was held on 09th May'2012, at Hotel Capitol Hill, Ranchi, under the chairmanship of Sri T.R.Chawla, Executive Director of Allahabad Bank and was co-chaired by Sri S.K.Chaudhary, Chief Secretary, GOJ. The meeting was attended by the Sri Debasish Gupta, Development Commissioner of Jharkhand, Smt. Vandana Dadel, Secretary, IF & PI, GOJ, Sri H.N.Panda, GM(OIC), RBI, Ranchi, Dr. S. Sarvanavel, CGM, NABARD, Ranchi and other senior functionaries of State Govt. Controlling Heads of various Banks/Financial institutions and other agencies. The list of participants is annexed in Annexure -I.

Sri U. S. Dwivedi, Dy General Manger & convener, Allahabad Bank, Ranchi welcomed the dignitaries and participants. Sri Dwivedi mentioned that several important directions regarding enhancement of pace for agriculture lending, Financial Inclusion and e- payment, received from MOF, GOI will be on priority during the deliberation and discussion during 38th SLBC meeting.

Sri T. R.Chawla, Executive Director, Allahabad Bank and chairperson of SLBC welcomed Sri S.K.Choudhary, Chief Secretary, GOJ, Sri Debasish Gupta, Development Commissioner of Jharkhand, Smt Vandana Dadel, Secretary, IF & PI, GOJ, Sri R.K.Mallick, IG (operations), Jharkhand Police, Sri Pravin Toppo, TWC, Welfare Deptt. GOJ, Sri H.N. Panda, GM (OIC), RBI, Ranchi, Dr. S. Sarvana Vel, CGM, NABARD, Ranchi and other senior State Govt. officials, controlling Heads of Banks/Financial Institutions and other invitees in the 38th SLBC meeting of Jharkhand.

Sri Chawla in his key note address shared some of the macro economic developments, which have taken place recently. Growth of Banking parameters has been somewhat tepid during the last Financial Year. Deposits of banking sector have grown by about 18% and advances about 17%. On account of developments in the western world, the growth in the economy has been affected adversely. The sluggishness in the industrial production has resulted in gross NPA of Banking sector going up. FIIs had started withdrawing from the markets which had its toll on equity indices and Indian Rupee exchange rate. Recently, RBI has announced Basel III guidelines to be implemented. It would have its demand on capital and growth of Banking companies.

Further he added that the various communications received from Ministry of Finance, GOI, regarding Agriculture lending, Green initiative, e- payment, uploading service area plan, warrants active participation of all stake holders to implement such instructions in time frame as these instructions have its utmost significance in planning various strategies.

Sri Chawla flagged off the overall performance as well as challenges ahead of Banking sector in Jharkhand.

The Jharkhand State for the first time crossed the benchmark of 60% in CD Ratio, it increased from 48.58% as on 31.03.2011 to 60.08% as on 31.03.2012. However, CD Ratio is not the alone benchmark for inclusive growth and overall Banking development in the State. There is imperative need to create enabling environment further improve the CD Ratio. These are

updatation of land record and amendments in tenancy act to enable the loan takers to offer their land as collateral security, Waiver of stamp duty on agriculture loans up to 5.00 lacs, Amendment in PDR act, e-payment under Central/ State govt. schemes, extending support in mobilization of KCC proposals, revamping of Cooperative credit institutions to enable them to actively participate in rural lending, development of irrigation potential as only 9.30% of land are irrigated in the State, large scale rural electrification as only 45% village is presently electrified.

Priority sector advance increased to Rs. 23828.49 crore as on 31 March'2012, registering a growth of 26.26% on YOY basis, share of Priority sector credit to gross credit stands at 54% (which is well above benchmark of 40%). Agriculture sector which is the mainstay of majority of the population of state increased to Rs. 5732.38 crore as on March'2012 from Rs. 4118.71 crore as on March'2011 registering a growth of 39.18% on YoY basis. Growth under MSE sector is very impressive as this sector increased to Rs.12089.03 crore as on 31st March'2012, from Rs.8033.38 crore as on 31 March'2011.

Sri Chawla congratulated all the stake holders for achieving 104.75% target of ACP 2011-12. He also proposed ACP 2012-13 at Rs.19000 crore i.e. overall increase of 20.92% over previous year achievement.

Coming on to financial Inclusion Plan, Sri Chawla once again congratulated the member Banks for achievement of FIP target by covering all the identified 1541 villages in the State with banking outlets. As Jharkhand state is among the 5 identified LWE state of the country and having 18 LWE districts out of 24 districts, FIP platform need be effectively utilized. He emphasized that Banking correspondents in addition to their encoded jobs, need to play a vital role in regards to Life and Non-life insurance coverage, micro credit, micro pension, CASA mobilization and recovery of Bank debts.

Sri Chawla shared his concern over decreasing trend in recovery under Priority sector and Govt. sponsored scheme. He cautioned that recovery of Bank dues has a direct impact on recycling of funds. Hence, implementation of PDR act through Certificate officer, recovery through, invocation of SARFESI and DRT should be strengthened by the concerned department/Agencies.

Sri Chawla described setting of RSETIs in all 24 districts as a good achievement, but observed improvement in the area of training imparted, construction of building, transfer of land to RSETIs.

At the end of his deliberation Sri Chawla extended thanks to State Govt. and various development agencies for excellent support and co-operation rendered to banking sector. He hoped that the same level of mutual cooperation and synergic action amongst the Bankers and various Govt. departments in future also.

Sri S.K.Choudhary, co chairperson & Chief Secretary, GOJ, in his address to the house congratulated the Bankers in the State for achieving first time the 60% mark of CD Ratio. He described it as a significant jump from 48.58% as on 31.03.2011, to 60.08% as on 31.03.2012, but at the same time he reminded that a long way have to go further. There are some districts that are hovering below 40% CD Ratio and required hard work on these districts and concentrate on priority sector lending. He expressed that the agriculture sector is improving in Jharkhand due to intervention of State Govt. and other stakeholders but the agriculture credit is stagnant in percentage terms around 12%. He described it as disconnect. He specially mentioned the Rashtriya Krishi Vikash Yojna. As last year we have a very good monsoon, there is a value change and a lots of opportunity is there for the Bankers, like financing to Rice Mill. He emphasized that the entire chain of post harvesting should be worked out. There are opportunities in Rural Storage of agriculture products in PPP model, Dairy, and fisheries for Bank finance. Agriculture deptt. has launched a very ambitious incentive scheme for mobilization of large number of KCC application in a short period. Rural electrification has not been completed but in next 2 and 3 years the situation will be changed and chance of second crop will become reality. Lots of other things are happening like construction of rural road under PMGSY. Therefore, we should resolve solemnly to raise the Agriculture advance to 18% benchmark at a faster pace.

