

State Level Bankers' Committee, Jharkhand

Convenor: Bank of India

**Minutes of 43rd SLBC Meeting held on 9th May ,2013
at Hotel Radisson BLU , Ranchi**

43rd Meeting of SLBC, Jharkhand was held on 9th May,2013 (Thursday) at Ranchi. Dr. Syed Ahmed, His Excellency Governor of Jharkhand was the Chief Guest of the meeting. The meeting was chaired by Mrs V. R. Iyer , Chairperson & Managing Director of Bank of India, and was co-chaired by Sri A.K.Sarkar , Development Commissioner, Government of Jharkhand. The meeting was also attended by Sri R.S.Sharma, Chief Secretary of Government of Jharkhand, Principal Secretaries, Secretaries, other senior functionaries of Government of Jharkhand, Regional Director of RBI, Sri P.K.Jena, Chief General Manager of NABARD Dr.S.Sarvanavel, Controlling Heads and other officials of all the Banks operating in Jharkhand, representatives of UIDAI and agencies. List of participants is furnished in Annexure-1.

Welcome Address:

Shri Tarlochan Singh, Dy. General Manager, Bank of India welcomed all the participants to the 43rd Meeting of SLBC, Jharkhand.

Inaugural Session

Smt.V.R.Iyer, Chairperson & Managing Director of Bank of India before reviewing the progress made by Banks in Jharkhand, welcomed His Excellency Governor of Jharkhand Dr.Syed Ahmed and all officials present in the meeting. She expressed her gratitude for entrusting responsibility of Convenorship of SLBC, Jharkhand to Bank of India. She said that with this opportunity, Bank of India will harness its strength and shall contribute towards the development of the state of Jharkhand, more effectively. At the same time, she appreciated the role of Allahabad Bank in discharging the responsibility of convenorship since the date of formation of state. Further, she assured the house that Bank of India will take SLBC to a greater height with Lead District responsibility in 15 districts out of 24 districts in the State and sponsored Jharkhand Gramin Bank with network of 239 branches.

She assured the forum that with the infrastructure of 2385 Bank branches, 24 RSETIs and 24 FLCs, SLBC will be in a position to play a developmental role in the State in co-ordination with government functionaries. She also informed the forum about successful implementation of Direct Benefit Transfer scheme in 4 pilot districts of the State and progress of extending the scheme to 3 more districts in the 2nd phase. She informed the forum that the State offers a good opportunity in furtherance of Banking activities as it has rich mineral resources providing good scope for MSME sector, forest cover of 30% with 77% of the population staying in the rural areas, 80% of population depending on Agriculture for their livelihood and female literacy rate at 77%. She informed the forum about satisfactory level of CD Ratio at 59.47%. At the same time she expressed her concern about low CD Ratio at 41.22% in Rural areas necessitating thereby credit penetration by updating land records in remaining districts, notifying Khunti & Ramgarh as authorized centres for creation of mortgage, modifying CNT & SPT Acts etc. Citing higher NPA at 6.13% of gross credit, she sought active support from Government of Jharkhand by appointing dedicated certificate officers at the district levels,

While concluding her address, she expressed her firm belief that through the united efforts of all the Banks coupled with the active support from the Government, the state will be able to achieve the goal of inclusive growth and uniform development across all the areas.

Special Address:

The Chief Secretary of Govt. of Jharkhand Sri R.S.Sharma in his special address congratulated Bank of India on assuming the convenorship of SLBC and conducting its 1st quarterly meeting. He reposed confidence on Bank of India for contributing a leading role in the all-round development of the State. He said that “Jharkhand is a rich state with poor people” and this malady can only be removed by financially including the poor people of the state and making available all banking facilities at their door steps. He informed the forum that the DBT scheme recently launched in 43 Pilot Districts with Aadhar based payment system is being proved to be a highly effective tool for achieving financial inclusion. He invited focused attention of all the Banks towards creation of a delivery channel by appointing BC/BCA, popularizing Micro ATMs, and setting up of Ultra Small Branches as per GOI/RBI norms with a view to make DBT scheme successful.

Keynote Address:

His Excellency Governor of Jharkhand, Dr.Syed Ahmed, in his keynote address emphasized the need of inclusive growth in the State which was the prime objective of Banks' nationalization in late sixties under the initiatives of Late Prime Minister of India Mrs.Indira Gandhi. He said the dream of the Late Prime Minister can only be achieved by the Banks by helping the poor improving their economic standard. With this objective in view, he asked the Bankers' fraternity to open branches in unbanked villages/areas so as to ward off functioning of dubious Chit Funds. Further, he appealed to Banks to ensure that no poor meritorious students be deprived of Education for lack of money and requested them to provide education loan to economically poor students on priority basis. He drew attention of the House towards low CD Ratio in rural areas and advised Banks to improve the same by way of undertaking micro finance. He emphasized the need of making banking procedures simpler for rural masses.

