

Minutes of 41st meeting of SLBC Jharkhand held on 09th Novemebr'2012
At Hotel capitol Hill, Ranchi

The 41st meeting of SLBC was held on 09th November'2012, at Hotel Capitol Hill, Ranchi, chaired by Smt. Shubhalakshmi Panse, Chairman and Managing Director of Allahabad Bank and was co-chaired by Sri S. K. Chaudhary, Chief Secretary, Govt. of Jharkhand. Hon'ble Chief Minister of Jharkhand, Sri Arjun Munda was the Chief Guest in the meeting.

The meeting was attended by senior functionaries of Govt. of Jharkhand, Commercial Banks, Financial Institutions and other related agencies. (List annexed as Annexure-I).

Sri R. N. Mohanty, General Manager, Allahabad Bank, Ranchi, welcomed the dignitaries and participants in the 41st SLBC meeting. In his address Sri Mohanty said that various directions/communication have been received from Ministry of Finance and Reserve Bank of India regarding enhancement of pace of Agriculture lending, Financial Inclusion and e-payments of all funds under State & Central Govt. Schemes and progress on which was also reviewed by Secretary (FS)/Dy. Governor, RBI with the convener bank of SLBCs at video conference on various dates. He appreciated the member bankers for their co-operation in conducting 04 regular quarterly meetings during the current calendar year, of SLBC Jharkhand, strictly within 45 days of close of each quarter, as per guidelines of RBI. He solicited continued co-operation, support and involvement in the smooth conduct of the meeting as also for meaningful and far reaching deliberations.

Smt. Shubhalakshmi Panse, Chairman and Managing Director Allahabad Bank and Chairperson of SLBC welcomed Sri Arjun Munda, Hon'ble Chief Minister of Jharkhand and other senior Govt. and Bank officials.

In her key note address, Smt. Panse touched upon some of the macro economic developments which have taken place. The Global growth prospects both in advanced economies and in emerging & developing economies have weakened. In October 2012, the international Monetary Fund lowered its growth projections for both of these groups. The median projection for 2012-13 in Reserve Bank's survey of professional Forecasters has been lowered to 5.7 percent from 6.5 percent for growth, while that for average WPI inflation is revised upwards to 7.7 per cent from 7.3 per cent. The ratio of gross and net non-performing assets of the public sector banks has increased further deteriorating assets quality which may affect their credit expansion.

Further, Smt. Panse stressed upon various communications, which have been received from Department of Financial Services, Ministry of Finance, Government of India, (1) Regarding coverage of villages under Financial inclusion plan to population group of 1600-2000 under "Swabhimaan", (2) Opening of one account of each family and mapping to facilitate green initiative, e-payments and direct transfer of cash Subsidy for Kerosene(DTCK), (3) Financial inclusion drive to open accounts of migrant labour and street vendors/ hawkers in urban areas, (4) Opening of Ultra Small branches, (5) Computerization of land revenue records and linking to banking system which needs urgent attention. All such activities are to be undertaken in a time bound manner which warrants active participation of all stakeholders so that, implementation of all instructions in letter and spirit can be done within a given timeframe.

In Jharkhand majority of population have very strong dependence on agriculture and Kisan credit card is a very strong means of extending timely credit to the farmers. The

Govt. of India and also Jharkhand Government has rightly envisaged that all eligible farmers are to be issued Kisan Credit cards. She also shared the concern in this regard and requested all fellow Bankers to make all out efforts for accelerating the pace of issuance of KCCs, so that all the remaining eligible farmers may be extended KCC within this financial year.

Smt. Panse in her key note address highlighted the overall performance as well as challenges ahead of banking sector in the State –

- CD Ratio of the state has increased from **56.62 %** as on **September'11** to **57.96 %** as on September' **2012** on year on year basis. Deposit grew by 12.46 % and Credit grew by 17.95 %. Priority sector Advance has increased to Rs. **28713.17** crore as on September'2012 from Rs. **19164.97** crore as of September'2011 registering a growth of **49.82 %** on YoY basis. Share of priority sector credit stands at **61.91 %** of Gross credit which is well above the National benchmark of **40%**. Agriculture credit in the state also increased to Rs **6045.15** crores as on September'2012 from Rs. **4128.66** crore as of September'2011, registering a growth of **46.42 %** on YoY basis. There is impressive growth in MSE Sector; advance under this sector grew from Rs. **8547.25** crore as of September'11 to Rs. **15861.79** crore as on September'12 registering a YoY growth of around **85.58%**. MSE share to total advances stands at 34.20 % as on September' 12 against 21.74 % as on September' 11.
- Disbursement under annual credit plan is Rs. **8003.50** crore as on **September'12** against the annual target of Rs.19000.00 crore which is **42.12 %** of Annual target. Keeping in view of some state specific developments and potential available, the growth in ACP has been projected at a level of Rs 19000 crores, which is subjected to creation of enabling environment by State Govt specifically amendment in CNT Act, Rural electrification, Minor irrigation measures, Storage facilities and Marketing of Agricultural produce etc. Smt. Panse appealed the Bankers to achieve 100% of ACP target.
- As per GOI instruction all villages with population between 1600 to 2000 has been targeted to be provided with a banking outlet by Mar'13. 875 such villages have been identified and allocated to various Banks, in the State of Jharkhand. FINO (Technology service provider) has been selected as common vendor for the state of Jharkhand and 13 out of 20 banks have signed the MOU with FINO in this regard. As per RBI instruction Road map for villages below 2000 population is to be prepared by each LDM and to be placed before DCC for approval. She advised that FIP outlets especially Business Correspondents should not merely act as payment disbursing agents but need to play a vital role in regard to life and non-life insurance coverage, micro credit, micro pension, CASA mobilization and recovery of Bank Debts.
- Recovery position under priority sector & Govt. sponsored programme stands at **53.51% & 37.42%** respectively as on September'12. Smt. Panse described decreasing recovery trend and increasing NPA as the main cause of concern for the banking fraternity and requested State Govt. to extend support of recovery in certificate filed cases to improve the recovery position.
- Coming on the RSETI position she described the position as satisfactory and advised to take immediate steps to start construction of own building by the respective RSETIs as 16 out of 24 RSETIs have received NIRD claim to the tune of Rs 50 lacs per RSETIs.

