

STATE LEVEL BANKERS' COMMITTEE, CHHATTISGARH
50th MEETING, DATED 27th June, 2013
"MINUTES"

The 50th Meeting of the State Level Bankers' Committee, Chhattisgarh, was held on the 27th of June, 2013, at Hotel Babylon International, Raipur to review the performance of Banks in the State for the FY, 2012-13.

ITEM NO. 1: WELCOME OF PARTICIPANTS BY THE CONVENOR

Smt Rashmi Prasad, DGM and Convenor State Level Bankers' Committee (SLBC), Chhattisgarh extended warm welcome to Shri Sunil Kumar, Chief Secretary, Government of Chhattisgarh, Shri Vivek Dhand, Additional Chief Secretary, Shri D.S. Misra, Additional Chief Secretary, Shri Ajay Singh, Principal Secretary (Agriculture), Shri Sunil Kujur, Principal Secretary (Forest), Shri Nirmal Chand, General Manager & OIC, RBI, Raipur, Shri Vohara, General Manager, NABARD, Secretaries of Govt. Departments, Senior Officials of Commercial Banks and officials of other departments.

ITEM NO. 2 : ADOPTION OF THE MINUTES OF 49th SLBC MEETING

The Convenor, SLBC informed the House that the Minutes were circulated to all concerned, by the SLBC Cell. Amendments received from RBI has been incorporated. No further suggestions/amendments were requested / made. *The House adopted the Minutes of the 49th SLBC Meeting.*

ITEM NO. 3 : FOLLOWING ACTION POINTS EMERGED DURING THE 50th SLBC MEETING

1. FI Plan:

- i. FI Plan for 2013-14 is to be submitted to RBI and a copy of same to to be sent to SLBC. As per RBI guidelines, 5% Bricks & Mortar branches to be opened in unbanked rural areas. Banks are requested to resubmit their plan to RBI as well as SLBC Cell.

Action : All banks

- ii. Progress under Financial Inclusion Plan in both 2000+ population and below 2000 population villages to be submitted to RBI and SLBC Cell.

Action : All banks

- iii. Coverage under 1000 to 2000 to be completed at the earliest as the extended time line is already over.

Action : All banks

2. i. Performance of Corporate BCs is not satisfactory. Hence one team consisted of bankers, CEO, official nominated by collector, financial inclusion official from P & RD, Govt. of C.G. Should be formed. The team will suggest the corrective measures in grey areas.

Action : Principal Secretary, P & RD, Govt. of C.G./Convener SLBC

ii. In case of inactive BCs, banks may appoint women as BCs from Asha Workers, WSHGs, PDS shop owners, Didi Banks etc. subject to fulfilment of Bank's criteria for BCs. LDMs of the districts to obtain the list of such women members of the said groups from concerned authorities and provide the same to the concerned banks.

Action: All banks/District CEOs of Jila Panchayats

iii. Food department of C.G. Govt. advised that PDS is working on GPS connectivity and hence it is feasible to appoint them as BCs. SLBC to separately interact on this with food department.

Action : SLBC/Food Deptt.

iv. GM & OIC RBI, R.O. Chhattisgarh suggested that where ever fixed and variable remuneration is paid to BCs, their performance is found better. Banks are requested to look into this matter.

Action: All banks

v. The Govt. has to issue orders to Gram Panchayats/Sarpanch to cooperate with BCs for opening of accounts and to provide place in Gram Panchayat Bhavan.

Action: Principal Secretary, P& RD, Govt. of C.G.

vi. Collector, Dantewada requested for opening 12 USBs, as the no. of accounts and transactions in those areas are very low. In implementation of establishing the USBs, connectivity is a serious issue. Now the BSNL and the Govt., jointly have to sort out the problem. To overcome connectivity problem SBI has opted for VSAT mode.

Action :All bank/BSNL/CEOs Jila Panchayat Dantewada

vii.

a).Capital Expenditure of Rs.140000/- on conversion of CSP points into Ultra Small Branches in LWE districts would be borne by MOF,GOI under IAP. The fund is made available to LDMs by Distt. Collectors. LDMs of the LWE disticts are instructed to draw the funds for FY 2011-12 and 2012-13 from Collectors at the earliest.

b). From FY 2013-14 the IAP Format has been changed and Capital Expenses of USBs may not be available from current FY 2013-14.

Action : LDMs of LWE districts

3. FLCCs:

i. Awareness campaign for Financial Literacy and Credit Counselling Centres is to be conducted in a meaningful manner. For spreading F.L. amongst the villagers, banks to take help of Govt. Depts. Like Social Welfare, Women and Child, Panchayat & Rural development.