Sri Choudhary requested SLBC to activate their Sub committee and hoped that the Secretary and Directors of Govt. deptt. will actively participate in the Sub committee. Commenting on pending issues with Govt. Sri Choudhary hoped that situation will change very shortly. Regarding Housing loan, Sri Choudhary told that due to some happenings in Ranchi Banks must be cautious in lending to housing sector but should not withdraw from financing because this is an exception and Housing is one of the basic need of people. There is not much happening in Govt. sector and NHB is not visible in the state. He also requested SLBC to convene a special seminar on housing finance with NHB. Commenting on education loan he said that we are major exporter of students and education is very expensive. At the end, he hoped that the new financial will start with a positive note.

Sri Debasish Gupta, Development Commissioner of Jharkhand in his deliberation congratulated the Banker in Jharkhand for achieving the National benchmark of CD Ratio and achieving 104.75% ACP 2011-12 targets. However, he said that agriculture investment requires absorbing capacity. He also assured the house that the State will have sufficient capability in power sector in coming years. Commenting on the pending issues with Govt. of Jharkhand, Sri Gupta assured that these issues will be addressed very soon.

Sri H.N.Panda, GM (OIC), RBI, Ranchi, in his brief but enlightening speech congratulated the house for achieving the ACP target of 2011-12 and for reaching the national benchmark of CD ratio for the very first time in the State. He specially congratulated State Govt. for creating conducive climate for investment, which made it possible for credit to grow a robust 33%,

Rs.11000 crore in absolute term on a YOY basis against a 17% growth of deposit. He also appreciated Banks for their hard work, especially in issuing of more than 5 lacs KCCs.

Seeking to explain the difference in CD Ratio of September quarter'2011, published by SLBC and same published by RBI in its quarterly statistics on Deposit and Credit of schedule Commercial Banks, he told that the two computation are different and the difference in the two sets of data arises on account of following reasons:

1. RBI data does not include investments in the State through RIDF.
2. It does not include loans sanctioned by branches outside the State.
3. Advances made by Co-operative banks are not included in the aforesaid RBI compilation.
4. Data for previous quarter is repeated for unreporting Bank branches.
5. Data is as on reporting Friday (not as on last working day of the month as reported to SLBC by Banks).

However, he requested SLBC to ensure that the data reported by Banks were duly approved by the controlling officers to certify their correctness.

On the topic of **Green Initiative and e- payment (EBT)** including payment MGNREGA wage payment, he requested all banks to come forward earnestly to implement EBT in a well planned manner and to begin with start EBT of MGNREGA wages.

He apprised the house that the GOI advocated the RBI guidelines on EBT and State Govt. to follow the guidelines and where there was doubt, the matter might be referred to SLBC. He also said that unless the State follows uniform guidelines on EBT, it would be difficult for banks to carry it forward. He suggested that the Institutional Finance and Programme Implementation Department may be requested to work as Nodal Department for all EBT implementation.

Speaking on the financial outreach programme he mentioned that Banks may consider opening ultra small or satellite branches in every Gram Panchayat, in the rent-free premises to be provided by the State Government. First-come-first –serve approach may be adopted. Again, Institutional Finance and Programme Implementation Department may be requested to co-ordinate this matter.

The GM (OIC) said that although the ACP target was an aggregation of ACPs prepared by districts and approved by DCCs, the overall credit growth for the next fiscal should projected at at least 20% increase on achievement. Since, last year achievement was Rs. 15,700 cr, ACP for the FY 2012-13 should be around Rs. 19,000 cr.

On the issue of overlapping of FIP village with service Area allocation, Sri Panda suggested SLBC to prepare a list of such panchayats which need re-alignment under service area allocation, as per suggestion made by GOI, and there after take a view after detailed discussion in the concerned sub-committee.

Dr S. Sarvanavel, CGM, NABARD, Ranchi, in his address pointed out that NABARD is contributing 2.26% towards CD Ratio by extending RIDF loan to State Govt. He said that NPS

target in ACP 2012-13 is very less and it should be suitable modified. He briefly presented salient features of two schemes, one about Women SHG in backward districts in Jharkhand and another one about new KCC scheme for farmers.

There after agenda wise discussion initiated by Sri Bibhash Kumar Srivastav, General Manager, Allahabad Bank, Head Office.

Agenda No. 1.- Conformation of the minutes of 37th SLBC meeting held on 09th February'2012

Minutes of 37th Meeting of State Level Bankers' Committee Jharkhand, held on 09th February'2012, circularized to all concerned vide letter No. SLBC/AB/02/1106 dated 25th February'2012, may please be confirmed by the house as no communication requesting amendment has been received.

Agenda no. 2. – Follow up action on compliance of the decision taken in previous SLBC meeting

2.1. Issues pertaining to State Government

2.1.1. Updating of land records and amendment in tenancy act: -

Updation of Land record is going on in 4 districts viz- Ranchi, Lohardaga, Palamu & East Singhbhum, out of which updation is completed in Lohardaga District. It was advised that updation of land record recently started in four more districts viz- Dumka, Dhanbad, Koderma & Palamu. In rest 16 districts, updation of land records is yet to start. As regards Tenancy ACT, the State Govt. will provide the List 52 sub cast of OBC restricted under CNT act to SLBC for further circulation.

2.1.2. Waiver of Stamp duty up to Rs. 5.00lakh for Agriculture advance

Proposal for amendment has been sent to Finance Dept. GOJ and Finance Deptt. have approved the proposed amendment. Proposal for amendment will be put before next Cabinet for final approval.

2.1.3. Amendments in PDR act

Draft of amendments is under process and will be circulated very soon

2.1.4. U.P. agriculture money recovery Act.

In Uttar Pradesh special act for recovery of Agriculture dues is in place, where no prior fee is required to pay for filing the certificate case. On recovery of dues, 10 % of recovered amount is realized as certificate filing charges. SLBC has provided the copy of Act to the Concerned Department of State Govt. with request to enforce the said act in the State of Jharkhand.

