

राज्य स्तरीय बैंकर्स समिति, राजस्थान State Level Bankers' Committee, Rajasthan

कार्यवृत्त Minutes

105 वीं बैठक, दिनांक 25 जून 2010
105th Meeting, Dated 25th June, 2010



www.slbcrajasthan.com

संचालक Convener



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Bank of Baroda
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Minutes of the 105th State Level Bankers' Committee (SLBC), Rajasthan,
Meeting held at Jaipur on Friday the 25th June, 2010

The 105th meeting of SLBC was held on 25th June, 2010 at Jaipur under the Chairmanship of Shri N.S.Srinath, Executive Director, Bank of Baroda. The meeting was attended by Shri C.S.Rajan (Principal Secretary, Rural Development & Panchayati Raj), Shri D.B.Gupta (Principal Secretary, Planning), Ms. Aditi Mehta (Principal Secretary, Social Justice), Shri R.K. Meena (Principal Secretary, Cooperatives) Shri Rajhans Upadhyay (Commissioner Industries & Principal Secretary), Shri J.C.Mohanty (Commissioner Agriculture & Principal Secretary), Shri B.P.Kanungo (Regional Director, RBI) Shri K.Murlidhar Rao (CGM, NABARD) and other senior functionaries of State Government, Controlling Heads of Banks/ Financial institutions & other agencies. The list of participants is annexed.

Shri B.B.Garg, Convenor SLBC and General Manager, Bank of Baroda, in his opening address welcomed Shri N.S.Srinath, Executive Director, Bank of Baroda to preside over the 105th meeting of SLBC Rajasthan. He also welcomed Principal Secretaries of the State, Regional Director RBI, CGM NABARD, other officials of the State Government, executives of RBI, Banks and Financial Institutions and representatives of other agencies to the SLBC meeting.

Initiating the deliberations he said that this 105th meeting of SLBC Rajasthan is the first in the current Financial Year, and the performance on different parameters as on 31st March, 2010 will be taken up for review. Therefore, it gives an opportunity to review the performance for the full Financial Year 2009-10. He said that it also gives us an opportunity to chart our strategies for the current financial year for not only achieving the mandated targets under different programmes, but striving to surpass it.

He shared with the house that positive sentiments are being built up pertaining to world economic crisis and the situation is more reassuring than it was a quarter ago, yet uncertainty about the shape and pace of global recovery persists. He said that the noticeable point is that the emerging market economies are significantly ahead on the recovery curve than the developed economies.

He expressed that on the domestic front, the economic growth which had decelerated to 6.7% in 2008-09, showed better performance in 2009-10 and regained to 7.2 %. He said that as per present indicators the economy is expected to grow by 8.3% in 2010-11, with expectation of return to a growth rate of 9% in 2011-12. He said that in the State's economy agriculture holds an important position and contributes about 22.5% to the States' GDP. However, the agriculture is largely rain fed and thus, heavily dependent on a good monsoon.

He expressed that the financial system in India has grown rapidly in the past decades and more and more rural branch expansion has taken its pace, but still there is exclusion and poorer sections of the society have not been able to access adequately financial services from the organized financial system.

He said that to address the issue the relevant directions from the Ministry of Finance and Reserve Bank are in place for banking the unbanked. In the State of Rajasthan the allocations of unbanked habitations with population over 2000 have been made to 24 banks operating in the State for providing banking facilities by the end of March, 2012 by using the business correspondent (BC) and other models with appropriate technology back up. Such allocations were provided to the members by way of consolidated "Road Map" for the State in the last 104th SLBC meeting, and the same is also available at SLBC website. The issue is put up as a regular agenda for detailed discussion.

Another pertinent matter, he said is that there is an imperative need to modify the credit and financial services delivery system to achieve greater inclusion. It is

worth while to mention that the credit should not only be provided but should also be provided promptly.

Concluding he said that he is fully confident that all the stake holders will actively participate in the developmental plans of the State, as has always been done in the past. He then requested the Chairman of the meeting Shri N.S.Srinath, Executive Director, Bank of Baroda, to deliver the key note address.

Shri N.S.Srinath, Executive Director, Bank of Baroda, welcomed the Principal Secretaries of the State, other senior officials of the State Government, Regional Director RBI, CGM NABARD, representatives of Banks, Financial institutions and other stake holders.

He conveyed his appreciation to the banking community in the State and noted that SLBC Rajasthan is much above the stipulated parameters in several areas, in the year gone by. The CD Ratio has been constantly high and is at 92.11%, the achievement under ACP is 110%, and the outstanding advances to priority sector, agriculture and weaker sections have all been above the bench mark.

He shared with the house that the World Bank's (WB) latest Global Economic Prospects 2010, released on June 9th cautions that the global economic recovery continues to advance, but Europe's debt crisis has created new hurdles on the road to sustainable medium-term growth. The WB has projected global GDP to expand by 2.9% in 2010 and 3.3% in 2011. Developing countries are expected to grow between 5.7% and 6.2% each year from 2010-2012.

He said India's primary articles' inflation further climbed to 17.21% (y-o-y) and food articles' inflation to 16.75% (y-o-y), on account of continued high prices of pulses, fruits and milk. Inflation in non-food articles too was high and stayed close to 18.0% (y-o-y) reflecting rising cost pressures coming from fibers & minerals.

The agriculture growth remains a cause of concern. The sector reported a growth of 0.2 % during 2009-10 as against 1.60% during the last year. Emphasizing the need to achieve 4% growth in agriculture, the Union Budget 2010-11 has given special emphasis to boost farm production, promote balanced usage of fertilizers, reduce food loss and promote food processing sector. Agriculture Credit Target has been fixed at Rs.3,75,000/- crores for F.Y. 2010-11. The incentive for regular repayment of short term loan for crops has been increased to 2%.

As an incentive to boost agricultural production, govt raised the minimum support price of paddy by Rs 50 per quintal to Rs 1,000 per quintal. pulses by Rs.700/- to reach Rs 3,000 per quintal, support prices for coarse cereals & oilseeds raised by 3.0% to 5.0%, however, there was no increase in the MSP of cotton.

Indian Industry recovered substantially in the IInd half of 2009-10. the industrial production register growth of 10.4% in 2009-10, as against 2.8% during 2008-09. Manufacturing sector has contributed with a comprehensive growth of 10.9%. The consumer goods sector secured a robust growth of 7.4% on account of consumer durables segment.

Exceeding all hopes, the spectrum auction for 3G services and broad-band wireless action ensured an inflow of Rs 1,06,336 crore to the Indian government's coffers, over three times the original estimate of Rs 35,000 crore. Higher inflows will have some positive implications for India's fiscal deficit, though critical "oil sector reforms" cannot be ignored for very long. India's Foreign Exchange Reserves stood at US \$271.09 bn as on June 4th, 2010.

He said Small and Micro Enterprises play a vital role in economy. They provide employment to a large number of unskilled and semi-skilled people, support bigger Industries by supplying raw material, basic goods, finished parts, components, etc. and play a critical role in exports. MSEs primarily rely on bank

finance for a variety of purposes. Availability of timely credit at reasonable rates is the need of the sector. As only 4.5% of MSEs are covered by institutional funding, there is a need to bridge gap through enabling policies. Banks need to effectively implement the extant RBI guidelines and significant policy initiatives which facilitate ease of credit flow to small entrepreneurs.

Touching on financial inclusion, he said that contrary to common perception, financial inclusion is a potentially viable business proposition. Eventually, it is a question of mindset, and it is only the change in mindset of all concerned stakeholders that can make financial inclusion a reality. Thus financial inclusion is no longer a policy choice but is a policy compulsion. Therefore, each bank should have ownership of its Financial Inclusion Plan, and put the campaign into mission mode.

However, it is to be understood that the financial inclusion does not end with opening of a No-frill account but providing credit, insurance, remittance facilities etc. This is the minimum set of products that needs to be offered. Beyond this, banks are free to provide any other products such as insurance, mutual funds, etc. as per their assessment and capability. He said in the State under financial inclusion:

- ❖ As of 11.06.2010 roll out plan is received for 2754 villages from 17 banks
- ❖ 2120 villages are proposed to be covered by Mar-2011
- ❖ 634 villages are proposed to be covered by Mar-2012
- ❖ 197 villages are proposed to be covered during 1st quarter of FY 2010-11.