Felicitation

Before commencement of business session, as the Governor had other engagements, SriTarlochan Singh , Dy.General Manager, Bank of India thankedhim for gracing the occasion and assured himon behalf of SLBC to follow the directions given by him.

His Excellency Governor of Jharkhand felicitated General Manager, Bank of India NBG (E) Prem Kumarfor excellent performance on PMEGP in the Eastern India Region. Further, he felicitated winner of National female EntrepreneurSmt. KavitaYadav, who has availed finance under PMEGP Scheme from Bank of India, Ratu Road Branch. Both had bagged National award for their best performance under PMEGP in the Eastern Zone.

Vote of Thanks

Sri N.N.Khanna, Dy. General Manager,Canara Bankextended vote of Thanks to His Excellency Governor and all the dignitaries/participants present in the meeting for gracing the occasion and making it a successful. He appreciated the concern of the Governor and assured him on behalf of SLBC to initiate measures for inclusive growth in the State.

Business Session

1. The business session started with the address of the **Regional Director, RBI, Sri P.K.Jena**. His observations on various issues were as under:
 - a) Expressed happiness over the CD Ratio reaching 59.47%;
 - b) The CD ratio was below 40% in respect of 12 Banks;
 - c) CD ratio in Chatra district was below 30%.
 - d) Total number of branches has increased to 2385.
 - e) Roadmap has already prepared for coverage of villages below 2000 population. BCs need to be appointed by respective Banks to cover the population. 5% of the total villages have to be covered by Brick & Mortar branches. Hence, Banks to prepare roadmap for increasing the number of brick & mortar branches.
 - f) Coordination between Bank and Govt. officials is required for smooth implementation of DBT scheme.
 - g) Govt. officials to be more vigilant towards the activity of Chit funds in the state. An Act has been passed in the state of Bihar for prevention of operation of Chit funds. Government should follow suit in Jharkhand also which will have a deterrent effect on such activities. Poor reach of Banks in the rural and amongst illiterate masses is the root cause of mushrooming of Chit Funds.
 - h) Banks must have some designated Branches for exchange of soiled & mutilated notes.

2. The Chief General Manager, NABARD, Dr. S.Sarvanavel, in his address observed the following:
 - a) The issue of amalgamation of RRB is long pending citing issuance of a letter by GOI to the sponsoring Banks;
 - b) Bank of India, the sponsoring Bank to Jharkhand Gramin Bank should provide adequate manpower for smooth functioning of the Bank.
 - c) Bank of India being the new convenor should take the initiative with GOJ & SBI towards amalgamation of two RRBs operating in the state.
 - d) License for opening Jharkhand State cooperative Bank will be issued by RBI very soon and advocated for a three tier structure of the Co-operative Banks to strengthen the co-operative movement in the State.

- e) A/C opening procedure should be made simpler so as to opening of accounts under financial Inclusion`
- f) Govt of Jharkhand should allocate land for constructing Administrative offices of NABARD, SLBC and other major Banks.
- g) LDMs & RSETI Directors should be properly trained so as to improve their functioning.

Thereafter, the Agenda was taken up for discussion by Sri Tarlochan Singh. Dy. General Manager, Bank of India.

Agenda No.1

Confirmation of the Minutes of 42ndSLBC meeting held on 14th February'2013

The forum confirmed the minutes of 42nd SLBC meeting of Jharkhand held on 14th February'2013.

Agenda No. 2

Action taken report on the decision taken in previous SLBC meetings.

Issues pertaining to State Govt

Status of issues pertaining to the State Govt enumerated below was reported with no further progress due to imposition of Governor's Rule.

- a) Updating of land records and amendment in Tenancy Act (SPT Act & CNT Act)
- b) Amendment in PDR Act
- c) Amendment to Bihar Money Lender's Act 1974 and rules as prevalent in Jharkhand.
- d) Recoveries of Banks Dues
- e) Security Arrangement for Safety & Security of Bank's Treasure
- f) Allotment of Land to Rseti

In respect to the above issues, following observations were made:

- a) The Development Commissioner, GOJ, Sri A.K. Sarkar informed the forum that Amendment in Acts cannot be undertaken forthwith. It will take some time

to resolve the above issues. He also stated that Banks should relax the norms so that Loans can be given to SC/ST upto certain level without insisting for Mortgage of Landed properties.