- Smt. Panse also informed the house that Allahabad Bank will impart pre-examination training for **06** days free of cost to all the SC/ST, Minority Communities, Visually impaired and physically challenged candidates who will be applying for Clerical or Officer post in any of the Nationalized Bank. The same facility will also be available to General Candidates belonging to **18** LWE districts of State.

At the end of her deliberation, Smt. Panse extended thanks to the state Government and various development agencies for excellent support & Co-operation rendered to banking sector in all the spheres of banking activities. She hoped the same level of mutual co-operation and synergic action amongst the Bankers and various Govt. departments in future.

Hon'ble Chief Minister of Jharkhand Sri Arjun Munda in his brief deliberation, touched upon almost all the issues related with banking sector. He noted that the role of banking sector in the development of the state is very vital and for banking sector Jharkhand is a state full of prospects because of it's rich mineral resources. He added that while we are looking towards banking sector for the developmental issues, at the same time we are also concerned about the revolving of funds. He appreciated Banks for their support towards Industrial growth. He mentioned that there are some problems in extension of Education loan to the students and he called upon the Bankers to resolve these so that the Human resource development can take a boost in the state.

Reviewing the progress of Self Help Group (SHG) Sri Munda shared that the SHGs should be activated and the trade selection for the SHGs should be demand based. Further, he emphasized that the SHGs should adopt product management in tune with the marketing potential and more chain should be built and more sectors to be selected and emphasized. Banks have to play a very important role in this process.

Sri Munda also emphasized the need of providing infrastructure by the Govt. in the rural areas such as road for the inclusive growth of rural areas because if the road is not reached up to villages, how Banks can operate there.

Sri S. K. Choudhary, Chief Secretary, Govt. of Jharkhand in his address to the house appreciated the Banking sector in Jharkhand for the perceptible improvement in many sectors as well as for slight improvement in stagnant sector. Branch expansion is going on and the credit size has also expanded. However, the adverse growth in NPA is posing tremendous challenge for the Banking sector.

Although, banking sector is facing hard time, the growth rate in credit and sub sectors should not slow down. At the same time Sri Choudhary called upon for creation of enabling environment so that NPA should not be too high for too long.

Commenting on the usual issues, Sri Choudhary said that Banks and Govt. are striving for improvement. He also discussed the CD Ratio and share of Agriculture advance in total advance. Private sector banks are making huge profit but there performance in rural sector is very dismal, despite of the target allocated to Pvt. Sectors Banks is very minimal. He also called upon the banking sectors to nurture and deploy the dedicated persons with right mind set in rural areas, who can understand and work with sensitivity.

Sri H.N. Panda, General Manager (OIC), Reserve Bank of India, Ranchi in his opening remarks apprised the house about the "Financial Inclusion-Common RFP for appointment of single Business Correspondent" guideline issued by the Reserve Bank of

India. He informed the house that Reserve Bank of India has taken note of the concerns raised by banks regarding floating of a Common RFP for appointment of a single BC (Business Correspondent)/ TSP (Technical Service Provider) for operating in a particular Region/ State on behalf of all banks. He informed that RBI has taken up the matter with the Department of Financial Services, Ministry of Finance and requested them to review their directives and resolve the issues at the earliest. He further informed that RBI has considered view that bank should make necessary provision so that they are able to retain the services of performing BCs currently appointed by the banks. Banks should also ensure continuity of business through existing BCs in the transition period. It is also desirable that banks should include clauses in the new agreement for protecting the interest and business in case of non-performance by the selected BCs/ TSP.

Sri Panda emphasized the need for creation of adequate awareness among customers about failed ATM transactions for further betterment of customer service. Banks need to publicize in their service outlets information on whom/ where to complain about such transactions. They should also publicize in their service outlets that failed ATM transactions are covered under Banking Ombudsman Scheme. He requested SLBC to make 'failed ATM transactions' an agenda item for its future meetings in order to ensure consistent monitoring.

Sri Panda expressed concern on poor performance of certain banks in achieving the Annual Credit Plan (ACP) targets assigned to them for the current financial year 2012-13. He requested SLBC to write letters to the Controlling Heads of all such banks to act proactively in this regard.

Dr. S. Saravana Vel, Chief General Manager, NABARD in his address to the house discussed the CD Ratio of the state which is showing a slow decline from March'2012. There is improvement in share of agriculture advance in total advance. He expressed the need of improvement of CD Ratio of the 03 districts, still hovering below 30%. He described DRI advance as the need of the poorest among the poor and called up on the Bankers to lend more in this segment. He said that out of 24 districts in Jharkhand Women Self Help Group scheme is being implemented in 18 LWE districts. Entire eligible families in 18 districts have to be covered under women SHG scheme and 18000 women SHG have to be financed in the current FY.16 Anchor NGOs are operational and NABARD has released Rs.1.80 crore to the NGO as advance money. He requested the Banks to give importance to women Self Help Group and sought support from the Bankers for financing under JLG and other scheme because Financial Inclusion is the priority of Govt. of India and Women SHG is also a part of the FI plan.

Sri Sarvana Vel observed that the position of KCC improved in Jharkhand due to the joint effort of Govt. of Jharkhand, Bankers and other agencies as not only the number have improved but also the amount outstanding under KCC have improved. There is a vast improvement in amount per KCC which is Rs. 40654 per KCC as on 30th September'2012, against Rs. 13465 as on 31st March'2011. He pointed out to focus on term loan advances to create permanent assets like Well, Pumpset, land development which will finally improve the scale of finance.

Thereafter, agenda wise discussion started by the Sri Bibhash Kumar Srivastav, General Manager, Allahabad Bank Head Office:-

Agenda No. 1 Confirmation of the minutes of 39th SLBC meeting held on 09th August, 2012 and 40th (special) SLBC Meeting on drought held on 05th October'2012.

Minutes of 39th SLBC meeting of Jharkhand State held on 09th August'2012, circularized to all concerned vide letter no. SLBC/AB/02/341 date 21.08.2012 and the minutes of the 40th (special) SLBC meeting of Jharkhand State on relief measures for Early season drought in Jharkhand held on 05th October'2012, circularized to all concerned vide letter no SLBC/AB/02/217 dated 10.10.2012, confirmed by the house without any amendment.