He shared with the house that the banks will be switching over to a 'base rate' system of loan pricing from 1st July 2010, what is of greater significance is that it will bring complete deregulation of rupee lending rates of banks. The deregulation of lending rates will promote financial inclusion with greater credit flow to agriculture and small business.

He said that the overall performance of the Banking Sector in the State has been satisfactory. Taking a snap shot view, some of the highlights as on Mar-2010 for the State are:

- **-196- new branches** opened during 2009-10. **Total Bank branches 4655** (R & SU branches account for 72% of total branches]
- **CD ratio** as on Mar-10 is **92.11 %**
- Total **Deposit Rs.117375 crores** (growth 19.25%)
- Total **Advances Rs. 101817 crores** (growth 25.24%)
- **Priority Sector** advances **Rs.49493 crs** (48.61 % of o/s credit)
- **Agriculture** advances **Rs.27899 crs** (27.40% of o/s credit)
- Annual Credit Plan (**ACP**) **achievement** as on Mar-2010 is **110%**, with disbursements of Rs.26985 crore to priority sector.
- Achievement under Govt. sponsored schemes as on Mar-10 are SGSY (139%) , SJSRY (212%) PMEGP (93%), Artisan Credit Cards Scheme (96.59%)
- **R-SETIs** established in **29 districts**, out of 33 districts.

He said he is happy to note the good C:D ratio in the State as on Mar-10. Three Banks are having C:D ratio below bench mark and said these Banks have to take measures to improve the C:D ratio.

Concluding he said he look forward for active and fruitful deliberations by all the members on the agenda items to chalk out action plans and future strategies. He said he would like to inform the house that a high level special SLBC meeting may be convened in the month of July or August to take a review of the performance of the banks under various schemes. It was requested to all the banks to keep the required information ready, so that each bank and the SLBC Rajasthan can project a correct picture. The banks have done exceedingly well under different parameters and we should make a proper presentation.

The Convener then requested Shri B.P. Kanungo, Regional Director, Reserve Bank of India to present his views.

The Regional Director, RBI complimented the banking fraternity in the State for achieving 110% of the ACP target for FY 2009-10, and said that the momentum should be sustained.

He said 'Financial Inclusion' is on top of the policy agenda and is to be implemented for sustainable high growth. The position is being regularly reviewed by the Central Government, State Government, RBI and NABARD. He informed that recently a meeting was held on 11th June, 2010 at RBI to review the implementation of road map, and 17 controllers of the banks operating in the State attended the meeting. The banks are at various stages of implementing it. Initial days are slightly difficult as it is required to put in place the machinery, infrastructure, floating of RFP, and selection / appointment of Business Correspondence etc. After the initial months it will gather momentum over a period of time, and as the base is ready it will be completed by March, 2012.

He suggested that the roll out should be planned in a such manner to ensure completion of task six months ahead of the dead line, so as to take care of time over run, if any. He said that Rajasthan should occupy the pride of a place in achieving financial inclusion, looking to the concerted efforts being put by RBI, SLBC, and banks in this direction. The roll out plan has not been received from 3 banks; these banks should submit the plan expeditiously. He requested the banks for timely submission of formats / information for reporting implementation of recommendations of the high level committee to review the lead bank scheme.

He appreciated that the State is much ahead of the deadline and ahead of the other State, in setting up of RSETIs. The RSETIs are to be established in remaining 4 districts, which should be expedited. The issue of land allotment should be looked into by the concerned department of the State Government.

He said recently RBI has issued guidelines for waiver of margin money requirement and collateral free agriculture advances upto Rs.1.00 lacs. Under MSE the collateral free loans are to be provided upto Rs.10 lacs, and education loans upto Rs.4.00 lacs. He said that all the banks should sensitize their staff about these guidelines.

He said that the Chairman has mentioned about convening of Special SLBC meeting with high level participation. We have one month to achieve the targets and the performance is to be scaled up, so as to make the meeting fruitful. Next meeting will be very important for micro-review of the progress made.

The Convener then requested Shri Muralidhar Rao, CGM NABARD, to benefit the house with his deliberation.

Shri Muralidhar Rao appreciated the performance of the banks during 2009-10. He said banks are rolling out the financial inclusion road map in villages having population over 2000, and assured that NABARD will give full support to all banks for Financial Inclusion efforts and informed that Rs.4.00 crores has been set apart from the Financial Inclusion Fund in this regard. Financial inclusion will also help in maintaining growth momentum. The progress of Financial and Credit Council Centres opened in the current year is satisfactory and large number of literacy camps should be organized.

He said that credit flow to agriculture registered all time high growth of 36% during 2009-10. Incidentally, 2009-10 was deficient in rain fall. For the current year Govt of India has set a target of Rs.20000 crores and it will not be very difficult to achieve it. It was suggested that credit should be extended to Marginal Farmers, Small Farmers, Oral lessee, Share croppers etc., for food security, as over 15% of the farmers constitutes this segment. The guidelines are in place for Joint Liability Groups. It has been recommended that RBI may enhance ceiling from Rs.50,000 to Rs.1,00,000 for collateral free loans to this segment, which is

under examination. At the State / district level NABARD is arranging awareness programmes for the bankers for timely disbursement of loan to Marginal & Small farmers. The literacy campaigns may be organized through the banks and NGOs in villages identified for financial inclusion.

He said NABARD has been administering capital and interest subsidy schemes of Govt of India. At the fag end of last year two more schemes have been introduced under animal husbandry sector, but not much progress has been made. First is setting up of mother units for backyard poultry and second is Sheep & Goat. The animal husbandry plays an important role in the lively hood for farmers, and banks should enlist credit proposals under the scheme, where 50% interest free subsidy is available.

The Convener then requested Shri D.B.Gupta, Principal Secretary (Planning) to benefit the house with his address:

Shri D.B.Gupta, Principal Secretary (Planning) said that on 28th June, 2010, the Finance Minister, Govt of India, is taking a meeting of Central and West Zone Chief ministers, and our Chief Minister will also be participating in the meeting. He said that there is good performance done by bankers in 2009-10, and this is one of the agenda in Finance Minister, Gol meeting to be held on 28th June, 2010. The overall performance is good except under lending to minorities.

He said that the State government has taken steps on food security front, the wheat is being provided @2/- per kg through the PDS to BPL families. Measures for employment security have also been put in place. The Chief Minister now desires for the housing security. He said that the State Govt would like to broad base the housing policy. He requested the banks to come forward with the contribution they can make in case the State Govt provides interest subsidy.

He said that the Financial Inclusion is a necessity now. The roll out plan has been chalked out for villages having more than 2000 population, and is to be covered by March, 2012. He said from the State Government side it is requested that measures should be taken for reducing the period of implementation. Apart from payment to NREGA beneficiaries through BC model, certain other schemes like pension schemes, IAY etc, should be included to broad base the BC model. It will also make the BC model more lucrative.

Bank SHG linkage is important, specially for women and rural development. Through meaningful trainings to SHGs, about bank's schemes, it can be sustainable in long run.

Thereafter, Shri B.B.Garg requested for the permission of Chair to take up the Agenda items for discussion:

Agenda No. 1

Confirmation of Minutes 104th SLBC Meeting & Action Taken Report

1.1 Confirmation of Minutes of 104th SLBC meeting held on 22.03.2010.

It was informed by the Convener that minutes of 104th Meeting of State Level Bankers' Committee (SLBC) Rajasthan held on March 22nd, 2010 have been circulated vide letter No.रा.अं.:एसएलबीसी:एटीआर:41:2010-11:418-527 dated 10.04.2010 to all the members of SLBC for necessary action and comments. No objections/ comments on the Minutes have been received. House was requested to confirm the minutes. The minutes of the meeting were confirmed by the house.

1.2 Action Taken Report

1. State Government to follow up with District Administration where allotment of land for R-SETIs operating in the State is pending:

It was informed that land has been allotted in 16 districts and in one District the concerned bank has informed that the land is not required. Rural development Department , GoR, was requested to impress upon the District Collectors to quicken the process of Land allotment for all R-SETIs, in the remaining 16 districts.

2. Amendment in PDR act, to include the Banks' dues under Government Sponsored Schemes as State dues under the definition of Financial Assistance for enabling the Banks to recover their dues.