Action : All banks/Director FLCC/Principal Secretary, Panchayat & Rural Development Deptt., Govt. of C.G./DIF

ii. Social welfare department has given publicity materials like CDs, Songs, Skits etc. to Gram Panchayats to show them in Gram Sabha. Banks should coordinate with Gram Panchayats.

Action : Deptt. of Social Welfare Govt. of C.G./DIF

iii. Bank branches in rural areas are to conduct Financial Literacy camps in a month as per RBI directive.

Action : All banks/LDMs of the Districts.

4. Branch Expansion Plan:

i. Backlog of 24 (159-135) branches, as per para 5.3 of Strategy & Guidelines on FI, of MOF, GOI to be cleared in unbanked areas.

ii. Progress is to be advised to RBI and SLBC on monthly basis.

iii. Private banks to discharge their obligation of banking services in rural areas as their presence is dismal in rural area. Private banks to include rural areas also, while preparing Branch Expansion Plan for 2013-14.

iv. Banks who have not submitted their Branch Expansion Plan for FY 2013-14, are requested to submit the same latest by 15.07.2013.

Action : All banks

5. RSETIs:

i. Sponsoring banks are requested to start construction of building for RSETIs where first installment has been received.

ii. RSETI directors are requested to evaluate the standard of training/knowledge that is being imparted to the trainees as per standard set by the Govt. Over all performance of RSETIs with regard to standard of training, aptitude of candidates, status of their settlement etc. is to be discussed in DLCC meetings.

iii. The rate of settlement of trainees to be improved and should be 70%. Also RSETI directors to keep track of those who got settled after getting trained, for 2 years as per norms of the Govt.

- iv. Separate committee on Skill Development to be formed with district collectors as its chairman. They should sit together including RSETI director to discuss and compare the quality of training with the norms set by the Govt. The shortfall may be covered as per the norms.
- v. Banks to ensure adequate no. of faculties/staff posted at RSETIs.

Action : All banks/RSETI Directors

6. CD Ratio:

- i. In districts (Jashpurnagar, Janjgirchampa, Narayanpur, Bijapur, Koriya, Surguja and Kanker) where CD Ratio is less than 40%, sub committees are already formed except for Kanker district. The LDMs to send action plan drawn by the committee to SLBC.
- ii. RBI has suggested that growth in advances say 40% may be targetted to improve the CD Ratio in districts where CD Ratio is less than 40% and the same should be monitored. It does not mean to do away with CD Ratio norms set by RBI.
- iii. SLBC has reported CD Ratio for 18 old districts. Now SLBC is to send report for all 27 districts.

Action : SLBC/LDMs/Collectors

7. KCC:

- i. Directorate, Agriculture has given a list of non-defaulting farmers to LDMs for the districts of Raigarh, Mahasamund, Durg, Bilaspur, Raipur. Directorate, Agriculture is requested to provide to LDMs the list as above for remaining districts also.
- ii. Banks are requested for issueing KCCs to SC/ST farmers and also to JLGs to cover more and more small farmers. In JLGs, 1% interest subvention is already there but, apart from this, C.G.Govt. is giving Loan Subsidy of 20% or Maximum Rs.5000/- to JLGs. This information may be circulated to all banks to promote JLG financing.
- iii. LDMs will provide the list to banks and pursue with banks in facilitating loans to eligible non defaulting farmers and they may review the progress in DLCC meeting.

Action : Directorate Agriculture/LDMs

8. Direct Benefit Transfer (DBT) :

- i. **a.** In its second phase of rolling out of DBT scheme, Chhattisgarh state has two districts i.e. Dhamtari and Koriya. LDMs and banks are requested to expedite the procedure for opening of accounts, seeding of Aadhar Cards etc. as per directives of the Govt. The progress under the DBT to be advised by LDMs and Nodal Agency of Govt. of C.G. to SLBC for onward submission to DFS,MOF,GOI.
- b.** Blank account opening forms should be provided to the concerned Govt. official who will, after completing the form, mentioning Aadhar No. on the form, will send to bank branch. Banks are requested to open these accounts sent by the Govt. official with Aadhar No. mentioned on the form, without insisting on beneficiaries to be physically present.

Action : Office of Registrar, UID Project/LDMs of Dhamtari & Koriya/SLBC

- ii. For DBT, one bank account of the beneficiaries in NEFT enabled branch is required.
- iii. Banks to educate their customers to record their Bank A/c no. during registration of biometric & KYR particulars in National Population Register (NPR). SLBC to advise all banks.