- b) Mr.A.K.Pandeya Dy. General Manager of Allahabad Bank stated that realization of Banks' dues is getting difficult even by selling or auctioning mortgaged properties.
- c) The Chairperson Smt V R Iyer intervened and said that the issue can be taken up separately.
- d) Mr.N.N.Khanna, DGM, Canara Bank informed the forum that both the issues are interrelated and it will be difficult for Banks to provide Loans specially Housing Loan & other Priority Sector Advances without Mortgage. He also told that Banks are not getting desired support from Police for realization of assets of defaulted Loan accounts given on Mortgaged properties etc.
- e) Sri. A.K. Sarkar, the Development Commissioner then demanded list of specific cases, where such non co-operation from Police has been experienced. He again put stress to formulate clear cut policy by the Banks in this regard .
- f) Mr.Tarlochan Singh then appealed to the Banks to submit such List to SLBC so that the matter can be raised at appropriate level.
- g) Mr.K.K.Sinha ,OSD ,Deptt. of IF told that these issues are being raised by the Banks for a long time, Banks should formulate some alternative way,so that Loans can be given to SC/ST inspite of CNT/SPT Act.
- h) The chairperson Mrs.V.R.Iyer , CMD, Bank of India then suggested to form a sub-committee of Bankers & GOJ to decide upon the alternative measures. This proposal was widely accepted by the forum.
- i) Sri P.K.Jena, Regional Director RBI then wanted to know about the Cap of amount, upto which Loan can be given without CNT/SPT intervention for which the sub-committee is expected to decide.
- j) Sri B.K.Tripathy, Principal Secretary, Dept. of Cooperatives informed that in last meeting of Tribal Advisory Council the issue of non-availability of Loan to ST was raised. He informed that 39000 applications of STs , belonging to small amount subsidy schemes for SC/ST is pending with Banks, **he assured of handing over the list of these candidates to SLBC.**

- k) Sri A.P.Singh,Secretary Industries informed the forum thatAmendment of any act is not possible now because the state is at present under Presidents' rule.

Issues pertaining to Banks

2.1.8. Establishment of USB as per Master Circular of DFS, MOF, GOI

Total 81 USBs have been opened till March,2013, the remaining 1 USB was to be opened by VananchalGramin Bank. The Chairman of VananchalGramin Bank submitted that the village allotted to them for opening the remaining one USB is not in their Service Area so they are facing operational difficulty in opening the USB.

2.1.9. Extension of Swabhimaan

Coverage of villages having population between 1600 to 2000 as per 2001 census under Swabhimaan schemewas to be covered by March'2013. However, DFS, MOF, GOI has decided to roll out Direct Benefit Transfer, *the coverage in terms of population would no longer be relevant* and the entire area of districts/States, as per roll out plan, would need to be covered with banking facilities.

1.1.10. Uploading of Service Area Plan

The 1st phase of service area plan is already uploaded on SLBC site as well as district NIC website.However,LDM s are now advised to upload the revised plan on NIC website.

2.1.11.Issues related with Special SLBC meeting of Jharkhand State on relief measures for Early Season Drought in Jharkhand

DCC meeting on the issues were held in all the districts. Information regarding Identification of the beneficiaries and identification of loss has not yet been provided to the Banks.

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| Agenda No.3 Key Indicators of All Schedule Commercial Banks as on 31.03.2013 |
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Performance of all the Banks under various parameters was presented for information.

3.2 C D Ratio of the State as On 31st March' 2013

On CD Ratio, the Chairperson of the Meeting Smt. V.R.Iyer commented as under:

- a) though overall CD ratio was at 59.47%, it was low in respect of Banks like Punjab & Sindh Bank(24.10 %), South Indian Bank(11.81%), Laxmi Vilas Bank(2.22%), Indian overseas Bank (23.06%),Oriental Bank of Commerce (24.23%),IndianBank(17.57%),Vijaya Bank (22.61%),Andhra Bank(19.70%),State Bank Of Patiala(24.08%), Federal Bank(22.51%), J & K Bank(21.60%), Laxmi Vilas Bank(0.32%).
- b) She asked the controlling heads of these Banks to improve the Ratio.
- c) The CD ratio of Chatra district was found to be only 28.62%. Hence, requested the controlling heads of all the Banks operating in Chatra District to take immediate steps for improvement in CD Ratio.

3.3. POPULATION GROUP (RURAL/SU/U) WISE DISTRIBUTION OF DEPOSIT & CREDIT AS ON 31.03.2013

The Chairperson of the Meeting Mrs. V.R.Iyer, CMD, Bank of India expressed her concern for the low CD Ratio of 41.22% in the rural areas. She brought the attention of the forum that 77% of population of Jharkhand belongs to rural area and low CD ratio in these areas indicates unequal Credit distribution in the State. She requested the Controlling heads of the Banks present in the meeting to improve the ratio by increasing lending under Agricultural and Other Priority Sector Advances.