The Revenue Department, GoR was requested to take steps to resolve the issue at earliest which will help in recovery of Bank's dues in Government sponsored schemes. The representative of Revenue Department informed that the matter is being dealt with by the department, and expected an early resolution of issue.

3. All Banks are requested to work out the month wise/location wise Roll out plan for implementation of Road Map in a time bound manner.

It was informed that as on 21.06.2010, out of 24 banks to whom the identified 3911 villages have been allotted for providing banking service, 21 banks have submitted their roll out plan covering 3704 villages. The roll out plan is yet to be received from The Bank of Rajasthan Ltd, Punjab & Sind Bank and ICICI bank. These banks were requested for expeditious submission of their roll out plan. All the banks were requested to ensure roll out as per plan submitted.

Agenda No. 2

Social Banking Parameters and Annual Credit Plan

Key Business Parameter:

Convener SLBC informed that 196 new branches have been added during the FY 2009-10. The total branch net works in the State as on 31.03.2010 is 4655. It was informed that the rural and semi-urban branches constitute 72% of the total branch net work.

The total deposits in the State as on Mar-2010 are Rs.117375 crores, indicating a growth of 19.25% over Mar-2009. Total advances stands at Rs. 101817 crores, indicating annual growth of 25.24%. All the social banking parameters are well above the RBI bench Mark. The advances to sub-sectors as a percentage to total advances is Priority sector 48.61%, Agriculture advances 27.40%, and weaker sections 12.96%. The growth under total advances to minor community is registered as 21.98% during current year. However, it is much below the mandate level of 15% of total Priority Sector.

The CD Ratio in the State is 92.11%, against RBI benchmark of 60%. The CD Ratio has improved by 1.51% over March 09. The CD Ratio of Commercial Banks and RRBs has shown increasing trend over March-09. However, the CD Ratio of Co-operative Banks has declined during the year.

The CD Ratio of all major Banks is above 60%, excepting Jaipur Thar Gramin Bank, Mewar Anchalik Gramin Bank and Bank of Rajasthan Ltd where it is below bench mark. In last two SLBC meetings , these Banks apprised the house with their strategies for improving C:D Ratio. Some improvements are appearing in respect of Jaipur Thar Grameen Bank and Mewar Anchalik Gramin Bank but the position of The Bank of Rajasthan Ltd is not showing any sign of improvement.

Jaipur Thar Gramin Bank, Mewar Anchalik Gramin Bank and Bank of Rajasthan Ltd were requested to make suitable strategies for improving the C:D ratio . Lead District Managers were requested to monitor CD Ratio in the district through DCC as per the RBI guidelines.

Annual Credit Plan 2009-10 – Performance upto Dec-09

The house was informed that the achievement under ACP as on March -10 is 110%. Major contributions are from Agriculture and MSE sector. The total ACP achievement is 14% higher over the corresponding period of March 09 (which was 96%).

The achievement under Agriculture was 106% which is 15% higher over the corresponding period (which was 91%). The achievement under MSE sector is 186% which is 53% higher over the corresponding period (which was 133%). The achievement under ACP by Commercial Banks has been 128%, RRBs 122%, and Cooperative Banks 70%.

ACP Achievement of Cooperative Banks in Bharatpur, Dholpur, Nagaur, Tonk and S. Madhopur Remained 34%, 17%, 58%, 50% and 51% respectively which resulted into the low achievement of ACP in these Districts.

It was informed that the ACP booklet has been received from 19 districts only, and is yet to be received from the districts of Barmer, Bikaner, Hanumangarh, Jalore, Jaisalmer, Pali, Sirohi, Udaipur, Bharatpur, Dholpur, Dausa, Kota, Jhalawar, and Baran. The Controlling heads of DCC Convener Banks were requested to take up the matter with their lead districts for submission of booklet to SLBC by 30.06.2010, as the ACP has already been finalized for all the districts. All Banks were requested to monitor & follow up the progress under various sectors under ACP, and ensure 100% achievement during current year 2010-11.

The cooperative bank submitted that during 2009-10 there was matching increase in their deposits and advances portfolio and as such the decline in CD ratio to 111% may not be correct. The representative of the bank was informed that the CD ratio presented is as per data submitted by them. They were further requested to meet the SLBC department to have a re-look of data submitted by them and for reconciliation.

(Action : Cooperative Bank)

The Cooperative bank representative further submitted that the target given to them by the SLBC for short term crop loan are on the higher side. It was explained that the targets are given by the DCCs, and not by SLBC, in line with ACP. As such the data given by the SLBC is aggregation of targets given by all the DCCs in the State. For any rectification the DCC should be approached and revisions done, if any, be brought to the notice of SLBC.

<p>Agenda No. 3 : Financial Inclusion, Under banked/ Unbanked –District/ Block, Adoption of Electronic Benefit Transfer, FLCC & Debt swap</p>
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3.1 Financial Inclusion:

The house was informed that in order to have a proper financial Inclusion, MoF, Gol advised to identify the under Banked and un-banked blocks and to take up the steps to ensure that the under banked areas may approach the national average in terms of population per bank.

3.2 Under Banked / Un-Banked Districts/ Blocks & Road Map to Provide Banking Services in villages having population above 2000:

It was informed that RBI advised to constitute sub-committee of DCCs to draw up a roadmap by March 2010 to provide banking services through a banking outlet in every village having a population of over 2000, by March 2011. The Issue was deliberated in details in 102nd, 103rd, and 104th SLBC meeting

The State road map prepared on the basis of approved road map received from DCCs sub-committee was placed in 104th SLBC meeting wherein 3911 such villages were identified and allocated to 24 banks operating in the State for providing banking service by Mar-2011. Convener, SLBC requested these banks to submit the location wise and month wise roll out plan and monitor the progress in respective DCC meetings.

It was informed that a meeting was convened on 07.05.2010 which was chaired by Hon'ble Chief Minister to review timely payment to NREGS beneficiaries. It has been desired by the Chief Minister from banks for early completion of exercise of having Business Correspondent, so that maximum number of NREGA beneficiaries of the State can be benefited.

Further, a meeting was convened by RBI on 11.06.2010 to review the progress of roll out plan which was chaired by the RD, RBI and attended by 17 banks having major share in identified allocated villages. It was observed that 6 banks have not submitted the roll out plan. These banks were requested to submit the plan. In the meeting some of the banks requested SLBC to reallocation of villages, to which they were advised that the issue be taken up with the respective DCCs.

The roll out plan has now been received from 21 banks, out of the 24 banks to whom the villages were allotted. The remaining three banks are The Bank of Rajasthan Ltd, Punjab & Sindh Bank, and ICICI Bank. These banks were requested to submit their month-wise / location-wise roll out plans expeditiously.

Summary for immediate reference of Roll out of road map::

- As of 21.06.2010 roll out plan is received for 3704 villages from 21 banks.
- 1657 villages are proposed to be covered by Mar-2011
- 2047 villages are proposed to be covered by Mar-2012
- 74 villages are proposed to be covered during 1st quarter of FY 2010-11.

Roll out plan of DCC Convener Banks::

Name of Bank	Villages allocated	Plan for FY 2010-11	Plan for FY 2011-12	Commencing from
Bank of Baroda	375	132	243	Jun-10
SBBJ	*906	391	515	Sep-10
PNB	402	213	189	Jun-10
CBI	85	48	37	Sep-10
UCO Bank	188	59	129	Aug-10
OBC	68	68	0	Jun-10
Total	2024	911	1113	
* out of 906 identified villages, 6 villages are already having banks branch as on 31.03.2010.				

Roll out plan of RRBs::

Name of Bank	Villages allocated	Plan for FY 2010-11	Plan for FY 2011-12	Commencing from
BRGB (BOB)	337	80	257	Oct-10
MGB (SBBJ)	*290	130	160	Jul-10
RGB (PNB)	346	115	231	Oct-10
HKGB (CBI)	62	62	0	Aug-10
JTGB (UCO)	348	97	251	Dec-10
MAGB (BoR)	35	0	35	May-11
Total	1418	484	934	
* out of 290 identified villages, 9 villages are already having banks branch as on 31.03.2010.				

It was requested that the District administration and DCC convener banks to take steps to discuss the implementation of roll out plan in monthly sub-committee of DCC meetings and regularly review the progress as ultimately implementation of roll out plan is the responsibility of the respective DCCs.