2.1.5. Amendment to the Bihar money Lenders act 1974 and Rules as prevalent in Jharkhand

In the meeting with revenue Dept. officials & SLBC convener Bank, held in the chamber of Revenue Minister on 30.01.2012, it was informed that Revenue Dept. will finalize the amendment to put before Cabinet for approval. Authorities from Revenue department asked about the number of registered money lenders in Jharkhand. However, Chairperson observed that whether registered or not as the money lenders are lending to public they should be brought under the ambit of Act.

2.1.6. Formation of State Co-operative Bank in Jharkhand State

Jharkhand is the only State where State Cooperative Bank is not functional and this is a long pending issue. A proposal for upgradation of 9 branches of 3 DCCB has been sent to NABARD by State cooperative deptt. NABARD has asked some information about the proposal and State Cooperative deptt. submitted that they will provide the required data to NABARD by the end of May'2012. CGM NABARD said that after getting the data they will examine it and submit it to central office of NABARD. The Chairman of SLBC took a serious note of the issue and advised all the concern to stick to their deadline otherwise there is no meaning of the discussion because non formation of cooperative bank in the State has a adverse effect on Agriculture lending.

2.1.7. Recovery of Bank dues

This issue is also pending with between Govt. and Banks. Sri N. N. Khanna, DGM Canara Bank said that Banks are contributing to the wage and other expanses of Dedicated Certificate Officer but the outcomes of the Dedicated certificate officer in terms of recovery of Bank dues is very negligible. The Secretary, IF & PI said that the Chief Secretary has just advised that the Secretary and sub committee will examine the shortcomings in functioning & recovery in certificate cases and final view will be taken in next SLBC meeting.

2.1.8. Security arrangement for safety & security of Banks Treasure in Jharkhand

In the last meeting of SLBC Sub-committee on State level security committee (SCSLSC) for Jharkhand held on 28.12.2011, in the office of the Principal Secretary (Home), the PS (Home) informed that 02 battalion of State Industrial Security Force for industries including Banks have already been raised and they are undergoing training and will be available to Banks within couple of months time.

2.1.9. Allotment of land to RSETIs

RSETIs have formed in all the 24 districts. Sri I. D. Tiwari, SPC Monitoring cell of RSETI has informed that land has not been allotted in 3 districts viz Garhwa, Jamtar and Palamu. In 5 districts land has been allotted but lease has not been done. Sri A. K. Rastogi, Special Secretary, Land & Revenue Deptt. informed that in Gumla and Sahabganj district bank are not coming forward for entering in a agreement. Out of 24 districts land has been allotted in 22 districts but agreement has been done in only 8 districts.

State Bank of India raised the issue of RUDSETIs and RSETIs in Ranchi districts. Ranchi district has been allotted to SBI for opening of RSETI, whereas Canara Bank is operating with RUDSETI as state level agency. Sri Debasish Gupta, Development Commissioner intervening into the matter said that in both RSETI of SBI and RUDSETI of Canara Bank will get land from State Govt, SBI will continue with RSETI and RSETI Ranchi is eligible for getting NIRD claim. Canara bank will write for the claim to NIRD. SBI will get a resolution from SLBC for claiming NIRD claim. This issue was also discussed and decided in 37th SLBC meeting held on 09th February'2012(Agenda 10.B.)

2.1.10. e-payment to the benefit under Central/State Govt. scheme w.e.f. 01st October'2011.

As per MOF, GOI guidelines the payment under various Central/State Govt. scheme has to be made through banks and the 'One District many Bank one leader Bank' approach of RBI

has to be implemented for the payment, but in the State this guidelines has yet to be followed. Sri H. N. Panda, GM (OIC), Ranchi, commenting on the issue submit that the EBT guidelines is applicable across the country and the department which wants to have EBT prepare the details of the scheme and place it before SLBC. The SLBC will approve thereafter the department will proceed to implement. There are 32 schemes which have to go through the EBT and the most important scheme is MGNREGA by Rural Development deptt. Rural development deptt. should prepare their plan for EBT for MGNREGA and place it before the SLBC and once SLBC approves it should be followed meticulously. He also informed that RBI has written to commissioner MGNREGA for following this procedure. Sri D.K.Das, OSD, Rural Development Department said they are ready to implement the leader Bank concept but only Biometric payment should be used. Intervening into the matter Sri D. Chakrabort, General Manager, Allahabad Bank observed that if a Bank branch is there and a beneficiary comes to take payment from that Bank, it is not necessary to have a Biometric payment. He also supplemented that Banks are making payment to illiterate customers since inception and as per the RBI guidelines biometric payment is not mandatory for all the payment. Smt Vandana Dadel Secretary, IF&PI, that implementation of EBT will be discised in a separate meeting with concern Govt. deptt, major Banks and SLBC convener Bank. Sri T.R.Chawla, ED Allahabad Bank & convener of SLBC Jharkhand observed that banks are following very strict KYC norms laid by RBI and identification of beneficiaries is established beyond doubt. Biometric is a new phenomena which may take some time, but meantime when bank is paying to some one, it is rest assure that money is going to the right person. As and when Biometric comes it will be implemented. Sri Bibhas Kumar Srivastav, General Manager, Allahabad Bank said that RBI intention behind the Leader Bank approach is not only for EBT payment but Banks which is making EBT payment that Bank has to meet the credit requirement of the people whom it is serving and this may be happen only if all the banks are involved in the EBT process.

2.1.11. Uploading of Service Area Plan on the respective district websites maintained by NIC

Uploading of Service Area plan is still pending in five districts viz Dhanbad, Ramgarh, West Singhbhum, Deoghar and Pakur. IF&PI deptt. will follow up with districts authority for uploading of data what is already provided to them in soft copy by LDMS. The data of Ramgarh and Deoghar will be uploaded in neighboring districts as both district don't have the NIC website.

2.2. Issues Pending with Banks

2.2.1. Branch expansion in Rural Areas

During FY 2011-12 total 135 Bank branches were opened, Rural 62, Semi Urban 45 and urban 28. As such against the target of 216 branches, 271 branches were opened till Mar'12.

2.2.2. Financial Inclusion Plan for the village having population above 2000

FIP target of extending Banking outlet to identified 1541 villages with population over 2000 by 31st Mar'12 has been fully achieved. Now as per DFS, MOF, GOI instruction next phase of financial inclusion to cover habitations which have crossed population of 2000 as per Census 2011. The data for same is yet not available with Census department of Jharkhand.