Agenda No. 2 Action taken report on the decision taken in previous SLBC meetings

2.1. 39th SLBC meeting

2.1.1. Updating of land records and Amendment in tenancy Act (S.P.T Act & C.N.T. Act)

Updation of land records completed in Lohardaga and East Singhbhum district and updation is going on in 10 districts viz Khunti, Sahibganj, Chatra, Gumla, Latehar, Jamtara, Garhwa, West Singhbhum, Ranchi and Dumka. In next phase the work will start in Palamu, Giridih, Godda & Simdega districts.

Issue of amendments in C.N.T. Act and S.P.T. Act has been referred to Tribal Advisory Committee for consideration.

2.1.2. Amendment in PDR Act-

Draft of amendments in PDR Act is under consideration of Govt. of Jharkhand.

2.1.3. UP Agriculture Money recovery Act –

In Uttar Pradesh special Act for recovery of Agriculture dues is in place, where no processing fee is required to pay for filing the case. 10% Recovery Charges are realized by Govt. officials and deposited in Govt. A/C, rest 90% depositing in loan account.

The Revenue and Land Reform Deptt. is analyzing the proposal in the context of CNT and SPT Act. The matter is also referred to Tribal Advisory Committee for consideration.

2.1.4. Amendment to the Bihar Money Lenders Act 1974 and Rules” as prevalent in Jharkhand.

In steering Committee meeting held on 05.11.2012, it was advised that SLBC/ RBI will provide the draft of amendment of other States for consideration by GOJ.

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

The transfers of Assets and Liabilities of 05 branches of Bihar State Cooperative Bank to Jharkhand State Cooperative Bank have been completed and JSCB is now operational.

Sri A. K. Singh Secretary Agriculture informed that the State Cooperative Bank has been registered under Society Act and it has applied for license which is yet to be issued and financing activities will start after getting license.

Reacting to the discussion Sri H. N. Panda, GM (OIC), RBI Ranchi submitted that JSCB is empowered under the law to carry out the usual Banking business. Licensing may be required for fulfillment of certain parameters but it does not restrict JSCB from banking business. So there is no need to wait for license for banking business.

2.1.6. Recovery of Bank's dues

“Dedicated Certificate Officer” in some of the districts was started but could not work properly due to various reasons. Revenue & Land Reforms Department has since examined the proposal and is taking action for bringing amendments in the Act for employing retired Govt. officials as dedicated certificate officer.

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

Sri S. Pradhan, I. G. Operations, Govt. of Jharkhand apprised that 01 battalion of State Industrial Security Force has been raised which is undergoing training in Bokaro and will be available for deployment in 06 months.

2.1.8. Allotment of land to R-SETIs

Land allotted – 22, Land Transferred- 17, Land not allotted – 2. Garhwa and Latehar. Smt. Vandan dadel, secretary, IF & PI advised that 14 districts have been identified where land has been transferred and fund has been released so the construction of the buildings should start in these districts.

2.1.9. e-payment to the benefit under central/State Govt. Scheme w.e.f.01st October, 2011

At present e-payment started by Welfare Deptt(Scholarship to SC/St and OBC & Minority students), Labour employment and training Deptt(Diff. pension schemes like old age pension, Widow Pension etc under Social security), HRD Deptt(Merit scholarship, Mid day meal etc) , and Social Welfare Deptt(Payment to Aganbari Sewika). SLBC Jharkhand requested GoJ for cent percent implementation of EBT of all social securities through Banks.

Sri H. N. Panda, General Manager (OIC), RBI Ranchi informed the house that if the system adopted by the State Government is working fine, then it may be continued. However, if the State Government faces difficulties in implementing its schemes, they may refer the operational details of each scheme to the SLBC, which in turn will assist the Government by way of addressing the operational issues involved, in line with the RBI guidelines.

Issues Pertaining To Banks

2.1.10. Establishment of USB as per Master circular of DFS, MOF, GOI

A target was set for opening of **82 USBs** in identified villages over 5000 population by the end of September'2012. Total **70** USBs have been opened till Sep'2012; rest of the USBs will be opened by December'2012.

2.1.11. Extension of Swabhimaan

In terms of GOI instructions of villages having population between 1600 to 2000 as per census 2001 has to be covered under 'Swabhimaan 'scheme by March' 2013. **875** such villages have been identified and allocated by SLBC to Banks. Total **55** villages have been covered till Septemebr'2012. FINO has been appointed as common service Provider for appointment of BCs. 13 out of 20 Banks signed the MOU. FINO is yet to start operation in Jharkhand.

2.1.12. Uploading of service Area Plan

The 01st phase service area plan is uploaded on SLBC as well as district NIC web site. Preparation of Revised service area plan is under way.

2.2. Action taken report of 40th SLBC meeting

2.2.1. Meeting of District Consultative Committee

Meeting has been convened in 8 districts. 1. Dumka, 2. Godda, 3.Deoghar, 4. Khunti, 5. Ranchi, 6. E. Singhbhum 7. West Singhbhum and 8. Chatra.

2.2.2. Identification of the beneficiaries

Concerned Govt. Deptt. will have to prepare the list of drought affected people and will submit the concerned branches for financial assistance. No such list has been provided to the Banks.

2.2.3. Identification of Loss

'District Collector's certificate' that crop yield is below the normal yield, supported by the view of DCC to be submitted by 31.10.2012, which is yet to be provided.

2.2.4. Interest Charged in Agriculture credit

IF & PI, Govt. of Jharkhand vide letter no 39/2012/926 dated 05.11.2012 informed that Govt. of Jharkhand has decided to extend interest relief in Crop loan for the disbursement during the current FY 2012-13, over and above interest subvention provided by GOI. Banks are advised to provide District wise / Bank wise data to SLBC for onward submission to IF& PI for interest relief.

Agenda No. 3. Key Indicators of All Schedule Commercial Banks as on 30.09.2012

Deposit growth: The Aggregate Deposit of the Banks in the State of Jharkhand grew by Rs.10034.60 crore on YoY basis in absolute term, representing a YoY growth of **12.46%**. Deposit grew by **Rs.5617.73** crore from March'2012.