Active participation of State Govt officials, RBI, and NABARD was requested. The member banks were requested to ensure timely implementation of roll out plan and regular submission of progress made under the plan in prescribed format to SLBC on monthly basis.

The Principal Secretary, Rural Development, thanked the Regional Director, RBI for convening the meeting on 11.06.2010 to review the roll out. He shared with the house that the banking coverage in the State is thin, as upto 20 villages there is one commercial bank branch and per branch population served is about 25000. To reach out in a shortest possible time is a huge task. In the given circumstances the BC is the lowest cost option, relatively speaking, though the cost to the bank may be more. It is an ambitious scheme in the banking history and presents a huge opportunity. Earlier the cut off date was Mar-2011 but the date has been extended to March, 2012. It is a collective responsibility. We have to monitor the progress very closely to achieve implementation before March, 2012. The developments should also be informed to us. The three banks which have not submitted the roll out plan were requested to submit the same within a week.

The Convener informed that the Oriental Bank of Commerce has already started the BC activity before March, 2010, Bank of Baroda has launched the BC model in the districts of Tonk & Bhilwara, PNB has covered 11 villages in Alwar & Dholpur districts, CBI has a plan to cover by 30th June five villages in Bhilwara, Kota & Jhalawar districts. This is the progress so far. The BC models are being launched by the banks with the support of different Service Providers.

The RFPs have been floated by the banks at their corporate office level, the information for which was given in the meeting of 11.06.2010. It is expected that the process of finalization of RFPs will take about two month's time and thereafter the implementation will gather momentum by Sep-2010. Some banks have submitted that they have already selected the BC pending finalization of RFP for service provider. Therefore, different banks are adopting different option for the purpose of roll out of BC model. Financial Inclusion programme will take care of all the customers i.e NREGA beneficiaries & non-NREGA beneficiaries.

3.3 Financial Literacy and Credit Counseling Centre (FLCC):

The meeting of the sub-committee of SLBC for reviewing the functioning of FLCC in the State was convened on 15.01.10, under the Chairmanship of Regional Director, RBI. Three FLCCs have since been set up in the State viz; at Ajmer by Bank of Baroda and in Bharatpur & Sikar by PNB.

It was reiterated that all DCC convener Banks should open FLCCs in their Lead Districts. Further, the Banks who have setup R-SETI in the State may consider to take initiative for establishing FLCC with existing / proposed R-SETIs. It was suggested that other major banks, other than DCC Convener Banks, operating in the State may come forward to open FLCC as per their choice. It was requested that private sector banks should also step in for opening FLCCs in the State.

The Regional Director RBI, observed that the progress in this regard is not satisfactory. He recalled that in the meeting held with DCC convener banks it was requested to open one FLCC in each of their districts to start with. He said ICICI bank has been emerging a major private bank in Rajasthan, and enquired from ICICI representative the progress made in opening of FLCC at the centre of their choice as discussed in the meeting of 15.01.2010. He said that if things do not happen then ultimately it will come as a mandate.

Every district should have atleast one FLCC to start with. It has also to be ensured that the FLCC should function independent of the sponsoring bank and the local office of RBI has send a suggestion to their head office for having a common name for FLCCs operating in the State, so that it acquires a brand equity.

ICICI Bank representative informed that they have FLC centres across the country under the name of 'Disha'. Their bank had taken a lead in this but response is not so much encouraging. The bank is currently reviewing at their

Central level responsiveness of such centres. He assured to inform the progress at the earliest possible.

The Chairman said that we have done very well last year, and there should not be a problem in opening FLCCs. We should keep a target of Sep-10 to open FLCCs. It is not a complicated structure, and given the massive scale of 'Financial Inclusion', people should be made aware of what are the things permitted including the credit requirement. Financial Literacy is absolutely necessary, and is beneficial to all banks.

SBBJ representative informed that they have opened FLCC at Nathdwara. They further informed that it will be possible for them to cover all their lead districts by Dec-2010.

UCO Bank raised the issue of permission for opening up of FLCC by them. It was clarified that no permission is required for opening of FLCCs, and the banks are free to open FLCCs after identifying the potential centres.

3.4 Debt Swap Review:

As a beginning 50 villages were adopted by Commercial Banks & RRBs and as per information received from Banks all these villages are declared free from private money lenders and completion of process has been confirmed. A request was made by the SLBC to the Banker colleagues to keep the campaign on an ongoing basis.

Agenda No. 4

Agriculture Credit Flow- Kisan Credit Card (KCC), & Crop Insurance

4.1 Agriculture Credit flow- Kisan Credit Card:

The house was informed that as per ACP targets received from all 33 LDMs aggregate projection under Agriculture is Rs.18347 crores i.e. growth of 14.01%.

However, NABARD has advised target of Rs. 20000 crores for ground level credit for agriculture for the State, indicating a growth of 24.29%.

The Convener SLBC vide letter dated 9.06.2010 advised all the LDMs to reset the targets for Agriculture for 2010-11, in line with the growth advised by NABARD. The district wise minimum targets have been advised to the LDMs. Controlling heads of all the banks and LDMs were requested to ensure that the Agriculture Credit Plan for 2010-11, is in tune with the targets allotted by NABARD.

It was apprised that Convener, SLBC has vide letter dated 11.05.2010 informed all the LDMs and Controlling Offices of all Commercial Banks in regard of "Kharif Abhiyaan- 2010" launched by Agriculture Department, Government of Rajasthan and requested to bring maximum farmers under fold of KCC in coordination with District Administration and for organizing credit camps. As on 31.03.2010 total 4128461 KCCs have been issued amounting to Rs. 25272 crore in the State .

The Controlling heads of DCC Convener Banks were requested to advise their Lead District Managers to ensure to review agriculture credit flow & issuance of KCC in DLCC/ DLRC meeting

4.2 Crop Insurance:

The house was apprised that the Department of Agriculture, Ministry of Agriculture, Government of India vide letter dated 3rd March 2010 decided to continue with implementation of Pilot for Weather Based Crop insurance Scheme (WBCIS) during Kharif 2010 season and cut off date for crop insurance for Kharif 2010 is decided as 15th July, 2010.

GoR has notified all the districts of the State covering loanee and non lonee farmers under weather Based Crop Insurance Scheme and has notified all major crops of Kharif. It was informed that the detail of the scheme has already been

sent to all Lead District Managers and a copy of the scheme was also circulated in the house for information and implementation.

SBBJ representative requested that the last date of insurance under the scheme be extended upto 31.07.2010. The representative of AIC informed that a meeting was held in the agriculture department, in which DCC convener banks also attended and the cut off date of 15.07.2010 was finalized unanimously for disbursement of loan, after taking into consideration historical data of break of monsoon for 30 years.

Commissioner agriculture informed that during last year the insurance compensation was for Rs.1400 crores, the highest in the country. The State faced severe draught last year and crops all over the State had failed. Upon verification of claims it was found out that the claims were submitted in some districts for loans disbursed in August, 2009. Therefore, the cutoff date this time has been arrived after due discussion to prevent the misuse of scheme.

CGM NABARD observed that in case the monsoon breaks in the State on 1st July, 2010, the sowing will not be completed by 15th July, therefore, there is a case for extending the date from 15th July to 31st July, 2010. The Commissioner Agriculture was requested to take a suitable view in the matter.

Commissioner agriculture, taking the deliberations further on the agenda, congratulated all banks for the good performance during 2009-10, and hoped that the targets for the current year will also be achieved by the banks. He suggested for break up of term loan granted under agriculture, so as to know the progress under different sub-sectors.

He said that the State Government has come out with the policy on Agri processing and Agri Business, which was released by the Hon'ble Chief Minister.

He expressed that agriculture as a profession has become completely unacceptable to villagers and the future lies in agri business and agri processing, therefore, this programme has been given a right direction from the village level to urban level and we have to find out what value addition can be done.

He informed of the initiative taken in Sriganaganagar to built concrete water reservoir of approx 4.00 lac litres. The govt has given Rs.1.50 lacs per beneficiary and the scheme is a success now. The Hon'ble Chief Minister has approved 5000 such structures "diggi" in Sriganaganagar for Rs. 3 lacs to 5 lacs capacity, and a subsidy of Rs.2 lacs is being given. A bank loan of about Rs.2.00 lacs would be needed and it can be a good partnership between banks and government. This will also provide opportunity for Horticulture in Sriganaganagar area and a target has been fixed for covering 20000 hectares.