Revalidation of Previous Action Points

In consideration of the non-availability of updated land records in Jharkhand State, the then Principal Secretary, D.I.F, GOJ, in "The Standing Committee of SLBC" held on 04.02.2010, decided that for sanctioning of KCC up to Rs.50,000/-, a suitable alternative system be evolved. Accordingly in the Special SLBC meeting held on 20.02.2010, it was discussed in length and following action points had been evolved.

It was decided that KCC up to Rs. 50000/-may be sanctioned without insisting for Land Possession Certificate. A suitable affidavit along with any of the following records/certificate be obtained to identify the eligible farmers and the extent of their area of cultivation.

- i. Certificate by village revenue authorities i.e. Pradhan/ Maanaki-Mundas etc.
- ii. Certificate by Agriculture Department
- iii. Any list provided by Agriculture/Revenue or any other Govt. Department on the tenant farmers.
- iv. Certificate from active farmer clubs.
- v. Certificate from reputed NGOs to the satisfaction of Bank.
- vi. Certificate given by reputed corporate/firms with whom the farmer is undertaking cultivation under contact farming.
- vii. Certificate from two other/neighbors farmers of the village whose lands are located near the lands cultivation/proposed to be cultivated by the applicant.
- viii. Certificate from any other agencies to the satisfaction of the Bank.

The above relaxation will be application to the following categories of farmer:-

- i. All tenant farmers including Share croppers/ Oral Lessees cultivating lands on all type of tenancy and contractual methods.
- ii. Farmers cultivating lands under contractual arrangements with land owners, not by way of complete leasing.
- iii. Farmers cultivating land without proper land records.
- iv. Farmers with tiny land holding.
- v. Any other type of farmers who are cultivating lands and cannot be brought under our regular Agriculture Lending Schemes.
- vi. Not a defaulter to other Institutions.
- vii. Finance to be extended to only one person from a family.

Purpose of Loan

- i. Cultivation expenses 50% of the limit
- ii. Maintenance of animals, farm machinery.
- iii. Repair and replacements of animals/farm machinery.
- iv. Consumption expenses.

In view of the "Special incentive scheme" launched by State Govt for covering all left over eligible/non defaulter farmers by extending KCC within current Financial Year, the present SLBC revalidated the earlier decision of "KCC lending up to Rs 50,000/- without LPC" for a period up to 31st Mar'2013.

The member bank may take up the matter suitably with respective Head Office or corporate office for decision/approval within 30 days.

Agenda No. 3. – Key Indicators of All schedule Commercial Banks

3.1. Overall Position under Key business Parameters as on 31st March'2012

The Aggregate Deposit of the Banks in the State grew by Rs.**12590.68** crore on YOY basis, representing a YOY growth of **17.40%**. The gross credit grew by Rs. **10966.44** Crore on YOY basis. Thus credit expended by **33.07%** during the review period. Agriculture Credit stands as on 31st March, 2012, Rs.**5732.38**, which is **12.99%** of Gross Credit. The growth in outstanding Agriculture Credit during the FY2011-12 is Rs.**1613.67** crore, which is 39.17% on YOY.

Advance to Weaker Section by the Banks in Jharkhand is Rs.**7988.85** crore (**18.10%**), is well above the National bench mark of **10%**. Advances to women are on increasing trend from March, 2011 and reached to **6.39%**, which is above the National benchmark of **5%**. Advance to Minority community is **7.06%** of Priority Sector, which is very low.

Share of DRI advances is **0.82 %**, O/S DRI credit increased 100 %. It has been decided to allocate a target of **10** beneficiaries per rural branch and **20** per semi urban/rural branches for financing in FY 2012-13. SBI, BOI and Allahabad Bank, are the major contributors in DRI advances.

3.2. CD Ratio of the State as on 31st March'2012

In terms of guidelines of the Govt. of India and RBI that CD ratio of the banks should monitored at the SLBC level as per place of Utilization plus RIDF. Accordingly the CD ratio of the State of Jharkhand Stands as under:

Particulars	Rs. in crore	
	March,2011	March,2012
Deposit	72367.21	84957.89
Credit (As per place of utilization +RIDF)	35152.86	51042.22
C: D Ratio	48.58%	60.08%

In pursuance of the decision taken in the meeting of the RBI Governor and Chief Minister of Jharkhand with senior State Govt. Officials and Banks at Ranchi on 14.12.2010, it was decided in 32nd SLBC on 09.02.2011 to achieve **50.30%** C: D Ratio in the State by March'12. In compliance of the aforesaid decision, the C: D Ratio of the State as sanctioned by Bank branches in Jharkhand:

Particulars	Rs. in crore			
	MARCH'11		March,2012	
	Projection	Actual	Projection	Actual
Deposit	71161	72367.21	81093	84957.89
Credit	32543	33161.37	40793	44127.81
C:D Ratio	45.73	45.82	50.30	51.94

Accordingly Projected CD ratio of the state as per projection (**50.30%**) has been fully achieved.

Incremental Deposit and Credit from March'11to March'12

Incremental CD Ratio being an indicator of credit growth in comparison to deposit growth, the position during FY 2011-12 is as under:

Rs in crore

	Increase in deposit	Increase in Credit	Incremental C:D ratio
Rural	6195.77	2645.41	42.70%
Semi Urban	3886.97	2545.36	65.48%
Urban	2507.94	5775.68	230.29%
Total	12590.68	10966.45	87.10%

Incremental growth in Deposit as on 31st March'2011, was Rs. **12562.98** Crore and in credit it was Rs. **6236.42** crore, over March'2010 figure. Comparing it with incremental growth as on 31st March'2012, it is obvious that the deposit during 2011-12, increased by almost same amount but **credit grew by almost double** during the period. However, focused attention is required for improving CD Ratio in Rural and Semi Urban areas.

Agenda No. 4. Branch Expansion

Branch Expansion Plan as per para 5.3. of Strategy & Guidelines on FI by DFS, MOF, GOI

In terms of, Para 5.3. of Strategy & Guidelines on Financial Inclusion issued by DFS, MOF, GOI, a plan for opening of 82 new branches was proposed to open by the end of September'2012. To start with, banks may consider opening of Ultra Small Branch and based on business consideration it can be upgraded to Satellite branch to Brick & Mortar branch. The target date of opening of branches is September'2012 and all the controllers are advised to stick to the deadline for opening of branches.