Credit Growth: The gross credit of the Banks in the State grew by Rs. **7057.93** Crore on YoY basis. Thus credit expended by **17.95%** during the review period which is quite satisfactory. Credit grew by Rs. **2249.87** crore during the first half year of FY 2012-13.

CD Ratio: CD ratio of the Banks increased from **56.62%** to **57.96 %** on YoY basis in the State, which reflecting a very good Banking development. It is also worth noted that deposit grew by **12.46%** and credit grew by **17.95%** on YoY basis.

Priority Sector Advance: Priority Sector Advance registered a growth of Rs. **9548.20** Crore representing growth of **49.82 %** on YoY basis. Priority Sector being **61.91%** of gross credit is well above the National benchmark for Banks of **40%**.

Agriculture Credit: Agriculture Credit stands as on 30th September' 2012, at Rs.**6045.15**, which is **13.03%** of Gross Credit. In absolute term Agriculture credit grew by **Rs. 1916.49** crore on YoY basis, representing a growth of **46.42%**. The growth in outstanding Agriculture Credit during the first half year of FY 2012-13 is Rs.**312.77** crore.

Weaker Section: Advance to Weaker Section by the Banks in Jharkhand is Rs.**9455.23** crore (**20.39%**), is well above the National bench mark of **10%**.

Advance to Women: Advances to women as on Sep'2012 is Rs. **3962.33** crore showing an increasing trend from September'2011, and reached to **8.54%**, which is above the National benchmark of **5%**.

Advance to Minority Community: Advance to Minority community is **7.43%** of Priority Sector, which requires the attention of all the stakeholders.

Share of DRI advance: Share of DRI advances as on Sep'12 in Gross Credit stood at Rs.57.29 Crores, which is only **0.12 %** of Gross Credit of previous financial year.

3.2. CD Ratio of the State as On 30th September' 2012.

CD Ratio of all the Banks in Jharkhand stands on 57.96 % (as per place of utilization and RIDF) as on 30th Septemebr'2012. In rural areas CD ratio has increased from 36.20% to 39.63% on YoY. In Semi Urban areas CD ratio has decreased from 37.54% to 35.22% as on September'2012. In urban areas CD ratio has increased from 62.04% as of September'2011 to 67.50% as on September'2012. However, CD Ratio as per place of utilization and RIDF CD Ratio is 57.96% but state should achieve 60% CD Ratio as per place of sanction. **Gumla, Simdega and West Singhbhum** districts are still having CD Ratio below **30%**. Banks having CD Ratio below 30% should start appropriate measures to improve it.

Agenda No. 4 : Review of achievement under ACP 2012-13 as on 30th Septemebr'2012

Over all achievement under ACP at the end of first half year of the Financial Year 2012-13 stands at **42.12%** of the annual target. Achievement under Agriculture sector is **44.62%** of annual target, whereas achievement under MSE stands at **49.08%**. The total achievement under PSC is **41.81%**. Achievement under ACP in Agriculture, MSE, OPS and total is higher than of September'2011, achievement.

The house took a serious note on non contribution of some Banks especially of Pvt. Banks in ACP. Sri H. N. Panda, GM(OIC) advised SLBC to write letter to the Head Office of the Banks those are not contributing in ACP. Sri Debasish Gupta, Development Commissioner observed that SLBC should collect data of Govt. deposits in these Banks so that Govt. may take a view on the matter. It was also decided to review the model of rating of Banks as implemented in Bihar in a sub committee for implementation in Jharkhnad which may be further discuss in next SLBC meeting.

Agenda No. 5. Review of Lending

5.1. Agriculture and Kishan Credit Card, including new KCC scheme

5.1.1. Overall Scenario: Total Agriculture credit of all the Banks in the state is Rs.**6045.15** crore which constitutes **13.03%** of the gross credit. Agriculture credit in the State is lower than the National bench mark of **18%**. However, it is showing an increasing trend over the years.

5.1.2. Position of Agricultural Credit and KCC:

Against the annual target of disbursement of Rs.2636.61 crore under ACP 2012-13 an achievement of Rs.1176.36Crore (44.62%) is marked in the first half year. Out of a target of issuance of 603119 KCC for FY 2012-13, 488901 KCC have been issued up to 31.10.2012. Only 29366 KCC applications are now pending with banks for sanction, which is for Rabi crops sowing of which is yet to start.

5.1.3. Special Incentive scheme of GOJ for mobilization of KCC application

As per the latest data collected from Banks **4,88,901** KCC have been sanctioned against **6,16,493** applications received by the Bank branches in the state. Only **29366** KCC applications are now pending with banks for sanction and during the present Rabi season, all the pending application will be disposed off by the Banks.

Sri A. K. Singh, Secretary, Agriculture, Govt. of Jharkhand observed that there are some gaps in the data presented by SLBC and IF & PI, Govt. of Jharkhand and it must be reconcile to be on same platform. He maintained that the as per Agriculture Deptt. 7,11,000 application have been sent to the Banks. Smt. Vandana Dadael said that Banks should also generate applications to achieve the target of issuance of KCC.

5.2. Finance to Micre & Small Enterprises (MSE) and Medium Enterprises

5.2.1. Financing to Micro & Small Enterprises (MSE) (Priority Sector)

Total Credit to MSE Sector in the state has grown to Rs.15861.78Cr on 30th Sept'12 from Rs.12089.03CR as on 31st Mar'12, showing a healthy growth of over 31%. Share of credit to Micro Enterprise in total credit to MSE Sector stood at 31.75% only as against target of 60% as per RBI guideline. All Banks should ensure adherence to the guidelines and growth targets stipulated by RBI.

A. P. Singh, Secretary, Industry, Govt. of Jharkhand noted that the achievement under MSE is reasonably good but there are two major concerns in MSE sector. One is non

coverage of new unit financed under CGTMSE. Banks are not giving coverage particularly to new entrepreneurs. The second concern is financing under Credit Linked Capital Subsidy scheme in which not a single unit has been financed in Jharkhand. Under the scheme 50% subsidy up to 15 lakh is available for technology updation. The procedure is also very simple.