Under crop loan an amount of about Rs.1400 crores has been paid as crop insurance and another Rs.893 crores has been paid as input subsidy from disaster management fund last year. He said had this money not been paid from the State ex-chequer , there would have been tremendous amount of pressure on the farmers.

Weather Based Crop Insurance scheme is an alternative scheme for insurance against failure of crops due to weather i.e. temperature & humidity beyond the set parameters. Rajasthan is the first State to implement it throughout the State. He requested for more and more coverage under the JLG scheme. He also requested for increasing credit flow for Rural Godowns.

CGM NABARD informed that the term loan is granted for investment credit. The sectors for which Rs.4800 crores had been given last year, in effect, there has been a significant increase in the term loan, compared the previous years. It broadly covers 5 sub-sectors accounting for 90% of term loans granted. These are Minor irrigation, farm mechanization, animal husbandry, plantation &

horticulture, and Rural Godowns. Amongst these the major share is of farm mechanization because of the bulkiness of the investment involved, and accounts for about 45% of the credit , followed by minor irrigation, animal husbandry and horticulture. Minor irrigation share is coming down given that 170 blocks are critical blocks, and also govt is giving a lot of subsidy under minor irrigation the bank credit to minor irrigation is coming down.

The Chairman observed that there is a skewed growth in farm mechanization and it is not equitably distributed. There is a need for finance for minor irrigation, and activities connected with minor irrigation, as Rajasthan is the State where there is no perennial source of irrigation. Another area of focus may be rural godowns. These are all long term infrastructure, which will yield long term results.

Agenda No. 5 : Government Sponsored Programmes / Credit Flow to Minority Community / DRI / IAY / ACC / SCC

5.1 Government Sponsored Schemes:

5.1.1 Swarnjayanti Gram Swarojgar Yojana (SGSY)

The achievement under the scheme during 2009-10 was 139.69%. The credit disbursements were Rs. 192.21 crores, against the target of Rs.137.59 crores. Ministry of Rural Development, Government of India has allotted target of Rs.158.18 crore for 2010-11. Department of Rural Development, Government of Rajasthan vide letter dated 11.05.2010 allotted target of Rs.273.69 crore for 2010-11 under SGSY. It was discussed that as in the past, the target allotted by Government of India to be taken as final targets and the targets allotted by RD&PR, GoR as challenging targets, the house was requested to adopt the same arrangement for the current FY.

The Nodal department was requested to furnish district-wise financial targets, in line with Govt. of India targets, with proper segregation of Bank-wise targets i.e.

for individual Co-operative Banks, RRBs & Commercial Banks so as to update targets on RBI website

Nodal agency was also requested to take necessary steps for sponsoring adequate no. of applications right from the start of FY 2010-11 and ensure to provide progress district wise, bank wise for better monitoring. It was requested that periodical Meetings at Block & District level to be attended invariably by the representatives of Banks & Nodal Department for effective review and monitoring of the scheme

Banks were requested to advise their branches to transfer the subsidy amount in the respective loan account of beneficiaries immediately after lock in period. The Lead Banks/ Nodal deptt. Were requested to ensure that out of the total beneficiaries under the scheme 50% should be SC/ST, 40% women, 15% minorities and 3% disabled persons.

5.1.2 Swarnjayanti Shahari Rojgar Yojana (SJSRY)

The house was informed that the Nodal Department, vide letter dated 11.05.2010 has informed that disbursement in the remaining/ pending sanctioned application of FY 2009-10 i.e. 3869 may be done during FY 2010-11 by June 30, 2010 and the same will be considered against the target for FY 2010-11. Convener, SLBC vide letter dated 26.05.10 has informed all the LDM in this regard. A Core group meeting was convened on 18.05.2010 to review the scheme and to discuss the issues related to MIS and reconciliation of data. The Nodal department was requested to provide Bank wise and District wise targets for the FY 2010-11.

5.1.3 Prime Minister Employment Guarantee Scheme (PMEGP):

It was informed that KVIC vide letter dated 16.06.2009 has advised the annual target for 2009-10 as 3343 cases covering margin money Rs. 40.11 crores for the State. Since then, the progress under PMEGP is being reviewed at various forum accordingly. KVIC vide letter dated 19.05.2010 has informed that the target

under PMEGP has been revised to 1367 cases covering margin money Rs. 26.39 crores. Further, KVIC in the month of March, 2010 transferred the margin money fund to other States despite the fact that about in 900 cases were disbursed in the month of March 2010, involving margin money of about Rs. 10 crore.

A Core Group meeting was held on 18.05.2010 to discuss the issue related to MIS. The pending claims of approximately Rs.10.00 crores were brought to the notice of KVIC. The KVIC informed that cases which were disbursed in FY 2009-10 and for which release of Margin Money claim is pending will be counted against the target of FY 2010-11. KVIC assured to provide the margin money claim at the earliest. Nodal agencies were requested to organize camps for creating awareness among youth at different location.

KVIC vide letter dated 21.05.2010 has communicated district wise targets for FY 2010-11. The targets have been advised to all the LDMs vide SLBC letter dated 26.05.2010 for onward distribution to banks.

The unilateral decision of reducing the target in the State and transferring of the funds to other State not only affected the States performance but also increased the cost of loan to beneficiary. Convener was of the view that such type of decision, when ever there is need for revision of the target, it should be discussed in appropriate forum and unanimous decision should be taken

It was discussed that the margin money is still not made available in 900 cases even after regular follow up. The KVIC representative informed that the margin money has now been received and will be provided to banks within a week.

KVIC, Jaipur being State Level nodal agency was requested to consolidate & provide the Bank wise target for the year 2010-11 to SLBC for online updating of the same on RBI website. KVIC was also requested to submit the consolidated

monthly progress for all agencies i.e. KVIC, KVIB and DIC, District-wise / Bank-wise duly authenticated by Lead District Manager & Nodal Officers of the District for effective monitoring of the scheme. Nodal department was further requested to nominate the beneficiaries for EDP training to R-SETI. It was requested that initiative be taken by nodal agency to ensure monthly meeting of DLTFC for early recommendation of the projects.

5.1.4 Special Central Assistance (SCA) scheme for SC/ST & SRMS:

It was informed that Rajasthan SC/ST Development Corporation vide letter dated 19.05.2010 has allotted target under SCA for 2010-11 of 30620 beneficiaries. SLBC has vide letter dated 26.05.2010 advised the targets to LDMs for onward allocation to the bank branches in their Lead Districts as per available potential.

Banks were requested to dispose off all the loan applications within the prescribed time lines and ensure 100% disbursement of loan of all the sanctioned cases. The progress be reported separately for SC & ST.

It was also requested that the Banks should ensure to lodge 5% interest subsidy claim for the accounts disbursed & outstanding for the period 04-05 to 09-10. Banks were further requested to ensure that the credit assistance under the scheme should include 5% -disabled beneficiaries and 15% women beneficiaries.

The Nodal Department was requested to provide Bank-wise District wise progress, and to provide subsidy for all sanctioned cases in time to avoid any delay. SC/ST Development Corporation was requested to provide the Bank wise target for the year 2010-11 to SLBC for online uploading the same on the RBIs' website.

5.2 Self Help Group (SHG):

It was informed that the total SHG Savings A/c in State is 217007, of which women SHGs are 183216. The number of SHGs which have been credit linked is 159161 and credit has been granted amounting to Rs.838 Crores, of which credit provided to women SHGs is 85%. The house was apprised that the Convener, SLBC vide letter dated 04.06.2010 has requested NABARD to provide further information/ instruction regarding formation of SHG.

The Controlling Heads of Banks were requested to ensure that the savings of SHGs members should not be impounded while financing. It was further requested that special campaign may be launched for credit linkage of remaining eligible SHGs in a time bound manner, and more activities like handicraft, manufacturing activities like toys, hand bags etc.(other than dairy farming) needs to be encouraged for the SHGs. It was suggested that R-SETIs set up by banks can be used by aspirants for the purpose of training.