Agenda No. 5. Review of Achievement under ACP 2011-12

5.1. Over all achievement under ACP at the end of Financial Year 2011-12 stands at **104.75%** of the yearly target. Achievement under Agriculture sector is **71.46%** of annual target, whereas achievement under MSE is **91.26%**. Districts like **E. Singhbhum, Sahibganj, Bokaro & Dhanbad** have perform very good and achieved **cent-percent target**. The Districts which have performed extremely poor are Jamtara & Khunti. The LDMs of poor performing districts needs special care and involvement since beginning to achieve sacrosanct target of FY12-13.

5.2. Proposed ACP for FY 2012-13

Based on the potential available in the district and proposed infrastructure to be developed by the State Govt. in FY2012-13, all LDMs are advised to prepare the ACP for FY 2012-13, following the regulatory guidelines. On examination of DCC approved ACP from all 24 districts, it is observed that the proposed growth is in commensurate with the potential as well as realistic yet challenging, the summary position is as under :

Parameters	ACP Achievement (2011-12)	Proposed Target for FY 2012-13	Increase in Amount	Percentage Increase
Agriculture	1717.26	2636.62	919.36	53.54%
MSE	3018.47	3815.53	797.06	26.41%
OPS	1364.60	3012.13	1647.53	120.73%
TPS	6100.33	9464.28	3363.95	55.14%
NPS	9612.12	9535.72	-76.40	
Total	15712.45	19000.00	3287.55	20.92%

Total fresh credit expansion, excluding renewal/enhancement has been made to the tune of Rs.15790.21 crore. In Agriculture sector the proposed growth over last FY is Rs.919.35 crore which is 53.54% growth over previous year's achievement. MSE sector growth is Rs.797.05 crore (26.41%) and in OPS growth is 3363.94 crore (120.73%) over the FY 2011-12 achievement. However, total plan outlay is fixed at 15790.21 crore but as Sri T.R. Chawla Hon'ble ED Allahabad Bank said in his key note address that the plan outlay should be fixed at Rs.19000 crore. Therefore, proposed ACP for FY 2012-13 is fixed at Rs.19000 crore and the difference should be increased in NPS.

5.2.1. KCC for FY 2012-13

During FY 2011-12 the Bank branches in Jharkhand issued 511393 KCC against the target of 450100.

As per the MoF, GoI instruction, all eligible non-defaulter farmers is to provide with KCC. In the Sub committee of SLBC on Agriculture and Allied activities, held on 01.02.2012 in the chamber of Secretary, Agriculture, GOJ, Convener Bank requested the Secretary to boost up KCC lending in the state. Subsequently, an incentive scheme has been prepared by Convener of SLBC, Jharkhand with major Banks and NABARD and approved by Secretary, Agriculture. The special incentive scheme, from application generation to extending credit, was inaugurated by Hon'ble Chief Minister of Jharkhand in the meeting on 09.04.2012. As per the scheme a target has been fixed for cover all non defaulter farmers by **15th June'2012**.

For successful implementation of incentive scheme all stakeholders are requested to co-operate with the line officers and ensure that:

- I. List of defaulter to be made available to Block Agriculture Officer.
- II. Draft letter of SLBC for KCC lending to be circulated to all branches under the administrative control of controlling heads of different Bank.
- III. Each Bank branch will maintain loan application cum disposal register to record the receipt and disposal of KCC application.
- IV. KYC norms will be complied in all fresh loan sanctioned by Bank branches.
- V. Each Bank will obtain approval of allowing KCC up to 50000 without LPC from their corporate office and circulate the branches for meticulous compliance.

Agenda No. 6. Review of Lending

6.1. Agriculture and Kisan Credit Card

Total Agriculture credit of all Banks in the state is Rs. **5732.38** crore which constitutes **12.99%** of the gross credit. Agriculture credit in the State is much lower than the National bench mark of **18%**. However, it is showing an increasing trend over the year. Achievement under ACP in Agriculture sector is 71.46%, in absolute term it is Rs.1717.26 core against the target of Rs.2403 crore. During FY 2011-12, the Banks in Jharkhand issued 511393 KCC against the target of 450100 KCC, achievement is **113.16%**. Nationalized banks have surpassed their annual target and achieved **117.02 %** of the Annual target of issuance of KCC for the financial year 2011-12. Pvt. Sector Banks achieved only **47.48 %** of the Annual target of issuance of KCC for the financial year 2011-12.Both the RRBs achieved **96.74 %** of the Annual target of issuance of KCC for the financial year 2011-12. **Co-operative banks have done excellent** and against the target of issuance of 2000 KCC, 8245 **KCC card issued**.

6.2. Finance to Micro & Small Enterprises (MSE) and medium Enterprises

Outstanding position of Micro Enterprises sector as on March'2012 is Rs.4653.87 crore, out of which Rs.1573.60 crore in Manufacturing Sector and Rs. 3080.27 crore in Service sector. In Small Enterprises outstanding is Rs. 7435.16 crore out of which Rs.4808.49 crore in manufacturing sector and Rs 2626.67 crore in Service sector. Thus total exposure under MSE is Rs.12089.03 crore as on 31.03.2012. Share of Micro credit to Micro Enterprises in total Credit to MSE sector is 38.49%, however this is behind 55% the target for March'2012. Credit flow to Medium sector enterprises in absolute term is Rs. 1884.16 crore. All the stakeholders to put more effort to reach the desired level of MSE target.

6.3. Education Loan

Education loan has picked up well in the State indicating higher potential for credit expansion as 9432 new Education Loan has been extended by the Banks in Jharkhand during FY 2011-12. Sri H. N. Panda, GM (OIC), RBI suggested that some target should be fixed in number. Sri T. R. Chawla, chairperson also observed that there should a number to monitor the progress. A target of **15000** new education Loans was fixed by the house for FY 2012-13. The bankwise target will be advised by SLBC convener Bank.

6.3. Housing Loan

During FY 2011-12 7054 new Housing loan has been extended, outstanding position of the Housing Loan is Rs. 3077.76 crore as on 31.03.2012.

6.5.1. Artisan Credit Card (ACC)

Against the target for issuance of 3000 ACC, up to 31st March'2012, 2561 ACC has been issued which constitute 85.37% of target..