Sri A. P. Singh also requested to facilitate the entrepreneurs for on line submission of the MSME application. Allahabad Bank has been entrusted with the responsible for all India implementation. He informed that Allahabad Bank has the facility of on line application submission for MSME and requested that all the other Banks should start online application facility soon.

Sri B. K. Srivastav, General Manager (PSC), Allahabad Bank Head Office apprised the house that Allahabad Bank has provided the software to all the Banks. Sri H. N. Panda advised the Banks other than Allahabad Bank to demonstrate the on line software in next Empowered Committee meeting. Sri A. P. Singh, Secretary, Industry assured the bankers that Industry Deptt. will provide proper advertisement of on line application submission facilities in the Newspaper on its own cost. He also discussed the National Mission of Food Processing scheme.

5.3. Education Loan

Outstanding position under Education Loan is 51303 accounts as on 30th Septemebr'2012, against 42811 accounts as on 30th September'2011. In terms of DFS, MOF, Gol instruction education loan target has been revised and allocated to the Banks by SLBC. Member banks are requested to gear up their efforts to achieve 100% of the target allocated.

5.4. Housing Loan

Performance of Banks operating in Jharkhand in Housing Loan Sector has shown a growth of over 16% in total number of accounts from Sept'11 and total lending to Housing Loan stood at **Rs.3234.23**Cr as on Sep'12. The scheme of 1% Interest Subvention on Housing Loan up to Rs.15Lacs (where cost of house does not exceed Rs.25Laks) will remain in force up to 31st March'13. All SCBs are advised to implement the scheme vigorously, submit their claims to NHB expeditiously and extend the benefits of the scheme to all eligible borrowers/beneficiaries.

5.5.1. Artisan Credit Cards: As on 30th Sept'12, the Banks in Jharkhand have achieved 72.72% of allocated target. The total outstanding as on 30th Sept'12 stood at Rs. 8.17Cr.

5.5.2. Swarojgar Credit Card: Against the target of issuance of 5000 GCC 4366 GCC have been issued.

5.6.1 Credit flow to minority communities: The share of Minority community (2132.32 crore) in priority sector credit has reached to 7.69% as on September'12.

5.6.2. Credit flow to women: Outstanding credit to women has increased by Rs. **2170.26** crore on YoY bases. It has also increased in percentage term from **4.55%** to **8.54%**.

5.6.1. Credit Flow to SC/STs: The over all credit to SC/STs has increased by ` **1266.39** crore (from Rs.**2065.09**cr to Rs.**3331.48**cr) as on September'12 over September'2011. In percentage term the share of credit has increased from **5.25** to **9.44** %. Jharkhand being highly populated with ST/SC, share of credit to ST/SC should be improved and Banks should leave no stone unturned to improve the position of credit flow to ST/SC.

5.7. Scheme for Revival, Reform and Restructuring of Handloom Sector: For the individual borrower last date for the settlement of the claim under the scheme is 31st December, 2012, otherwise the benefits will not go to the beneficiaries and as soon as

the claim is settled, the other benefits will also flow to the weavers. The controllers of all the Banks in Jharkhand are requested to instruct their branch Manager that if any weaver has taken loan from their branch only for weaving activities and that loan became bad then it should be claimed within the time frame.

Weavers Credit Card: Against the target of issuance of 3000 Weavers Credit Card in current FY, 236 cards have been issued. All Banks are requested to gear up their activities so that the target of Weavers Credit card for FY 2012-13, may be achieved.

5.8. Scheme for financing Women SHG: This scheme is for promoting Women Self Help Groups in select districts of the country through identified NGOs/ other support organizations. Lead Bank of the selected district should coordinate with the District Development Manager of NABARD, who is responsible for implementation, monitoring and coordination of the scheme in the district. In Jharkhand, 381 Bank Branches in 210 block covering 18 districts (except 6 districts in Santhal Pargana Region) have been identified for WSHG Scheme. NABARD has executed MoU for implementing WSHG scheme in all 18 LWE districts with 16 Anchor NGO.

Agenda No. 6 Review of Progress under Govt. Sponsored schemes

Prime Minister's Employment Generation Programme

Out of 1163 applications sponsored, 674 projects (57.95%) sanctioned by Banks in Jharkhand. The pendency of 403 applications is only due to late submission of application (in the month of Sep'12) to Bank Branches. Sri A. P. Singh, Secretary Industry mentioned that now Banks are having sufficient application under the scheme.

National Rural Livelihood Mission (NRLM)

The Government of India, Ministry of Rural Development has launched a new programme known as the National Rural Livelihood Mission (NRLM), to be implemented in a mission mode across the country. NRLM replaces the earlier scheme SGSY that had the underlying principle of promoting self-employment through the organization of the poor in self help groups. From next SLBC meeting the achievement under the scheme will be monitored.

To constitute a Sub-committee of SLBC for SHG Bank linkage and NRLM coordination, it has been decided to constitute the sub-Committee under the chairmanship of Principal Secretary, Rural development, Govt. of Jharkhand and CEO, Jharkhand State Livelihood Promotion Society will be the convener of the Sub-committee. Members of the sub-committee are given as under:

- | | | |
|--|---|----------|
| 1) Principal Secretary, Rural Development, GoJ | - | Chairman |
| 2) Representative of Secretary, IF&PI, GoJ | - | Member |
| 3) Representative of RBI | - | Member |
| 4) Representative of SLBC | - | Member |
| 5) Representative of SBI, Bank of India, Canara Bank
PNB, JGB, NABARD | - | Member |
| 6) Jharkhand State Livelihood Promotion Society | - | Convener |

Agenda No. 7 Financial Inclusion

7.1.1 Coverage of villages with 1600-2000 population under "Swabhimaan"

In the Second Phase of Financial Inclusion, all unbanked villages with population between 1600 to 2000 (as per 2001 Census) have to be covered by providing banking facilities under "Swabhimaan" by March'2013. In Jharkhand State **875** such villages with

population between 1600 to 2000 were identified and allocated to banks for coverage. Dr. K. C. Chakraborty, Dy. Governor, RBI in a video conference on 02.11.2012 at Patna advised to prepare Road Map of FIP below 2000 population villages. The LDM of the district will prepare the FIP plan for below 2000 population to be placed in DCC for approval. The plan will be prepared as per guidelines of RBI/GOI. The DCC approved plan will be placed in SLBC for rectification and thereafter the plan will be sent to corporate office of the Bank concerned.