Agenda No. 4. Review of achievement under ACP 2012-13 as on 31.03.2013

Over all achievement under ACP at the end of FY 2012-13 was at 91.31% of the annual target. Achievement under Agriculture sector was at 85.28% of annual target, whereas achievement under MSE was at 109.02%. The total achievement under PSC was at 89.27%. Achievement under ACP in Agriculture, MSE, OPS and total priority sector was higher than that of March'2012. The overall achievement under ACP was slightly lower than previous year due to less financing in Non priority sector during the last financial year. On achievement of ACP, following observations were made by the members:

- a) The Chairperson of the meeting Mrs. V.R.Iyer brought to the notice of the forum that some Banks have achieved less than 50% of the ACP Targets during the FY13 which nullifies the overall efforts of other districts.
- b) Sri A.K.Sarkar , Development Commissioner, GOJ asked about the mechanism by which the achievement is determined and asked the under performer Banks to communicate the hurdles being faced by them to SLBC and place the same in the 44th SLBC meeting.
- c) Sri K.K.Sinha , OSD, Institutional Finance, suggested the underperformer Banks to submit their Action Plan for improvement to SLBC within 15 days.
- d) The Chairperson of the meeting Smt. V.R.Iyer suggested that **SLBC should convene one monthly meeting of all these Banks and monitor their achievement.**

4. 2. Preparation of ACP for Financial Year 2013-14

The State Focus paper is a plan document prepared by NABARD, by aggregating the Potential Linked Plan of 24 districts of the state, prepared in consultation with all stakeholders at the district level for FY 2013-14. Taking into account the PLP so prepared ,LDMs of all districts were required to prepare the ACP for 2013-14 and get it approved before 31st March ,2013 in respective DLCC. The ACP was approved in The DLCC meeting of all the districts of the state except Sahebganj&Pakur.

- a) Sri K.K.Sinha OSD , IF pointed out in 7 Districts namely Chatra , Dhanbad, Singhbhum (E) & (W) , Gumla, Jamtara, Lohardaga the total Target allotted in 2013-14 is less than that of 2012-13 which should not be accepted.
- b) Sri A.K.Sarkar , Development Commissioner , GOJ told that in the case of these 7 Districts, the ACP for 2013-14 should be revised and resubmitted to SLBC after approval of DLCC.
- c) Sri A.P.Singh, Secretary, Industry informed the house that in the cases of ACP at least the Target for the next year should not be less than the Target given for the previous year or the actual achievement whichever is higher.

With the above observations, overall ACP was given approval by the Forum.

Agenda No. 5. Agriculture and Kishan Credit Card, including new KCC scheme

It was pointed out that total Agriculture credit of all Banks in the state was at Rs.6963.43crore which constitutes **13.33%** of the gross credit. Agriculture credit in the State was lower than the National bench mark of **18%**. However, it is showing an increasing trend over the years. Focussed attention of all the stake holders i.e. state Govt., Banks, NABARD and other agencies is needed.

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

Sri K.K.Sone, Director Agriculture,GOJinformed the forum that during 2012-13,12.00 Lacs KCC applications were forwarded by GOJ to various Banks across the state, from which 9.50 Lacs applications were sanctioned and the remaining 2.50 Lac applications were to be revalidated during 13-14 and disbursed. Furhter, he brought to the notice of the forum that GOJ has planned to organize camps at Block levels for generation of KCCapplications. He asked the LDMs to visit these camps and should monitor the Sanction being done by the Banks. He further said that the LDMs should invariably participate in the District Task forcemeeting, being convened by the DAO every week and monitor the developments.

5.1.4. RuPay Credit Card

All normal KCC had to be upgraded as Smart KCC by 31st March, 2013 with the new system of credit limit assessment, to make it functional with ATM & POS. Only 33536 Rupay KCC cards have been issued upto 31.03.13.

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

Share of Micro sector credit was at Rs.6665.56 Crore which is **36.77%**of the total MSE credit as on 31stMarch,13as against benchmark of **60%**.The share wasless than 30% in respect of Banks like PNB, Syndicate Bank, SBP, Pvt. Sector Banks (except Federal Bank), HDFC, Karnataka Bank etc.Observations of Members are as under:

- a) Sri Tarlochan Singh,Dy.General Manager, BOI asked the Banks to finance under PMEGP so as to improve the share of Micro sector.

- b) Sri A.P.Singh, Secretary Deptt. Of Industries informed the Forum that majority of financing under PMEGP is done during the month of February & March which needs to be spread in entire Financial Year. Further, he stated that almost Rs. 43.00 Crores of Subsidy has not been claimed by Banks after sanction of PMEGP Loans during 2012-13. He asked the Banks to prepare realistic Target for the FY 2013-14 under PMEGP.
- c) Sri A.K.Sinha, Asstt. General Manager(OIC),RBI told that the Banks should take the help of on-line tracking system in PMEGP. Sri P.K.Jena,Regional Director, RBI told that the on line tracking system is already implemented in Bihar and we should follow the same.
- d) Sri S.K.Mishra, ZM,HazaribaghZone , BOI told that the Banks should generate their own applications in PMEGP.