Action : Dena Bank/Central Bank/LDMs/SLBC

9. SHGs

- i. SGSY scheme has been withdrawn on 31.03.2013. Now in 2013-14 there will be no Capital Subsidy, instead, Interest Subsidy will be made available by NRLM Project. Target for 2013-14 is to be advised district wise/bank wise by NRLM.
- ii. Data related to Self Help Groups including Linkages done should be submitted to SLBC every month. Data related to LWE districts DDM, NABARD and LDMs will provide the data.

Action : All banks/CGM NABARD/Director SRLM/Convenor SLBC

10. Education Loan :

- i. Targets given by DFS, MOF, GOI will be allocated to banks by SLBC.
- ii. Targets given by State Govt, Deptt. of Technical Education for extending education loans to vocational trainees be provided to SLBC and SLBC will allocate the Targets to Banks.
- iii. Private Sector Banks should also be given target for education loan and Private banks to extend education loan like PSU banks.
- iv. Progress of disposal of cases received in Youth Conclave is to be provided to Deptt. of Technical Education.

Action : All banks/SLBC/Deptt. Of Technical Edn., Govt. of C.G.

11. Details of loans given by all banks to SC/ST and women borrowers, to be provided to SLBC Cell. Format designed by SLBC has already been circulated to LDMs and all banks.

Action : All banks/LDMs

12. Govt. Sponsored Scheme :

- i. In many cases subsidy has not been used by banks in Govt. sponsored schemes. In Kanker, subsidy is lying unused for more than 6 months with RRB and Dena Bank. They are requested to dispose the pending cases at the earliest. Banks are advised to clear all pending subsidies of last year immediately.
- ii. There is significant time lag between subsidy being deposited and loans disbursed by the banks. Banks are requested to disburse loan immediately after receiving the subsidy.
- iii. Sponsoring agencies to provide list of beneficiaries by 15.07.2013 to LDMs, who in turn forward the same to regional heads of the banks for better monitoring.
- iv. Target for 2013-14 of various Govt. Sponsored Schemes district wise/bank wise may be sent by concerned departments, to SLBC by 15.07.2013.
- v. DIF is requested to coordinate with all concerned departments and send targets to SLBC.

Action :RRB Kanker/DenaBank Kanker/All banks/KVIC/KVIB/PMEGP/Antyavasayee /DIF

13. Miscellaneous issues with Government :

- i. It has been observed progress in Branch Expansion for 2012-13 was very low on the part of Pvt Sector Banks. The House observed that hence forth the Govt. deposits may be given only to those banks that are contributing in the rural development by opening branches/USBs. For Govt deposits empanelment of banks, there should be legitimate share of education loan and loans to SHGs in overall advances.

Action : DIF, Govt. of C.G.

- ii. Computerization of Land Records is essential in present scenario. This will help banks in eliminating chances of fraud by fake registration of land. Department of Revenue and Land record should act fast on this issue.

Action : Revenue Deptt., Govt. of C.G./DIF

- iii. Debt Recovery Tribunal (DRT): Setting of DRT in Chhattisgarh will facilitate early settlement of cases pertaining to bad debts. All banks will provide to SLBC

Cell, details like no. of cases pending at DRT, Jabalpur. On the basis of compiled report submitted by SLBC, the DIF will take up the matter with GOI.

Action : DIF, Govt. of C.G./SLBC

iv. Land mortgage of tribal land is a difficult issue. Banks are unable to secure their advances by mortgage in tribal area. The state Government may make necessary amendments or alternatively a credit guarantee trust fund may be set up on the lines of CGTMSE, so that the tribal areas can also be financially included in a big way. A draft of approach paper is to be prepared by Bank of Baroda and sent to Govt. of Chhattisgarh in Mid July'13.

Action : DIF

v. The concerned authorities in various centers to be advised to take physical possession of property of defaulting borrowers as required under the SARFAESI Act and DIF will help the banks in this matter. All the banks are requested to provide a current list of such cases to SLBC Cell.

Action : DIF/SLBC

vi. The sub-committee on Minor Forest Produce which has been formed, should hold its meeting and the outcome and suggestions of the meeting would be forwarded to respective Govt. deptt. and SLBC Cell also.

Action : MD, Minor Forest Produce Corporation Govt. of C.G.

vii. Automation of State Govt. Treasuries is to be completed as early as possible.

Action : DTA/Concerned Banks

viii. RRC filing, on line is not being done in Chhattisgarh. It is to be done in the state like in M.P.

Action : DIF/Revenue Deptt.

14. Miscellaneous issues with the banks:

i. Non submission of SLBC data within time. RBI is to intervene in the matter. SLBC Cell will send to the RBI the list of banks not submitting quarterly SLBC data on time.

Action : SLBC/RBI R.O. C.G.

ii. Banks to ensure participation in quarterly SLBC meeting by bank heads of the state only.

Action : ALL Banks/RBI R.O. C.G.