7.1.2 Financial Inclusion Fund & Financial Inclusion Technology Fund

In terms of RBI guidelines it has been decided that the existing FLCCs would continue to function with a renewed focus on financial literacy, Lead Banks are advised to set up Financial Literacy Centres (FLCs) in each of the Lead District Manager (LDM) Office in a time bound manner. This will lead to opening of 630 plus FLCs in all the districts throughout the country. In addition to the above, banks may consider setting up need based FLCs in other locations as well. Further, financial literacy activities will also be undertaken by all the rural branches of scheduled commercial banks including RRBs.

7.1.4 Smart Card / Biometric Card: During the Current F.Y. 1.16 Lacs Smart Card / Biometric Cards issued by Banks in Jharkhand, posting a growth of 26.30% from last financial year.

7.1.5 No Frill A/cs: A total of 5.33 Lacs No Frill Accounts opened during Current F.Y., which is quite a good number.

7.1.6 Position of GCCs: Jharkhand is suffering from Drought hence Banks need to increase General Purpose Credit Card, especially Pvt. Sector Banks where the credit flow in GCC is very low.

7.1.7. Self Help Groups: The matter was discussed in earlier agenda. It was decided to constitute a Sub committee to monitor the promotion of SHGs and financial inclusion under the Chairmanship of Principal Secretary, Rural Development Deptt. Govt of Jharkhand.

7.2 Allocation of Villages below 1600 population to Banks in Jharkhand

RBI vide letter dated 19th June'2012 advised to prepare a roadmap covering all unbanked villages of population less than 2000 and notionally allot these villages to Banks for providing banking services in a time bound manner. In line with the decision, Dumka, Godda, Palamau and Hazaribagh have submitted the allocations. All other LDMs are requested to allocate and furnish the allotment at earliest.

7.3 Branch Expansion Plan as per Para 5.3 of Strategy & Guidelines on FI by DFS, MoF, GoI

In light of the agenda and as per plan submitted by the Banks in Jharkhand 82 new Bank Branches were proposed to be opened by Sep'12. A total of 70 Bank Branches have been opened by 30th Sep'12 so far. Banks having backlog are requested to expedite their effort to achieve compliance of GoI Instruction.

7.4 Implementation of AADHAAR Enabled payment

AEPS (AADHAAR Enabled Payment System) system allows a person holding an AADHAAR number to carry out financial transaction on a micro ATM provided to BC. Financial inclusion is expected to be a key application of AADHAR authentication.

Agenda No. 8 Important Issues for Implementation as per MOF GOI instruction

8.1 Operationalization and Monitoring of EBT

The detailed strategy and approach for Electronic Benefit Transfer was discussed in the 39th SLBC meeting. It is envisaged that all Govt. benefits to be transferred directly in the account of the beneficiaries electronically. To monitor the progress effectively under Electronic Benefit Transfer, a Sub-committee was proposed under the chairmanship of the Secretary, IF & PI, GOJ. Smt. Vandana Dadel, Secretary, IF& PI submitted that this sub committee should be chaired by the Secretary, IT, Govt. of Jharkhand in view of the significance of technology in EBT. The Sub-Committee will consist of the following members:

- | | | |
|--|---|----------|
| 1) The Secretary, Information Technology, GoJ | - | Chairman |
| 2) Representative of Secretary, IF&PI, GoJ | - | Member |
| 3) Representative of MGNREGA Commissioner | - | Member |
| 4) Representative of RBI | - | Member |
| 5) Representative of Secretary, Welfare, GoJ | - | Member |
| 6) Representative of Tribal Welfare Commissioner | - | Member |
| 7) Representative of SBI | - | Member |
| 8) Representative of Bank of India | - | Member |
| 9) SLBC | - | Convener |

8.2. Opening of One Bank account of each family

To facilitate electronic benefit transfer and Financial Inclusion DFS, MOF, GOI advised all the Banks to ensure opening of one Bank account per family. It is also advised to use voter list for verification of family having bank account. In Jharkhand as per the latest report collected from LDMs, against total no of **61, 81,607** families **50, 83,918** families are now having Bank account representing 82.24% coverage. Banks are requested to open accounts of the remaining families and mapping should be done with the voter list. LDM will facilitate the branches in getting which is available on the election Commission website www.jharkhand.gov.in/ceo.

8.3. Opening of bank accounts of families for direct transfer of cash Subsidy for Kerosene (DTCK).

In Jharkhand 04 districts have been identified for DTCK are as under: 1.Ramgarh 2.Hazaribagh 3. Saraikela and 4. Ranchi. Each family of the identified 04 districts must have a Bank A/C. There is no need to open a new Bank A/C for new beneficiary under EBT and the name of the beneficiary to be added in the existing Bank A/C of the family. A total of 298310 accounts were opened in special camp organized for opening of account in 04 districts so far. LDM will coordinate the operation and will make available the list of card holders to Bank branch for mapping.

8.4. Financial Inclusion drive to open Bank accounts of migrant labour and street vendors/ hawkers in urban areas.

All the Banks are advised by the SLBC to undertake the special drive to open the accounts of migrant labour and street vendors/hawkers in urban areas. In the meeting of nodal officers of SLBC convener Bank with Joint Secretary (BO) held on 23.10.2012, it has been decided to initiate following for which SLBC has initiated steps :-

1. Setting of 24X7 call center, which is under process.
2. Identification and allocation of pockets of target groups and LDM should allocate the pockets to different branches.
3. Advertisement in Newspaper/FM Radio/Television,

4. Focused training to call center personal.

As per latest report 136734 account have been opened under the scheme in Jharkhand.

8.5. Establishment of Ultra Small Branch in terms of DFS circular dated 28.12.2011 & 09.02.2012

MOF, GOI has desired that BC concept should be upgraded to **Ultra Small Branch** to satellite branch to Brick & Mortar Branch. Initially once in a week visit to FI villages must be ensured. The visit should be in the form of "Ultra Small Branch". Depending up on response & business generation, frequency of visits should be increased to twice/thrice...all days in the week.