5.3 Education Loan

Education Loan outstanding increased from Rs. 1757.07 crores as on 31.03.2012 to Rs. 1827.67 crores as on 31.03.2013 thereby registering an increase of 4% over previous year. The Chairperson of the Meeting Mrs.V.R.Iyer, &CMD, BOI appealed to the Banks that Poor financial condition should not be an obstacle in the way of getting education Loan for any needy and meritorious student.

5.4 Housing Loan

Performance of Banks operating in Jharkhand in Housing Loan Sector has shown a y-to-y growth of over 30.59% in total number of accounts from March,2012 and 21.83% growth in terms of amount from March,12. Housing Loan outstanding was at Rs.**3749.71**Crs as on 31stMarch,2013.State Apartment Act Passed/Placed by the State Govt. should be meticulously followed.The situation will further improve in case State Govt. amends CNT and SPT Act to enhance performance in the sector which is pending since long with State Govt.**It was already decided in this meeting to form a sub-committee for resolving this issue.**

5.5.1. Artisan Credit Cards

The Convenor, SLBC informed the forum that 3381 Artisan credit card issued amounting to Rs. 9.34 crores as on 31stMarch,13.

5.5.2. SWAROJGAR CREDIT CARD

The Convenor, SLBC informed the forum that 7958 Swarojgar credit card issued amounting to Rs. 22.75 crores as on 31stMarch,13.

5.6.1. Credit Flow to Minority Communities

The Convenor, SLBC informed the forum that share of Minority community in PSC is 9.24% as on 31stMar,13. Sri A.K.Sarkar, Development Commissioner insisted to enhance the percentage of Credit to minorities communities.

5.6.2. Credit Flow to Women

The Convenor, SLBC informed the forum that there is a growth of Rs.4008.88Cr. on Y-o-Y basis in credit flow to women in Jharkhand.

5.6.3. Credit Flow to DRI

The Convenor, SLBC informed the forum that DRI Lending has decreased on YoY basis and remained below benchmark 1%.

5.6.4. Credit Flow to SC/STs

The Convenor, SLBC informed the forum that the overall credit to SC/STs has increased by Rs.2978.75crore from Rs. 3307.19crore to Rs6285.94 cr as on 1stMarch,13 over March,12. In percentage term the share of credit has increased from 7.49 % to 12.03 %.

5.7. Scheme for Revival, Reform and Restructuring of Handloom Sector

The Convenor, SLBC informed the forum that in Jharkhand total 27 PWCS & 369 individual weavers were found eligible for assistance under the scheme. Out of the total assistance of Rs.288.35 Lacs approved by the State Implementation Monitoring and Review Committee (SIMRC), a sum of Rs.255.97 Lacs (Rs.155.21 lakh to 27 PWCS & Rs. 100.76 Lakh to 369 IW) has been released. The balance amount i.e 10% share of GOI will be released after the state govt. completes the legal & institutional reforms as committed by them in the MOU.

Weavers Credit Card

The Convenor, SLBC informed the forum that SLBC allocated the target to all the Banks operating in Jharkhand in terms of communication of Development Commissioner for Handlooms, Ministry of textiles, Govt. of India vide letter no 8/4/2010-DCH/Project-1 dated 16th May'2012. Against the target of 3000 weavers credit card, total no of 236 cards have been issued in Jharkhand.

5.8. Scheme for financing of Women SHG

The Convenor, SLBC informed the forum that Govt. of India, MoF, DFS vide their letter No. F. No. 3/6/2011-AC (Vol. II) dated 04th January, 2012 has issued detailed guideline for promotion and support of Women SHGs in backward district of India. 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 in coordination with the District Development Manager of NABARD who shall be responsible for implementation, monitoring and coordination of the scheme in the district. The scheme would be implemented through bank branches, having CBS facility, in each block of the identified districts. The LDM in coordination with DDM, NABARD and with the approval of DLCC will select the implementing branches, which may be from his own bank or that of any other Commercial Bank, RRB, Local Area Bank, Urban Cooperative Bank. It is desirable that each such branch of the bank has one nodal person for handling all matters related to SHGs including opening of SB accounts, processing for credit requests etc.

6. REVIEW OF PROGRESS UNDER GOVT. SPONSORED SCHEMES FOR THE YEAR 2012-13 AS ON 31st Mar' 2013

PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME (PMEGP)

The Convenor, SLBC informed the forum that Bank wise/ District wise Budget for 2013-14 as advised by Govt of Jharkhand has been circulated vide Addendum to Agenda Items during the meeting. The Secretary Industries asked all the Banks to adhere to the time schedule of 31.05.2013 for utilisation of subsidy in all sanctioned cases for Prog Year 2012-13.

National Rural Livelihood Mission (NRLM)

The Convenor, SLBC informed the forum that 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. The Mission aims at creating efficient and effective institutional platforms of the rural poor enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services.