Joint Liability Group::

It was informed that the detail of the scheme is annexed with agenda notes annexure no. XVIII-B. It was requested that the scheme be taken up actively. The target for promotion and financing of 1500 JLGs during FY 2010-11 has been set for Rajasthan State by NABARD. The Controlling heads were requested to advise the branches for formation and extending credit facility to the JLGs.

5.3 Credit Flow to Minority Community:

The house was informed that the growth under total advances to minor community is registered 21.98% growth in current year over previous year i.e. 2008-09. However, it is below as per the mandate given by MoF, Gol i.e.15% of total Priority Sector.

The Principal Secretary, Social Justice shared her concern on the low percentage of credit to minorities and requested for improvement under this

sector. She said that this is the second item in the new revised Prime Minister's 15 point programme for minorities and is being closely monitored by the Govt of India and the State Government.

She shared that in certain cases minorities have been given the OBC status. Therefore, there is a need for correct reporting also. She said that the pending applications should be disposed off expeditiously. The credit is also to be provided to weaker section of society under 'Viswas Programme', a programme for rehabilitation of the disability sector, which consists of largely BPL or marginally BPL people.

The Chairman sharing the concern gave a call for scaling up financing to Minority Communities, so as to be in line with the mandated level of 15% of priority sector advance. It was also suggested that the correct classification and reporting be done to reflect the true picture. It is an obligation cast upon us to achieve the targets, and performance is closely monitored by Govt. of India.

Controlling heads of Banks were requested to advise their branches for stepping up the flow of credit to the minority communities so as to be in line with the MOF guidelines. The controllers of DCC convener banks were requested to issue suitable instructions to LDMs for review of progress in this regard in the DLCC / DLRC Meeting.

5.4 Credit Flow to DRI:

The members were requested to scale up the financing under DRI scheme so as to achieve the stipulated target of 1% of aggregated advances of the previous years. DCC convener banks were requested to suitably advise the LDMs to submit the progress under the DRI scheme on quarterly basis to SLBC. The Banks were requested to furnish data in the regard of minority and DRI in proper manner.

5.5 Indira Avas Yojna (IAY):

Detail of the scheme has been placed and deliberated in 103rd SLBC meeting. A target of 91670 houses for FY 2009-10 was stipulated by Department of Rural Development and Panchayati Raj, GoR, of which Zilla Parishad has sanctioned 81166 houses. SLBC vide letter dated 14.11.09 & 26.02.10 has informed Department of Rural Development & Panchayati Raj that any intimation regarding target allotted & applications sponsored has not been received at SLBC / DCC

5.6 Artisan Credit Card (ACC):

The house was informed that as a result of various initiatives and collective efforts made by the Banks and State government, a state wide performance to register 96.59% achievement under the Scheme could be possible. It was advised that the Department of Industries, Government of Rajasthan vide letter dated **26.05.2010** has advised target of 8000 ACCs for 2010-11

Controlling heads of banks were requested to advise the branches/ LDMs for organizing credit camps in collaboration with DIC officials to bring the left out artisans under the banking fold.

It was suggested that Banks who are member of Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) to ensure to cover all eligible Artisans under the scheme and popularize the CGTMSE scheme. It was requested that the monthly progress report under ACC should be reconciled and continued to be submitted under joint signature of GM DIC & concerned LDM.

The Convener added that we have taken effective steps in respect of pending applications, and the banks may also contact DIC for verification and responsoring of applications. Nodal Department was requested to advise the respective GM, DIC to examine physical availability of applications at branch

level and provide photocopy of applications deemed as pending by 15.07.2010, else it will be taken as nil Pendency.

The Convener SLBC complimented all the banks and state government officials for the performance under ACC and hoped that similar collective efforts/ cooperation will continue in current year also.

5.7 Education Loan:

It was informed that as per Lead Bank Scheme and RBI guidelines, the progress of Education loan is to be reviewed in SLBC and DCC/DLRC meetings as a regular agenda. It was apprised that detailed RBI guideline of the scheme has been given in annexure no. XXII of the agenda notes. Member banks were requested to provide data related to education loan in prescribed format in time.

Consolidated position of Education Loan in the State of Rajasthan as on March 2010, received at SLBC level was apprised to the house:

Agency	Disbursement (lacs)		Out standing (lacs)	
	Account	Amount	Account	Amount
Commercial banks	12195	34514	41491	84630
RRBs	78	93	180	299
Cooperative Banks	2	9	2	9

The Convener expressed that for education loan upto Rs.4.00 lacs the stipulation is that no collateral security should be taken, therefore, the banks may sensitize their operating units about the guidelines for smooth implementation of the scheme.

5.8 Miscellaneous Schemes for information:

The miscellaneous schemes of the Central and State Government were put up for information of the members.

Central Government Scheme::

Pradhan Mantri Adarsh Gram Yojana (PMAGY):

Pradhan Mantri Adarsh Gram Yojana (PMAGY) aims to ensure integrated development of the selected villages having more than 50% of SC population, into "Model Villages". Detailed Scheme is as per annexure no. XXIII.

It was informed that in Rajasthan State there are no Districts or Blocks having >50% SC population. There are 2467 villages having SC population >50%. There are three blocks having >40% SC population, and there are 4116 villages having >40% SC population

State Government Schemes::

Viswas Yojana::

The Scheme envisages providing financial assistance for disabled persons to start self employment projects who are having very low annual income. Implementing department is Social Justice and Empowerment Deptt., GoR Brief of the Scheme is as per page no. 44 of agenda notes.

Navjeevan Yojana::

The Scheme is for people of rural and semi urban area where people/ community are traditionally engaged in alcohol processing, storage and marketing, which is illegal. The Scheme envisages rehabilitating them by providing economic support. The Implementing Department for the Scheme is Excise Department. Detail guidelines available on internet is as per annexure no. XXIV.

UCO Bank representative informed that under the scheme a function was organized by them in Dausa on 13.06.10 which was attended the Hon'ble Chief Minister, and loans amounting to Rs.56.00 lacs were disbursed in 60 cases.

मुख्यमंत्री स्वावलम्बन योजना::

The objective of the scheme is to provide credit assistance at a comparatively lower rate of interest to the artisans, farmers and untrained Youth. Implementing Agency is Department of Industries, GoR. Detail of the scheme is yet to be decided.

Interest Subsidy Scheme on Bank Loan to SHGs (ISS-BLS)::

In Budget Speech 2010-11 of Hon'ble Chief Minister, Rajasthan informed about "Interest Subsidy Scheme on Bank Loan to SHGs (ISS-BLS)" which has been formulated by the Department of Women and Child Development (DWCD) to cover 30000 women SHGs in the State. The detail of the scheme is awaited.

GRAMIN BHANDARAN YOJANA/ Rural Godown Scheme::

Grameen Bhandaran Yojana, a Capital Investment Subsidy Scheme for Construction / Renovation of Rural Godowns was introduced in 2001-2002 and extended upto 31.03.2012 with small modification in the scheme.

NABARD vide letter NO.NB.JAI.ICD/127/RG-IV{Corresp}/2010-11 dated May 14, 2010 has informed that Directorate Marketing & Inspection, GoI has advised that henceforth one promoter is eligible for subsidy claim for more than one godown in different locations, subjected to the condition that the subsidy claim should not exceed 10,000 MT capacity for each location. Copy of GoI circular is as per annexure no. XXV

Agenda No. 6

Rural Self Employment Training Institutes (RSETI)

The position of R-SETIs in the State was informed:

Total districts in the State of Rajasthan	33
R-SETIs established up to 31.03.2010	31
Districts covered	29
Districts yet to be covered	4
Land allotted for R-SETIs	16
Land Not required for R-SETIs	2
Land Allotment pending for R-SETIs*	16

It was suggested that where ever land has been allotted, respective R-SETI Sponsoring Bank to set up building structure with adequate infrastructure at the earliest. Rural development Department , GoR, was requested to impress upon the District Collectors to quicken the process of Land allotment for all R-SETIs. It was informed that the land allotment is pending in ::

1	Bharatpur	5	Dausa	9	Jaisalmer	13	Pali
2	Barmer	6	Dholpur	10	Jhunjhunu	14	Sikar
3	Bundi	7	Ganganagar	11	Jodhpur	15	S.Madhopur
4	Chittorgarh	8	Jalore	12	Karauli	16	Tonk

Bank wise data for RSETIs established is as under:

BOB	9
SBBJ	8
PNB	5
CBI	1
UCO	1
OBC	2
Canara Bank and Syndicate Bank	3
BOR	2
Total	31

So far 44883 candidates have been provided training at different R-SETIs out of which about 64.43% candidates have either established there own business or got the wage employment. -15422- BPL candidates have been given training at different RSETIs in the State.