8.6. Establishment of Ultra Small Branches in LWE affected districts

Ministry of Home Affairs has notified 83 left Wing Extremism (LWE) affected districts in the country. The planning commission has also formulated guidelines for **Integrated Action Plan (IAP)** in **78** selected tribal and backward districts under the State Component of Backward Region grant Fund (BRGF). On comparison of the two lists **66** districts are found to be common. In Jharkhand 17 out of 18(only Dhanbad is excluded) LWE districts have been identified under the scheme. Planning Commission has included funding of capital cost for the establishment of USB in the identified habitations with population of over 2000 in 66 Left Wing Extremism (LWE) affected districts, amounting to Rs. 1,40,000/- per USB as permissible work/ project under IAP. SLBC has instructed all the LDMs to contact with the DC of the districts for the funding of capitol cost.

8.8. Establishment of Clearing House in the in the identified 59 centers below the district headquarter having 3 or more Bank branches

SLBC on the basis of report submitted by the LDMs in the State has identified total 59 centers below the district headquarter, which have 3 or more bank branches but do not have the Clearing House. Now it has been decided that SLBC should allocate the centers to the Banks for opening of clearing house.

8.9. Uploading of Service Area Plan on the District website maintained by NIC

Service area plan in revised format as advised by the DFS for villages above 2000 population as well as 1600 to 2000 population have to be uploaded in the respective district web site. The revised Service Area Plans need to be updated every month and date of last update indicated on the service Area Plan. Service area plan of all 24 districts is uploaded in SLBC website.

8.10. Extending micro insurance and non life insurance through BC(Business correspondence

For inclusive growth of the service area villages, Life/Non-life insurance policies should be given to villagers. It has to be ensured that all BCAs are also appointed as specified persons of the life & non –life companies. Non Life Insurance Company(PSU) in Jharkhand decided to open 38 micro branches in Jharkhand and all these branches shall cater to extension of micro insurance/non life insurance in rural areas.

8.11. Uploading of information in GIS data on website developed by NIC

GIS data has been uploaded in **all 24 districts of** Jharkhand, however as per DFS, MOF, GOI, the details of data entered in respect of Branches, ATMs, clearing Houses, Currency Chests and BCAs does not appear to be consistent with the information available in public domain. LDMs are to take note for updation of data on regular interval.

8.12. Linking of State Revenue records to Banking system

The land record of the state is still not computerized and linking of land records to banking system may be done only after the availability of computerization and online updation of land record on line.

8.13. Status of Linking of treasuries

As reported by SBI linking up of treasuries with SBI has been done. Govt. of Jharkhand is sending advice on line. However, there are some connectivity problems, which all concerned should take up with BSNL local office.

8.14. Installation and Managed Services of cash dispensers (CDs)

In terms of DFS, MOF guidelines lead Bank has to finalize the Common vendor for the state for Roll out of Cash dispenser. Bank of Baroda has entrusted the responsibility of Lead Bank for the state of Jharkhand.

Agenda No. 9 RSETIs

RSETIs are working in all 24 districts. The matter was discussed in agenda no. 2. Regarding construction of building of RSETIs it was submitted by the banks that NIRD fund of 1 crore was fixed 4-5 years back and due to escalation of price now the it become very difficult to construct the building as per the requirement. The estimation is come around 3 crores now. SLBC decided to take up the matter with the NIRD. Controllers of the Banks having RSETIs are requested to provide estimate for the construction of RSETI to SLBC to enable SLBC to take up the matter with NIRD. Regarding appointment of support staff, all controllers are requested to take up the matter with their corporate office to appoint support staff as per NIRD requirement.

Agenda No. 10 Review of NPA / Recovery matters

Gross NPA of the state is ALARMINGLY HIGH at 2505.59 crore which constitutes 5.40% % of Gross Credit. On YoY basis NPA increased by Rs. 1150.62 crore from Rs. 1354.97cr to Rs. 2505.59. Recovery under PSC as on 30th Septemebr'2012 is 53.51% of Total Demand of Rs. 4636.62 crore. Recovery under Govt. Sponsored Schemes as on 30th Septemebr'2012 is 37.42%. 104332 Certificate cases involving an amount of 304.95 crore is pending for disposal. Total No. of DRT cases pending for disposal is 922 constituting 281.09 crore.

Agenda No. 11 Functioning of various Sub- Committee of SLBC

Conveners of Sub-committee are requested to convey meeting of Sub -Committee at more frequent intervals but at least once in a quarter.

Agenda No. 12 Miscellaneous

As advised by the RBI, the schedule for holding SLBC meetings should be drawn in advance for the entire calendar year for blocking the future dates of senior Govt. officials and Bankers. We propose to fix the dates for SLBC meeting for the calendar year 2013, so as to ensure the conduct of all SLBC meeting within stipulated time frame. The schedule of SLBC meetings for 2013 will be as under:

SLBC Meeting for the Quarter ended	December,2012	March,2013	June,2013	September,2013
Proposed date	14th Feb,2013	09th May,2013	14th Aug,2013	12th Nov,2013

Similar schedule for holding DCC and BLBC meetings will be advised by LDMS of each district.

At the end meeting concluded with the vote of thanks given by Sri N. N. Khanna, Dy. General Manager, Canara Bank, Ranchi.