6.5.2. Swarojgar Credit Card

3790 SCCs have been issued against the target of 5003 SCC, during FY2011-12 which constitutes 75.75% of target. Participation of VGB, Pvt. Sector Bank and some of Public Sector banks are very poor.

6.6. Credit Flow to special Category of Borrowers

6.6.1. Credit Flow to Minority Communities

The amount of credit flow to minority community has increased by Rs. 1783.75 crore at the end of FY 2011-13. The % share of Minority to priority sector credit has reached to 7.48% which needs substantial improvement to achieve the benchmark of 15% of Priority Sector Credit.

6.6.2. Credit Flow to Woman

At the end of FY 2011-12, credit to woman has increased over last FY 2010-11, by Rs.1054.70 crore, in percentage term from 5.33% to 6.39% , achieving the Benchmark of 5% lending to women is appreciable.

6.6.3. Credit Flow to DRI

During the FY 2011-12, DRI lending has increased from Rs.137.47 Crore to Rs. 270.92 crore, but still below the benchmark of 1%. Banks are required to accelerate DRI lending to achieve 1% of aggregate advance of the preceding year. Focused attention need to be given to urban & rural poor, and beneficiaries of Indira Awas Yojna should be assisted under DRI scheme. The house fixed the target of 10 and 20 new DRI to per Rural and semi urban branch during 2012-13.

6.6.4. Credit flow to SC/STs

The over all credit to SC/STs has decreased by 415.64 crore (from Rs.2891.5 cr to `Rs.3307.19cr) at the end of FY 2011-12. During the video conference on 24.04.2012, Secretary, DFS, Gol, insisted the SLBC that Jharkhand being highly populated with ST/SC, share of credit to ST/SC should be improved.

Agenda No.7. Review of Progress Under Govt. Sponsored Scheme for the Year 2011-12 as on 31st March'2012

7.1.Swarn Jayanti Gram Swarojgar Yojna(SGSY)

Bank branches have sanctioned 90.46% of sponsored applications and 94.32% of sanctioned proposals under SGSY disbursed by the Bank branches, which is quite satisfactory. Implementing bodies of the state Govt. should sponsor sufficient numbers of proposals under SGSY to meet 100% achievement of the target. The Principal Secretary, Rural Development deptt was requested to provide the target for FY 2012-13 to SLBC for circulation it to the branches operating in Jharkhand.

7.2. Prime Minister's Employment Generation programme (PMEGP)

Under PMEGP scheme out of 1970 application sponsored, 1927 applications are disbursed at different bank branches. As per KVIC State Director's report in PMEGP, physical target achieved at 90.10% and financial target achieved at 96.29%.

The house endorsed the advice of Smt. Vandana Dadel, Secretary, IF&PI that RSETI should be utilized for training of PMEGP beneficiaries. It was also resolved that the all sanctioned PMEGP application should be disbursed at the earliest.

The State Director, KVIC was requested to provide the District wise /Bank wise target for FY 2012-13 to SLBC for onward circulation to banks.

Agenda No. 8. FINANCIAL INCLUSION

8.1. Banking Coverage (outlet) to identified 1541 villages with population over 2000 by March 2012

In Jharkhand state 1541 such villages with population with above 2000 were identified and **all the identified 1541 villages have been provided with the banking outlet as on 31st March'2012.** As per GOI instruction now the FIP is to cover all villages over 2000 population as per census 2011.

8.1.2 Smart Card

Smart card issued by various Banks during the FY 2011-12 is 103009, and total no. of Smart Card issued in the State of since inception is 305373.

8.1.3. No Frill A/C

27,55,363 No Frill A/Cs were opened in Jharkhand during FY 2011-12 and the cumulative total no. of No Frill a/c opened up to 31st March'2012' is 70,97,283 A/c.

8.1.4 General Purpose credit Card

Total no. of GCC Card issued during the FY 2011-12 is 16,773 and the cumulative number is 38993.

8.1.5. Self Help Groups

Saving Bank A/C opened of SHG as on 31st March'2012, is 64354 and linkage established /financed is 58,564.

Agenda No. 9. Important Issues for Implementation as per MOF, GOI instruction

9.1.Green Initiative e- payment

As per the direction and guideline of MOF, GOI, in respect of all schemes of Gol and State Govt. which are being administered by the State Govt. **all payments should be made through Electronic Fund Transfer and no other mode of payments should exist except for those institution which are not under CBS platform. w.e.f 01.10.2011.**

The Principal Secretary, Rural Development, GoJ in the meeting held on 05.03.2012 desired a road map/flow chart for MGNREGA wage payment be prepared jointly by Allahabad Bank, SBI & Bank of India, which was provided to Rural Development Deptt.on 12.03.2012. In the meeting with MGNREGA Commissioner on 04.04.2012, SLBC submitted the clarification to all the observation made by MGNREGA commissioner pertaining to the Road map on the same day, specially regarding **"Biometric authentication is mandatory for MGNREGA wage payment to the laborers."** RBI Ranchi vide letter no RPCD.RAN.NO 750/11.01.028/2011-12 dated 16th April'2012 has made specific observations for implementation of EBT in the state of Jharkhand. However, Banks are ready to implement the EBT as per MOF, GOI instructions.

9.2. Extending Micro Insurance and Non Life Insurance through BC

In terms of DFS, MOF, GOI guideline for inclusive growth of the service area villages, Life/Non-life insurance policies should be given to villagers. Govt. Insurance companies should take initiative to cover the insurance of villagers, their crop, animals etc actively. It has to be

ensured that all BCAs are also appointed as specified persons of the Life & Non Life companies. The process of appointing BSAs as specified person and training of BCs be completed by 15.05.2012. In terms of Govt. of India direction, BC will act as an agent of Life and Non life insurance product and the progress so far is not encouraging. The representative of Life and Non Life Insurance companies were requested open a nodal office at Jharkhand and it was decided that State Govt. will also take up with the respective organization.

9.3. Visit of Branch officer to FI villages and establishment of USB

In order to patronize the B.C as also to undertake various banking activities (other than cash transaction) such as mobilization of CASA deposit, loan proposals, recovery, micro pension, insurance etc, it was decided in 37th SLBC meeting that **Branch Manager/officer must visit FIP village at least once in a week on Thursday**. Now MOF, Gol has desired that BC concept should be upgraded to **Ultra Small Branch** to satellite branch to Brick & Mortar Branch as per business consideration. Accordingly, regarding visit by Branch Manager/officer to FI villages should be put in place.