It was requested that the Director, R-SETIs may ensure that in the training programmes, at least 70% of the beneficiaries shall be from BPL families, and to organize adequate number of locational training Programme for BPL & women micro entrepreneurs. DRDA was requested to provide of BPL candidates to the Banks and to sponsor reasonable number of BPL candidates for training.

It was informed by the representative of SBBJ that in Hanumangarh and Bikaner districts though the land has been provided @5% of DLCC rates as initial cost as per directives of the State Govt. However, the land allotment is also subject to payment of recurring expenditure @5% every year as lease money. The rural development department was requested to look into the issue.

(Action Rural Development Department, GoR)

Agenda No. 7

MSME sector and performance under IBA package

The Special Package comprising of measures to boost up the lending to Housing and MSME sectors were announced by the Public Sector banks Chairmen on 15th December, 2008 at Mumbai, collectively known as IBA Package.

The global melt down in the recent past has been crucial for the Indian economy and as well as the MSMEs, but the impact could be absorbed due to series of measures initiated by Govt. of India, RBI, and the Banks. The Indian Economy is again on the growth path with growth rate exceeding the estimates.

Progress under IBA package :

Deliberation and discussion on the progress under IBA Package was held in the 104th SLBC meeting held on 22.03.2010. Review of data for Month and cumulative up to March 2010 is as per annexure no. XXVII

A highlight of the achievements of all Commercial Banks is hereunder:

- Sanctioned 37826 new working capital loans to MSMEs aggregating Rs. 3506.30 crore.
- Extended additional facilities to 11908 existing MSME units amounting to Rs. 2072.58 crore.
- Restructured 16503 accounts of MSME units amounting to Rs. 553.05 crore.
- Sanctioned 32427 housing loans amounting to Rs. 2192.18 crore.
- Sanctioned 30717 auto loans amounting to Rs.845.75 crore.

Bank Wise Performance under CGTMSE in the State:

	2008-09	(Rs. in Crs)	
		01.04.2009 to 31.03.2010	
	Proposals	Proposals	Amt approved
Country as a whole	53586	151260	6856.55
State of Rajasthan	3552	11704	300.56
Major Contributors In Rajasthan			
SBBJ	1431	4647	58.87
Bank of Baroda	795	3092	72.34
UCO Bank	8	1131	6.24
Punjab National Bank	493	799	48.40
State Bank of India	127	386	14.22
JTGB	63	325	0.66
Bank of India	161	234	12.13

Member Banks were requested to step up their advances to the MSME sector. It was requested that acknowledgement for loan applications received from the MSME borrowers be given and register be maintained at branch level in this regard. Loan applications for MSME be disposed of within the time line, as per guidelines.

Agenda No. 8

Interest Subsidy scheme For Housing the Urban poor (ISHUP)

The house was apprised that the details of the scheme were placed and deliberated in 102nd, 103rd and 104th SLBC meeting. Further, various meetings were convened by the concerned Govt. department attended by the representative of SLBC and other Banks.

It was informed that recently a meeting was convened by Joint Secretary, Ministry of Housing and Urban Poverty Alleviation, Gol on 8.06.2010 at Delhi, which was attended by Convener, SLBC, Rajasthan. While reviewing the performance of the State the concern was shown for not adequately providing the benefits of the scheme to the related group of the people. It was informed that for the benefit of the members' major feature of the scheme have been given in the agenda notes. The detailed scheme has been given at annexure no. XXVIII of the agenda notes.

It was requested that as per directives of Ministry of Housing and Urban Poverty Alleviation, Gol focus should be given for identifying individual eligible EWS and LIG beneficiaries. Apart from the project of the Avas Vikas Ltd. Nodal Department of State Government was requested to provide details of individual beneficiaries where land allotment has already been made by Local Bodies / Nagar Palika.

Banks were requested to popularize the scheme through publicity, pamphlets, posters, awareness drive etc. The govt deptt was also requested to give wide publicity of the scheme. Banks were also requested to take initiative to identify the eligible EWS / LIG beneficiary under the scheme and the respective housing loan applications be submitted to the Local Bodies/ Nodal Agency for getting the same sponsored by them. The Controllers of DCC convener Banks were

requested to advise their Lead District Managers to discuss / review the scheme in DCC meetings invariably.

It was apprised that as per newspaper report, dated 21.06.2010 in Rajasthan Patrika, GoR and nodal Agency has informed that the application forms are available from 21.06.2010 to 20.07.2010 in the notified Banks for 21 project at Jaipur, Chakasu, Bhiwari, Udaipur, Kuchaman City and Ajmer. The nodal department was requested that the loan applications under the scheme be sponsored to the banks with whom the particular project has been tied up, as was discussed at the time of allocation of projects.

The Principal Secretary, Planning said that due publicity is to be given to the scheme. The base is readily available and interest subsidy will be given. He said in case of private builders there is a stipulation of reserving 5% for EWS, this may also be explored.

NHB representative said that they are the national agency to implement this scheme. To start this scheme, and that there may not be any delay, the nodal department should enlist applications and give it to the banks for sanction / disbursement. He added that at the initial stage there is one scheme that is Rural Housing Scheme, where they are doing well. He requested the RRB to take part in Rural Housing which is very attractive for the beneficiaries.

Agenda No. 9 Miscellaneous

9.1 Recovery under Priority Sector:

The matter of long pending demand to amend the Rajasthan Public Demand Recovery Act, 1952 so as to include the Banks' dues under Govt sponsored programmes as State dues was discussed.

Representative Revenue Department, GoR, informed that the action has been initiated. The matter is under active consideration, and they will be apprising the progress shortly.

Computerization of land record by State Government- conference of CVOs of PSU Banks with CBI officials:

It was informed that the Revenue department, GoR vide letter dated 12.05.2010 and 09.06.2010 informed that under National Land Record Modernization Programme the revenue records are being linked with different departments and pilot of linking registration records to Land Record Computerization (LRC) records has already been started in Phalaudi, Looni and Bilada Blocks of Jodhpur District.

DCC convener Banks were requested to ensure to discuss the agenda of recovery particularly RACO (RODA) & Lok Adalat invariably in DCC/DLRC meetings.

It was informed by the member banks that in certain districts e.g. Jodhpur, Sriganganagar, Dausa etc., the support and response is not being received from the District administration / police authorities in enforcement of securities under SARFAESI Act. In certain cases the applications are lying with the district administration and have not been disposed off for a year. The State Govt authorities were requested to look into the matter.

9.2 Model Legislation on Money Lenders & Accredited Loan Providers Bill, 2007

The Revenue Department, GoR, was requested to expedite implementation of model legislation on money lenders and accredited loan providers Bill 2007. The representative of the department apprised that they have obtained a copy of the model legislation and the matter is being dealt with for early disposal.

Representative Revenue Deptt, GoR, informed that they have received a copy / draft of model legislation and the same is under process. We are at an advanced stage to take a decision, and we will do it.

9.3 Agriculture Debt Waiver and Debt Relief Scheme (ADWDRS) 2008

It was informed that the Finance Minister, GoI, in his budget proposals FY 2010-11, has extend the time limit upto 30th Jun, 2010 for the repayment of share of 75% over due portion by the other farmers under OTS Scheme ADWDRS-2008. Accordingly the last date of receiving grievances has extended to 31.07.2010.

It was emphasized that all member banks need to ensure that Grievance Redressal Officers be advised to dispose of the grievances received under ADWDRS-08 through speaking order citing reasons for the rejection/acceptance to the claim made by the petitioners in a transparent manner.

9.4 SLBC Website::

The members were informed that the District wise Bank wise Road Map for the State providing banking services in the un-banked villages having population more than 2000 with its summary is now available on SLBC website.

It was further informed that it is endeavored by the SLBC to keep the status of website updated. Current developments, meeting notice, agenda, minutes of the meetings etc. are regularly being uploaded on the website. Members are requested to visit the site for updates.