**List of Participants in the 41st SLBC meeting of Jharkhand State
held on 09th November' 2012.**

Annexure I

Sl. No.	Name	Designation	Institution/ Organization
1	Sri Arjun Munda	Chief Minister	Govt. of Jharkhand
2	Sri S.K. Chaudhary	Chief Secretary	Govt. of Jharkhand
3	Sri Debasish Gupta	Development Commissioner	Govt. of Jharkhand
4	Smt. Shubhalakshmi Panse	Chairman & Managing Director	Allahabad Bank
5	Sri H. N. Panda	General Manager (OIC)	Reserve Bank of India
6	Dr. S. Sarvana Vel	Chief General Manager	NABARD
7	Sri A. K. Singh	Secretary, Agriculture	Govt. of Jharkhand
8	Sri A. P. Singh	Secretary, Industry	Govt. of Jharkhand
9	Smt. Vandana Dadel	Secretary, IF & PI	Govt. of Jharkhand
10	Sri Bibhas Kumar Srivastav	General Manager(PSC)	Allahabad Bank
11	Sri R. N. Mohanty	General Manager	Allahabad Bank
12	Sri K. K. Das	General Manager	State Bank of India
13	Sri Fidelis Toppo	Director, Urban Development	Govt. of Jharkhand
14	Sri K. K. Sone	Director, Agriculture	Govt. of Jharkhand
15	Sri S. Pradhan	I. G. (operation), Home	Govt. of Jharkhand
16	Sri Ashok Kumar Mishra	Tribal Welfare Commissioner	Govt. of Jharkhand
17	Smt. P. Kala	Dy. General Manager	State Bank of India
18	Sri Tarlochan Singh	Dy. General Manager	Bank of India
19	Sri N. N. Khanna	Dy. General Manager	Canara Bank
20	Sri U. K. Roy	Dy. General Manager	United Bank of India
21	Sri V. K. Mahajan	Dy. General Manager	Punjab National Bank
22	Sri S. R. Dash	Dy. General Manager	Central Bank of India
23	Sri A. K. Dixit	Dy. General Manager	Union Bank of India
24	Sri D. P. Srivastav	Dy. General Manager	Bank of Baroda
25	Sri R. N. Mishra	Dy. General Manager	IDBI
26	Sri Khursheed Anwar	Joint Secretary, IF & PI	Govt. of Jharkhand
27	Sri M. Lakra	Director, MSME	Govt. of Jharkhand
28	Sri S. Vadhinathan	Chairman	Jharkhand Gramin Bank
29	Sri V. K. Mishra	Chairman	Vananchal Gramin Bank
30	Sri R. S. Rastogi	Spl. Secretary, Law reforms Deptt.	Govt. of Jharkhand
31	Sri Ranvir Singh	Special Secretary, Food	Govt. of Jharkhand
32	Sri P. Upadhyay	Spl. Secretary, Rural Development	Govt. of Jharkhand
33	Sri K. Sahay	Under Secretary, RWD	Govt. of Jharkhand
34	Sri D. K. Topno	Dy. Secretary, Registration	Govt. of Jharkhand
35	Sri Ashok Kr. Sinha	Dy. Director, Agriculture	Govt. of Jharkhand
36	Sri R. J. Vishwakarma	Dy. Zonal head	UCO Bank
37	Sri S. K. Singh	Asstt. General Manager	Allahabad Bank
38	Sri G. Krishnappa	Asstt. General Manager	Allahabad Bank
39	Sri U. K. Singh	Asstt. General Manager	State Bank of India
40	Sri B. R. Kashyap	Asstt. General Manager	Syndicate Bank
41	Sri V. Kandaswamy	Regional Manager	Indian overseas Bank
42	Sri F. R. Bokhari	OSD, IF & PI	Govt. of Jharkhand
43	Sri K. K. Sinha	OSD, IF & PI	Govt. of Jharkhand

Sl. No.	Name	Designation	Institution/ Organization
44	Sri S. S. Das	Asstt. General Manager	OBC
45	Sri Rajeev Ranjan	Asstt. General Manager	Reserve Bank of India
46	Kumkum verma	Manager	Reserve Bank of India
47	Sri Harish Joshi	Cluster head	HDFC Bank
48	Sri R.K.Singh	Asstt. Director	National Horticulture Board
49	Sri Anupam Das	Regional Manager	AIC
50	Sri Seva Lal	Dy. Director	KVIC
51	Sri Sushil Kumar	Asstt. Director	MSME
52	Sri Dileep Kr. Jha	Dy. Secretary, Co-operative	Govt. of Jharkhand
53	Sri S.D. Ghoshal	Chief Manager	Bank of India
54	Sri K. S. Kar	Chief Manager	Punjab National Bank
55	Sri N. N. Goswami	Chief Manager	Dena Bank
56	Sri N. S. Arora	Chief Manager	Punjab & Sind Bank
57	Sri S. C. Nath	Chief Manager	Indian overseas Bank
58	Sri A. G. Prasad	Chief Manager	State Bank Of India
59	Sri J. P. Pandey	Chief Manager	United Bank of India
60	Sri Siddharth Jha	Chief Manager	ICICI Bank
61	Sri K. N. Jha	Chief Manager	Indian Bank
62	Sri K. K. Verma	Sr. Br. Manager	Vijaya Bank
63	Sri M. A. Khan	Sr. Manager	Indian Bank
64	Sri H. K. Boipoi	Sr. Manager	UCO Bank
65	Sri A. K. Boipoi	Sr. Manager	CANARA Bank
66	Sri S. K. Dutta	Sr. Manager	Syndicate Bank
67	Sri Abhinash Tanti	Sr. Manager	Syndicate Bank
68	Sri Sandeep Kr. Jha	Sr. Manager	Axis Bank
69	Sri S. Roy Choudhary	Sr. Manager	Corporation Bank
70	Sri Manoj Kumar Bhatt	Sr. Manager	Andhra Bank
71	Sri Vijay Kumar	Manager	National Housing Bank
72	Sri A. Saha	Manager	ICICI Lombard GIC Ltd.
73	Sri Mridul Arya	Manager	ICICI Lombard GIC Ltd.
74	Sri S. T. Pawar	Manager	NABARD
75	Sri Anil Kumar	Manager	Union Bank of India
76	Sri N. Bhatt	Manager	Federal Bank
77	Sri Nandu Ram	Dev. Officer	KVIC
78	Sri Gaurav Mittal	Manager	Karnataka Bank Ltd.
79	Priyanka	Asstt. Manager	SBBJ
80	Sri R. Sharan	Manager	State Bank of Patiala
81	Sri Debasish Mahto	Manager	Indus Ind Bank
82	Sri Prabhu Nath Singh	Superintendent Engineer, WRD	Govt. of Jharkhand
83	Sri Sandeep Singh	Asst. Manager	South Indian Bank
84	Amulya Mishra	Asstt. Manager	SIDBI
85	Rinakshi Nayak	Asstt. Manager	Central Bank of India
86	Sri S. P. Sharma	Manager	Bank of Maharashtra
87	Sri Bhaskar jha	Manager	Axis Bank
88	Sri Jaipal Singh	Asstt. Manager	SIDBI