9.4. Uploading of service Area Plan on the District website maintained by NIC

This issue was discussed under Agenda No. 2.1.11.

9.5. Uploading of information in GIS data developed by NIC

Each bank is required to enter the data in respect of the district (s) for which it is the lead bank. They are required to identify the geographical location and enter the Number of bank branches, ATMs, Business correspondents(BC), Clearing Houses (CH) and Clearing Chest (CC) in that location. Data of urban as well rural locations is required to be entered. LDMs to ensure uploading of GIS data and subsequent updation as may be required time to time. As per the latest information GIS has not been uploaded in Deoghar, Pakur, Palamu, Garhwa, Ramgarh & Saraikela district. Controllers of respective lead Banks to ensure compliance.

9.6. Credit Availability

In terms of the Secretary, DFS, MOF, GOI, NABARD and Banks should focus on credit growth in rural areas, particularly in LWE districts, by financing SHG and JLG. Each family of the FI village in LWE districts should have linkage with Bank through SHG. NABARD should be proactive in formation of SHGs. Dr. Sarvanavel, CGM, NABARD informed that NABARD are working on identification of Anchor, NGO, and list is available with NABARD district wise.

9.7. Livelihood Development

NABARD should ensure integration of schemes for rural development so that the complete income cycle is taken care of. Area Development programme is required to be monitored jointly by Ministry of Rural Development and Department of Land Resources. As advised by the Secretary, DFS, MOF, GOI, NABARD will have to choose one key intervention for each district and get it fully implemented.

Agenda No. 10. RSETIs

This agenda has been discussed earlier in Agenda no.2.1.9. However, Sri Bibhas Kumar Srivastav, GM, Allahabad Bank suggested that the progress of RSETIs should be reported in NIRD format, which is circulated to all concern in the house.

Agenda No 11. Review NPA/Recovery

Gross NPA of the state is **ALARMINGLY HIGH** at Rs.1954.69 crore which constitutes 4.43% of Gross Credit. Recovery under PSC as on 31st March'2012 is 54.64% of Total Demand of Rs. 3760.15 crore. Recovery under Govt. Sponsored Schemes is 39.86% as on 31st March'2012. 101302 Certificate cases involving an amount of 269.42 crore is pending for disposal. Total No. of DRT cases pending for disposal is 2723 constituting 273.03 crore.

Agenda No. 13. Miscellaneous

13. A. Scheme for Revival of Handloom Weavers by Waiver of Working Capital & Term Loan of Individual, SHG, JLG and Master Weavers

The Ministry of Textiles, Govt. of India conveyed the details of guidelines to Secretary/ Commissioner/Director-in Charge of Handloom of all States, NABARD, CGTMSE and CEOs of all scheduled Commercial Banks. Therefore, from next meeting there should be an assessment of waiver position. Each bank are advised to find out the claim as per the scheme and place the same before NABARD as per discussion taken place in 4th NIMRC meeting held on 18.04.2012 at New Delhi.

13. B. Scheme for Promotion and support of Women SHGs in Backward District of India

The Scheme envisages identification of an anchor NGO in each of the select backward district of the country, which will work as promoting and nurturing agency for SHGs as also facilitator bank linkage and recovery of loans from SHGs for due consideration. This approach is expected to facilitate sustained financial inclusion through bank loan, promote livelihood development of women and deliver social development programmes for women through SHGs. In the aforesaid scheme, Hazaribagh District has been selected for covering under this scheme.

Commenting on the agenda Smt. Vandan Dadel, Secretary, IF&PI mentioned that under HARSH SHG scheme, 3000 women SHG have to open Bank A/C and in Sahebganj district problems are coming in the way of account opening of SHG. Dr. Saravanavel, CGM, NABARD informed that under HARSH it was decided to open 100000 SHG and this scheme was inaugurated by Hon'ble Chief Minister of Jharkhand. But as per the latest guidelines of GOI, in 18 LWE districts of Jharkhand is cover under woman development SHG and in terms of the scheme in coming 2-3 years one member of all eligible family of these district must be a member of SHG.

13.C. Overlapping of FIP villages with Service Area allocation-

In view of the difficulties surfaced in regard to FIP implementation in a single Panchayat by single Bank owing to existing arrangements of more than one Bank in one Panchayat, it was decided that such overlapping will be identified in details for further discussion/decision.

13 D- Common Business correspondent for village having population more than 2000 & Issue of common RFP

Sri Tarlochan Singh, DGM, BOI informed the house issue of common RFP is under process.

13 E- Matter related to DRT, Ranchi

MoF, Gol vide letter no 26/7/2011-DRT dated 27.04.2012 advised the convenor of SLBC to locate/find out the suitable space for shifting of office of DRT Ranchi. Concerned Department of State Govt. requested to provide the suitable space for DRT, Ranchi.

The latest position of cases filed with DRT where SARFESI act is also filed for recovery of dues as submitted by some major banks is given below

Name of Bank	Cases filed in DRT for stay in SARFESI act	Stay granted by DRT against SSARFESI act
Allahabad Bank	No-25 Amt 34.43 crore	No.25 Amt-34.43 crore
Bank of India	No.-05 Amt-6.43 crore	No. -05 Amt 6.43 crore
State Bank of India	No.-19 Amt-9.87 crore	No.-19 Amt. 9.87 crore
Union Bank of India	No.-08 Amt-3.65 crore	No.08 Amt-3.65 crore
United Bank	No.-07 Amt-1.51 crore	No.-07 Amt- 1.51 crore
Central Bank	No. 8 Amt- 6.79 crore	No.08 Amt 6.79 crore

All controllers observed that DRT is granting invariable stay in all SARFESI cases which comes before it. In view of importance attached to recovery through invocation of SARFESI, it was decided by the house to bring the matter to the knowledge of MOF, GOI.

The 38th SLBC meeting ended with the vote of thanks by Sri Tarlochan Singh, DGM, Bank of India. The next quarterly meeting of SLBC for Jharkhand will be held on 09th August' 2012.