All member Banks were requested to ensure submission of Key Indicator Data online within 30 days of the close of quarter. However, it was noted that only 21

Banks have uploaded Data on SLBC website. List of Banks who have not uploaded the data is as per annexure no. XXIX of the agenda notes.

It was informed to the members that from Jul-2010 and onwards the data is to be submitted by way of uploading in the web site only

(ACTION : ALL BANKS)

Agenda No. 10

Any other matter with the permission of Chair

The house was apprised that it has been informed by the Commissioner NREGS, GoR vide letter dated 22.06.2010 that in some of the NREGS beneficiaries accounts minimum balance charges are being recovered.

Member banks were requested to kindly look into the matter and ensure rectification. Member banks were also requested to open No-frill Account for NREGS beneficiaries, to obviate debiting of charges in accounts of NREGA beneficiaries.

The meeting ended with a vote of thanks.

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**ACTION TAKEN REPORT OF
105th SLBC MEETING HELD ON 25.06.2010**

S.No.	Issues	Action to be taken by	Action initiated / Taken
1.	State Government to follow up with District Administration where allotment of land for R-SETIs is pending.	Rural Development , GOR	
2.	Amendment in PDR act, to include the Banks' dues under Government Sponsored Programmes as State dues under the definition of Financial Assistance for enabling the Banks to recover their dues.	Finance Department / Revenue Deptt., GOR	
3.	Cooperative Bank to re-look their Key Business data and submit complete key data.	Cooperative Bank	
4.	DCC Convener Banks to open FLCCs in their Lead Districts.	DCC Convener Banks	
5.	Urban Development & Housing department and Nodal Agency is requested to identify the eligible EWS/LIG beneficiaries where land allotment has already been made & provide the district wise details of such beneficiaries. The Deptt. to allocate district wise targets under the scheme & sponsor applications in view the target allotted.	Action Urban Development & Housing Deptt. GoR & Nodal Agency (ISHUP).	
6.	Member Banks are requested to ensure to upload the Required data on SLBC website within 30 days from the close of quarter.	All Banks	

Annexure
105th Meeting of State Level Bankers' Committee , Rajasthan

List of Participants:

S.No.	Name	Designation	Organisation
	<u>Convenor Bank</u>		
1.	Sh. N.S. Srinath	E.D.	Bank of Baroda
2.	Sh. B.B. Garg	G.M.	Bank of Baroda
	<u>Reserve Bank of India</u>		
3.	Sh. B.P. Kanungo	Regional Director	Reserve Bank of India
	<u>NABARD</u>		
4.	Sh. K. Murlidhar Rao	C.G.M.	NABARD
5.	Sh. R.S. Jodha	D.G.M.	NABARD
	<u>Govt. of Rajasthan</u>		
6.	Sh. C. S. Rajan	Principal Secretary	Rural Development & PR
7.	Smt. Aditi Mehta	Principal Secretary	Social Justice
8.	Sh. Rajhans Upadhya	Commissioner	Industries Deptt.
9.	Sh. R.K. Meena	Principal Secretary	Co-Operative
10.	Sh. D.B. Gupta	Principal Secretary	Planning
11.	Sh. J.C. Mohanty	Commissioner	Agriculture
12.	Sh. S.R. Meena	Secretary	Triabal Area Development
13.	Sh. S.M. Meena	Secretary	Revenue
14.	Sh. S.K. Agrawal	Executive Director	R.F.C.
15.	Sh. Y.N. Malhotra	Dy. Sec.	Planning & IF, GOR
16.	Sh. P.N. Mittal	Add. Director	Industries Deptt.
17.	Sh. R.K. Lamba	Joint Director	RKVIB
18.	Sh. Kuldeep Bhardwaj	Dy. Director	Agriculture Deptt.
19.	Sh. S. S. Meena	Dy. Director	D.L.B. Jaipur
20.	Sh. S.D. Thanvi	C.G.M.	Avas Vikas Ltd.
21.	Sh. L.C. Kothari	A.O.	Avas Vikas Ltd.
22.	Sh. R.C. Agrawal	Project Officer	Rural Development, Deptt.
23.	Sh. G.M. Abhore	Director	Ministry of MSME
24.	Sh. R.K. Yadav	A.D.	Ministry of MSME
25.	Sh. B.L. Khatik	A.D.	KVIC, Jaipur
26.	Sh. Jitendra Sharma	Manager	SCDC, GOR
27.	Sh. V.K. Saraswat	S.A.	LSG Deptt., GOR
28.	Sh. B.M. Moolchandani	Advisor	LSG Deptt., GOR
29.	Sh. N.K. Mudgal	RO	DWCD
	<u>Banks</u>		
30.	Sh. Mukesh Garg	Chairman	B.R.G.B.
31.	Sh. P. Asudani	Chairman	MGB Gramin Bank
32.	Sh. U. K. Mishra	Chairman	Jaipur Thar Gramin Bank
33.	Sh. Anil K. Gupta	Chairman	Rajasthan Gramin Bank
34.	Sh. Pramil Sharma	Chairman	Mewar Anchalik Gramin Bank

35.	Sh. S.K. Rai	Chairman	HKGB
36.	Dr. Suresh V. Babu	G.M.	SBBJ
37.	Sh. M.S. Randhawa	G.M.	Oriental Bank of Commerce
38.	Sh. Rajendra Mahajan	G.M.	Punjab National Bank
39.	Sh. P.C. Vyas	G.M.	RSCB
40.	Sh. Sukumar Saha	D.G.M.	Bank of Baroda
41.	Sh. M.L. Jain	D.G.M.	Bank of Baroda
42.	Sh. V.K. Gupta	D.G.M.	SBBJ
43.	Sh. Madan Mohan	D.G.M.	SBBJ
44.	Sh. Alok Trafdar	D.G.M.	Allhabad Bank
45.	Sh. N. Mohanty	D.G.M.	UCO Bank
46.	Sh. D.P. Gogia	D.G.M.	Bank of India
47.	Sh. R.C. Rajan	D.G.M.	Canara Bank
48.	Sh. V.A. Patel	D.G.M.	RSLDB
49.	Sh. Jatin Goyal	Z.H.	ICICI Bank
50.	Sh. C.L. Bhawal	D.G.M.	SIDBI
51.	Sh. B.B. Pandey	Vice President	The BOR Ltd.
52.	Sh. S.K. Goel	A.G.M.	State Bank of India
53.	Sh. P.C. Soni	A.G.M.	Bank of Baroda
54.	Sh. Praveen Kumar	A.G.M.	Bank of Baroda
55.	Sh. H.C. Kalra	A.G.M.	Union Bank of India
56.	Sh. B.S. Shekhawat	A.G.M.	Central Bank of India
57.	Sh. J.S. Chawla	A.G.M.	Punjab & Sindh Bank
58.	Sh. S.C. Sharma	A.G.M.	UCO Bank
59.	Sh. K. Devanranam	Z.M.	UCO Bank
60.	Sh. O.P. Gupta	A.G.M.	Syndicate Bank
61.	Sh. Sanjay Goya	R.H.	ICICI Bank
62.	Sh. Vaideswaran	R.M.	National Housing Bank
63.	Sh. R. Saraf	Chief Manager	State Bank of India
64.	Sh. B.S. Chauhan	Chief Manager	SBBJ
65.	Sh. Narendra Patni	Chief Manager	ICICI Bank
66.	Sh. B.L. Meena	Chief Manager	Dena Bank
67.	Sh. A.K. Agrawal	Sr. Manager	Bank of India
68.	Sh. Satyen Modi	Dy. Vice President	HDFC
69.	Sh. B.C. Jain	Sr. Manager	Bank of Baroda
70.	Sh. Anuj Bhargava	Sr. Manager	Bank of Baroda
71.	Sh. R.Mehrotra	Sr. Manager	Bank of Maharastra
72.	Sh. N.S. Sunda	Sr. Manager	Indian Overseas Bank
73.	Dr. Komal Arya	Manager	Bank of Baroda
74.	Sh. Manak Chand	Manager	Central Bank of India
75.	Sh. Sanjeev Singh	Dy. Manager	Axis Bank
76.	Sh. A.K. Gupta	Officer	Canara Bank
77.	Dr. S.S. Sinha	Officer	Bank of Baroda
78.	Sh. Harinder Singh	Officer	Punjab & Sindh Bank
79.	Sh. G.R. Jhalirawi	Rep.	A.I.C. of India