7. FINANCIAL INCLUSION

7.1.1. Roadmap- Provision of Banking Services in villages with population below 2000 as per RBI guidelines

The Convenor, SLBC informed the forum that as per the direction of RBI vide their letter No. RBI/2011-12/606 RPCD.CO.LBS.BC.No.86/02.01.001/2011-12 dated June 19, 2012, the roadmap for covering all unbanked villages of population less than 2000 (2001 census) has been prepared by the Lead District Managers and approved by the District Consultative Committees (DCCs) of their respective district and submitted the same to SLBC Jharkhand. SLBC Jharkhand has forwarded the finalized roadmap with details of allocated villages to various banks to the Regional office of Reserve Bank of India, Ranchi. All Banks are requested to instruct their District Coordinators to get the

list of villages allotted to their bank in the respective district from the LDM of the district.

Following observations have been made by the participants:

- a) Sri P.K.Jena, Regional Director, RBI told that in the Roadmap prepared, excessive coverage has been planned for BCs whereas as per RBI Directives 5% coverage is to be done by Brick & Mortar Branches. Accordingly revision to that extent needs to be done wherever required. Sri P.K.Jena , Regional Director appreciated that all the 81 USBs opened in villages above 5000 population are operational on all the 6 days of the week.
- b) Sri A.K.Sarkar, Development Commissioner, GOJ told that Banks should ensure opening of USBs in unbanked areas only.
- c) Sri K.K.Sinha , OSD, Deptt. of IF, GOJ stressed on the fact that in case of the service area village being too far from the Base branch , the Service Area plan should be reconstructed and the villages should be attached to the nearest Bank branch

**Agenda no. 8 Important Issues for Implementation in terms of DFS,
MOF, GOI guidelines**

8.1.& 8.2- Rollout of Direct Benefits Transfer from 01st January' 2013

The Convenor, SLBC informed the forum that Direct Benefit Transfer Scheme has been rolled out on 01.01.2013 in the first round under 26 selected schemes in 43 districts of 16 States. The scheme has been launched in 04 districts of Jharkhand such as Ranchi, Ramgarh, Hazaribagh and Saraikela- Kharsawan.

Further he brought to the notice of the forum that the Department of Financial Services , MOF ,GOI has since included 78 more Districts throughout the country in the 2nd Phase of DBT w.e.f 01.07.13 vide Notification No : F.NO.6/41/2012- FI (VOL.III) Dt. – 01.04.13. Khunti , Lohardaga & Bokaro districts in Jharkhand have been included in the 2nd Phase of DBT. The MOF had convened a Meeting at Vigyan Bhawan , N.Delhi on 29th April ,13 to discuss and decide over the future course of action on DBT, in which all the District Collectors of all the Districts under DBT (Phase –I & II) along with the EDs of the respective Banks having lead Bank responsibilities in those Districts and LDMs participated the meeting.

In regard to DBT, following observations were made by the participants:

- a) Sri Arvind Prasad, Regional Director, UIDAI explained that seeding of Bank Accounts with UID No. is the most important step for DBT. He said that in addition to Seeding being done on the basis of list of beneficiaries given by District Administration, Banks should also make endeavour for seeding of UID No in common Accounts other than beneficiaries, because in near future, expectedly from Oct.,2013 subsidy on LPG will be paid through DBT. He also stressed on the fact that some automatic process should be introduced by which the Accounts are automatically mapped in NPCI mapper as soon as seeding is done in Accounts. He also suggested that Banks should try to do the seeding on the basis of E-Aadharcard , after generating the same from UIDAI website.
- b) The Chairperson of the meeting Mrs. V.R.Iyer,CMD, BOI informed the forum that DBT is in germination stage and things will improve gradually.
- c) Sri P.K.Jena , Regional Director, RBI suggested that when Account No. are already taken at the time of issuing UID Card, effort should be made that Seeding & mapping is done at the time of issuing UID card.
- d) Sri A.P.Ghugal, General Manager, BOI explained to the participants that near about 6.50 lac Accounts have been seeded in BOI alone. He expressed his satisfaction over the development. He also told that the Accounts are at present being automatically mapped in NPCI mapper within 48 hours of seeding.
- e) Sri A.K.Sarkar , Development Commissioner then told to submit the percentage of DBT transaction made successfully in the next SLBC meeting.

8.3. Mapping of Gram Panchayats and Planning for BCA/CSC for Sub- service area approach

The Convenor, SLBC informed the forum that Mapping of Gram Panchayat has been completed in all 24 districts and roadmap has been prepared.