**List of Participants in the 38th SLBC Meeting of Jharkhand State
held on 09th May'2012**

Annexure I

Sl. No	Name	Designation	Institution/Organisation
1	Sri T.R.Chawla	Executive Director	Allahabad Bank
2	Sri S.K. Choudhary	Chief Secretary	Govt. of Jharkhand
3	Sri Debasish Gupta	Development Commissioner	Govt. of Jharkhand
4	Sri H.N.Panda	General Manager(OIC)	RBI, Ranchi
5	Smt. Vandana Dadel	Secretary, IF&PI	Govt. of Jharkhand
6	Sri Bibhas Kumar Srivastav	General Manager	Allahabad Bank
7	Sri D. Chakraborty	General Manager	Allahabad Bank
8	Dr. S. Sarvanavel	Chief General Manager	NABARD, Ranchi
9	Sri R. K. Malick	IG(Operations), JP	Govt. of Jharkhand
10	Sri Pravin Toppo	TWC, Welfare deptt.	Govt. of Jharkhand
11	Sri M. Lakra	Director, MSME D1	Govt. of Jharkhand
12	Sri U. S. Dwivedi	Dy. General Manager, Ranchi	Allahabad Bank
13	Sri Vivek Gupta	Dy. General Manager, Deoghar	Allahabad Bank
14	Sri Tarlochan Singh	Dy. General Manager	Bank of India
15	Sri K.K.Tiwari	Dy. General Manager	Union Bank of India
16	Sri S. R. Das	Dy. General Manager	Central Bank of India
17	Sri U. K. Roy	Dy. General Manager	United Bank of India
18	Sri N. N. Khanna	Dy. General Manager	Canara Bank
19	Sri J. M. Khan	Dy. General Manager	Syndicate Bank
20	Sri S. Vaidhinathan	Chairman	Jharkhand Gramin Bank
21	Sri B.K. Mishra	Chairman	VananchalGramin Bank
22	Sri A. K. Rastogi	Spl. Director, Land Revenue	Govt. of Jharkhand
23	Sri N. Bhuinya	Jt. Secretary, Urban Development	Govt. of Jharkhand
24	Sri S. Barla	Dy. Director, Industry Deptt.	Govt. of Jharkhand
25	Sri P. Upadhyay	Sp. Secretary, Rural Development	Govt. of Jharkhand
26	Sri Ashok Kumar Sinha	Dy. Director, Agriculture	Govt. of Jharkhand
27	Sri D.K.Das	OSD, Rural Development	Govt. of Jharkhand
28	Sri P.M. Kathuria	State Director, KVIC	Govt. of Jharkhand
29	Sri Seva Lal	Dy. Director,	Govt. of Jharkhand
30	Sri Nandu Ram	Development Officer, KVIC	Govt. of Jharkhand
31	Sri F.R. Bukhari	OSD, IF&PI	Govt. of Jharkhand
32	Sri K. k. Sinha	OSD, IF&PI	Govt. of Jharkhand
33	Sri Dilip Gomango	Asstt. General Manager	SIDBI, Ranchi
34	Sri S.K.Singh	Asstt. General Manager	Allahabad Bank
35	Sri S.K.Agarwal	Asstt. General Manager	Allahabad Bank
36	Sri P.K.Satapathy	Chief Manager,Main Branch	Allahabad Bank
37	Sri Apoorva Kumar	Dy. Regional Manager	Bank of Baroda
38	Sri P. K. Dutta	Dy. General Manager	NABARD
39	Kumkum Verma	Manager	RBI, Ranchi
40	Sri Devendra Singh	MD	Ranchi khuti C Cooperative Bank
41	Sri A. K. Srivastava	Dy. Zonal Manager	UCO Bank

Sl. No	Name	Designation	Institution/Organisation
42	Sri R. N. Mishra	Dy. General Manager	IDBI Bank
43	Sri S K Saha	General Manager	Jharkhand Gramin Bank
44	Sri G. M. Murmu	Chief Manager	Bank of India
45	Sri R. N. Roy	Asstt. General Manage, SME	State Bank of India
46	Sri A. K. Sinha	Asstt. General Manager, Govt. Business	State Bank of India
47	Sri A. G. Prasad	Chief Manager	State Bank of India
48	Sri S.C.Nath	Chief Manager	Indian Overseas Bank
49			
50	Sri K. S. Kar	Chief Manager	Punjab National Bank
51	Sri J. Kumar	Dy. Manager	LIC
52	Sri A. K. Pathak	CM	NICL
53	Sri Sanoj Kumar	Marketing Manager	LIC of India
54	Sri S.K.Singh	Sr. Manager	Punjab National Bank
55	Sri N Bhatta	Manager	Federal Bank
56	Sri Praveen Pranay	Chief Manager	Dena Bank
57	Sri Anupam Das	Regional Manager	Agriculture Insurance Co.
58	Sri J. P. Roy	Chief Manager	United Bank of India
59	Sri Suranshu	Cluster Head	HDFC Bank
60	Sri Laljee Prasad	Manager	RKCC Bank Ltd.
61	Sri Vijay Kumar	Sr. Manager	National housing Bank
62	Sri N. K. Choudhary	Sr. Manager	Oriental Bank of Commerce
63	Sri B. K. Rath	Br. Manager	Bank of Maharashtra
64	Sri S Roy Choudhary	Asstt. Manager	Corporation Bank
65	Sri A. S . Ekka	Manager	Punjab & Sindh Bank
66	Sri S. S. Jha	Chief Manager	ICICI Bank
67	Sri Sandeep Singh	A. M.	South Indian Bank
68	Sri A. K. Boipai	Sr. Manager	Canara Bank
69	Sri D. D. Mishra	General Manager & OSD	Jharkhand State Cooperative Bank
70	Sri R. N. Sinha	Sr. Manager	Jharkhand Gramin Bank
71	Sri K.P.Singh	Chief Manager	Allahabad Bank
72	Sri Sanjay Kumar	Sr. Manager	Indian Bank
73	Sri Bhaskar Jha	Manager	Axix Bank
74	Sri Birendra Kumar	Officer	Karur Vshya Bank
75	Sri Manoj Kumar Bhatt	Sr. Manager	Andhra Bank
76	Sri S. K. Arya	Br. Manager	SBBJ
77	Sri Raghvendra Sharan	Br. Manager	State Bank of Patiala
78	Sri I. D. Tiwari	SPC monitoring Cell	RSETI
79	Sri S.K. Bishwas	BM	Vijaya Bank