8.4. Operationalization of CSC as Business Correspondent

The Convenor, SLBC informed the forum that in the view of roll out of Direct Benefit Transfer, the coverage in terms of population would no longer be relevant and entire area of districts/states, as per roll out plan, would need to be covered with banking facilities. Common Service Centres have been set up in the country under the Department of Electronics and Information Technology, Govt. of India under the National e-Governance Plan. In order to extend the outreach of BCAs, Public Sector Banks have already signed an agreement with the CSC e-Governance Services India Ltd (CSC SPV), a special purpose vehicle setup by the Government of India to monitor and manage the Common Services Centre, for engaging CSCs as BCA. UTL who is one of the service provider for the CSC e- Governance is arranging for the BCAs in agreement with service area Banks in these CSCs of majority of the districts in the State. UTL has started operationalizing some of the CSCs falling in BOI and SBI service area.

8.5. Installation of Onsite ATMs in all branches.

The Convenor, SLBC informed the forum that DFS, MOF, GOI vide letter No F. No. 6/77/2012- FI dated 28th Decemebr'2012 advised all Public Sector Banks and RRBs operating in 51 pilot districts for DBT to install on site ATMs in all branches by 31st January'2013. It was also advised to ensure that all accounts holders in these districts, particularly the beneficiaries under Direct Benefits Transfer, are issued ATMs cum Debit card on priority so that they can transact at the ATMs. The controlling heads of the Banks were requested to speed up their initiatives to ensure installation of onsite ATMs as the deadline has been expired.

The Convenor, SLBC informed the forum that overall Position of all the Banks as of 31.03.13 -

On Site ATM – 804 & Off Site ATM – 947

Total No of ATM - 1751

8.6. Installation of Biometric Cash dispenser in rural & Semi- Urban areas.

The Convenor, SLBC informed the forum that DFS, MOF, GOI vide letter no F. No. 6/35/2012-FI dated 07th January'2013, advised the PSBs to ensure that the Cash Dispenser provided, particularly in Rural and Semi- urban areas have facility for biometric authentication to enable customers to use the same. Hence, controlling heads of the Banks were requested to ensure the compliance of the same as the RFP finalized by the PSBs for "Outsourcing of Installation and Managed Services of Cash Dispensers" had a provision that bidder should provide all new CDs with biometric functionality.

8.7. Putting up of guidelines issued by DFS, MOF, GOI in DLCC meeting.

The Convenor, SLBC informed the forum that DFS, MOG, GOI has requested SLBC conveners vide letter no F. No. 6/36/2012-FI dated 11th January'2013, to advise all LDMs of their concerned State to ensure that the guidelines/circulars issued by department should be placed before the DLCC meetings chaired by the District Collector and the contents of the guidelines/circulars should be discussed during the DLCC meetings to bring it to the knowledge of all the concerned for the seamless implementation of the guidelines. **LDMs are requested to place the guidelines and circulars in DLCC meeting and feedback if received should be forwarded to SLBC.**

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

The Convenor, SLBC informed the forum that Service area plan in the format as advised by the DFS for villages above 2000 population is uploaded in the district website. However, village wise mapping for villages of all population groups 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 updation is to be indicated on the service Area Plan. Service area plan of all 24 districts is uploaded in SLBC website. The LDMs of all the 24 Districts are requested to update the revised Service Area Plan in the district website.

8.9. Financial Inclusion Drive to open Bank accounts of Migrant Labours and Street Vendors/Hawkers in Urban areas.

The Convenor, SLBC informed the forum that nothing to report under agenda point.

8.10. Micro Insurance and Non-Life Insurance through BCs.

The Convenor, SLBC informed the forum that 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. It was instructed by MoF, GoI that a nodal officer for each state is to be appointed who will be responsible for non-life insurance coverage in the state. As reported earlier, National Insurance Company has appointed Sri D. S. Pante as State Nodal officer for Jharkhand, however, LIC has to nominate their Nodal Officer.

Agenda no. 9 - RSETIs

Observations of participants are as under:

- a) Sri I.D.Tiwary, Director , RESETI , GOJ appreciated the role of all the sponsoring Banks for smooth functioning of RSETIs except in the case of Chatra&Hazaribagh districts. He informed the forum that land could not be allotted in Palamau&Garhwa Districts due to non-availability.
- b) Sri N.N.Khanna,DGM,Canara Bank insisted that the activity of RUDSETI, Silli should also be incorporated in SLBC meeting , he also told that this institute is running successfully with 70% credit linkage of trainees.
- c) Sri A.P.Singh , Secretary , Industries assured that land will be soon allotted in Garhwa&Palamau with the help of Deptt. of IF,GOJ.
- d) Sri K.K.Sone, Director, Agriculture suggested that training should be made a pre-sanction requirement for all types of Govt. Sponsored schemes.

Agenda no. 10. Review of Recovery/ Recovery matters

The Convenor, SLBC informed the forum that Gross NPA of the state is alarmingly high at Rs.2766.88crore which constitutes 5.29 % of Gross Credit. On YoY basis NPA increased by Rs. 812.19crore from Rs. 1954.69 cr to Rs. 2766.88crore. Recovery under PSC as on 31stMarch,2013 is 60.27% of Total Demand of Rs. 5234.03crore. Recovery under Govt. Sponsored Schemes as on 31stMarch,2013 is 38.98%. 104674 Certificate cases involving an amount of Rs.295.75crore is pending for disposal. Total No. of DRT cases pending for disposal are 1053 constituting Rs.364.59crore. Sri N.N.Khanna, Dy. General Manager Canara Bank told that more than 1.00 Lac certificate cases have been filed across the State, in which no action has been taken by the Govt. Sri Tarlochan Singh, Zonal Manager , BOI solicited the help of GOJ in taking possession of assets. He also informed the House that DRAT has now been shifted to Allahabad from Kolkata.

Agenda no. 11 Functioning of various subcommittee of SLBC

Convenor of Sub-committees is requested to convene meetings of Sub-Committees at least once in a quarter. Some Sub-committee meetings are pending for over a Quarter period.

Agenda No.12- Miscellaneous

12.1. Extension of Equitable Mortgage in Khunti and Ramgarh.

The Convenor, SLBC informed the forum that Ramgarh and Khunti, which have been carved out from Hazaribagh and Ranchi districts respectively are not having the equitable mortgage facility as these two districts have not been notified for creation of Equitable mortgage by the State Govt. SLBC has requested to IF & PI department, GOJ to take up the matter with the concerned department of Govt. to notify these two districts as notified centres for Equitable Mortgage. **Sri K.K.Sinha , OSD, Deptt. of IF,GOJ, assured that Notification to this effect will be issued soon.**

12.2.& 3 &4 Additional Issues

Following additional issues placed before the house for consideration and initiating appropriate action:

- i) Permission from DC in creation of Mortgage in financing to SC/ST/OBC as per CNT Act – Fixing of time frame for such permission
- ii) Provision for space for office of DRT, Ranchi
- iii) Allotment of suitable land for RBI,NABARD, SLBC and major PSBs

13. Fresh Issues & any other matter with the permission of the chair

The Convenor, SLBC informed the forum that following new issues have been taken up for discussion and consideration:

- 13.1** During the course of last review meeting it was expressed to have a grading system to assess Bank's performance on the similar line prevailing in SLBC Bihar. The grading system has been circulated as addendum to Agenda Items. Further Suggestions/Additional information in this regard will be placed before SLBC in the next meeting.
- 13.2.** Banks are finding difficulties in financing housing loan for construction of house/flats without approved Map/building plan/layout by the Competent Authority beyond the distinct area of Municipal Corporations. With a view to enhance the retail loan portfolio (Housing loan & Loan against Property) of Banks operating in the State, the Govt. is expected to specify the competent authority for approving building plan in such localities which are outside the area of Municipal corporations. Mrs. Praveen Kala, Dy. General Manager, SBI raised the issue and put stress for making Notification after identifying the authority.
- 13.3.** In terms of provision, Chhapparbandi land is out of purview of CNT Act and Banks are financing against mortgage of such land. However, in certain instances, where the status of the land has not been mentioned as "Chhapparbandi" in Khatiyan prepared in the year 1932 though the land owner has subsequently constructed house on it, and/or sold the property, and the transferee registered the Land/Property in his name and the present owner has been residing on the land after Mutation in Circle office ,paying Chhapparbandi Tax, Municipal House

Tax etc.Guidelines are not clear as to whether such land can be treated as “Chhaparbandi” and loan is to be extended or not. The matter needs clarification from Govt. Shri K K Sinha assured to look in to the matter in consultation with the Secy, IFPI.

- 13.4** Conduct of DLCC & DLRC Meetings – RBI vide their letter ref no RPCD.LBS.No.560/11.01.028/2012-13 dt 29th April’2013,has advised that yearly Calendar of DLCC & DLRC Meetings should be prepared in the beginning of the calendar year in consultation with the Chairpersons of the meeting and circulated to all members as advance intimation for blocking future dates to attend the meetings. The calendar so prepared & circulated must be strictly adhered to. **All LDMs and controlling Heads of the Lead Bank should take note of RBI direction.**
- 13.5** Sri S K Mishra, Zonal Manager,Hazaribagh, BOI, submitted one fresh issue to arrest slippages in SRT0 Loan accounts and suggested that renewal of road permit of hypothecated commercial vehicles **should be allowed by the competent authority, upon production of NOC from the financing institution.**
- 14.** The Meeting was concluded after vote of thanks was proposed by Sri S.R.Dash,Dy. General Manager, Central Bank of India, in which he thanked all the Dignitaries and other participants and assured that all the important points deliberated in the meeting will be taken care of and the decisions taken in the meeting will be followed & implemented with concerted effort of all the Banks & Government of Jharkhand.