

BANKING AT A GLANCE IN ODISHA AS ON 30th JUNE 2014

(Rs.in Crores)

	Particulars	AS on 30th June,2014
1	Total Deposit	170527.24
2. (i)	Total Advance utilized in the state	134626.77
2. (ii)	Total Advance sanctioned and utilized in the state	89419.51
3.	Total Business (Deposit + Advance)	305154.01
4.	Credit Deposit (CD) Ratio (%) Benchmark-60%	78.95
5.	Credit Deposit Ratio excluding advance sanctioned in other state and utilized in our state	52.92
	a) CD Ratio of Rural Branches	63.54
	b) CD Ratio of Semi Urban Branches	41.83
	c) CD Ratio of Urban Branches	53.91
6	Total PS Advance	51534.03
7	% of PS Advance to Total Advance Bench Mark-40%	57.10
8	Agriculture Advance	27700.76
9	% of Agriculture Advance to Total Advance Bench Mark- 18%	30.69
10	MSME Advance	19491.74
11	% of MSME Advance to total advance	21.80
12	Advance to Weaker Section	17556.84
13.	% of Advance to weaker section to PS Adv. Bench Mark – 25%	34.07
14.	Total DRI Advance	151.55
15.	% of DRI Advance to total advance Bench Mark – 1%	0.17
16.	Credit Investment to Deposit Ratio %	79.60
17.	NPA in % (Average in the state)	8.26
	a) Public Sector Banks	8.22
	b) Private Sector Banks	2.03
	c) RRBs	17.51
	d) Cooperative Banks	9.20
18	Total No. of Branches	4338
19.	Of which:	
	a) Rural Branches	2372(54.68 %)
	b) Semi Urban Branches	1150(26.51%)
	c) Urban Branches	816(18.81%)
20.	Education loan B/O	1845.42
21	Housing Loan B/o	7562.75
22	Achievement under ACP 2014-15 under priority sector in %	
	a) Crop Loan	21.07
	b) Agriculture Term Loan	10.09
	c) Agriculture Allied loan	16.89

	d) Total Agriculture	18.80
	e) MSE	28.80
	f) Education	4.05
	g) Housing	12.23
	h) Other Priority	13.25
23	Lead Districts :	30
	a) SBI	19
	b) UCO	7
	c) BOI	2
	d) Andhra Bank	2
24	RSETIs :	
	a) SBI	17
	b) UCO	7
	c) BOI	2
	d) CBI	2
	e) Andhra Bank	2
25	RUDSETI : Canara Bank	1
26	FLCS :	
	a) SBI	19
	b) UCO	7
	c) BOI	2
	d) Andhra Bank	2
	d) OSCB	41
	e) RRB	9

AGENDA NOTES OF 136th SLBC MEETING

Agenda Item No.1

Confirmation of Proceedings of 135th SLBC meeting held on 26.05.2014 at Bhubaneswar.

The Proceedings of 135th SLBC meeting held on 26.05.2014 at Bhubaneswar had been circulated among all the members of SLBC vide our letter No.GM/SLBC/ODISHA/99/2014-15 dated 10.06.2014. Since no comments have been received from any quarter the same may please be confirmed.

Agenda Item No.2

Action Taken Report on major decisions taken in 135th SLBC meeting held on 26.05.2014

Point No..	Action points	Action to be taken by	Action taken
1.	Progress of Implementation of Financial Inclusion Plan in the State.	All banks/ LDMs	<p>A) Opening of Brick & Mortar Branches.</p> <p>As per road map for providing banking services in every unbanked village having population below 2000, 45888 number of villages have been allotted to different service area banks. The road map has been prepared for three year i.e. 2012-13 to 2014-15. The progress is being monitored by RBI, Bhubaneswar. As on 30.06.2014, 359 brick & mortar branches have been opened.</p> <p>As per direction of RBI, at least 5% of total villages should have Brick & Mortar Branches.</p> <p>B)Banking outlet through BC / other mode</p> <p>16933 villages have been covered by branchless mode</p>

			<p>(BC & other mode). Total achievement against the target of providing banking service outlet as on 30.06.2014 is 18541 (40.40%).</p> <p>(Annexure- I)</p> <p>Bottlenecks in implementation of FIP in Odisha.</p> <p>a) The performance of both RRB remains sub optimal on account of post-merger issues like CBS.</p> <p>b) BC functioning is not up to mark. Account opening is in progress, but transactions are low.</p> <p>c) Poor internet connectivity and power supply.</p> <p>d) Inadequate Remuneration paid to the BCs.</p> <p>e) No proper training to BC about basic banking, banking products, customer handling etc.</p> <p>f) Manpower constraints of banks.</p>
<p>2.</p>	<p>DRI Loans in favour of Persons with Disability(PWD)</p> <p>A meeting of the Sub-committee of SLBC was held on 16.1.2014 under the chairmanship of the Commissioner cum Secretary, Women & Child Development Department, Government of Odisha. The sub-committee came out with the decision that all the</p>	<p>All Banks/ Director of Welfare/LD Ms</p>	<p>Total amount disbursed under DRI scheme for the quarter ended June 2014 is Rs.19.37 crore in 497 accounts during 01.04.2014 to 30.06.2014, out of which Banks have disbursed 213 applications amounting 4.30 crores under DRI loan to differently abled persons.</p> <p>The performance of the participating banks is not encouraging (Annexure -II).</p>

	<p>participating banks will achieve the target of sanctioning of minimum 10 loan applications per branch under the scheme.</p>		<p>The Director , Welfare of Persons with Disability is requested to ensure sponsoring of more number of application and submission of bank wise application list to SLBC for effective follow up.</p> <p>Banks are requested to achieve sanction and disbursement of minimum 10 applications per branch under the scheme for the current year.</p>
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<p>3.</p>	<p>Variation in CD ratio between Trend & Progress report (RBI) and SLBC.</p> <p>In the 134th & 135th SLBC meeting, Additional Chief Secretary, Finance Department had pointed out wide variation in the CD ratio as compiled by SLBC and as published by RBI in the Trend and Progress of Banking India. He also expressed his concern over the matter.</p>	<p>RBI/SLBC/Banks</p>	<p>While analyzing the State Credit Deposit Ratio as per credit sanctioned and utilized in the state, RBI, Bhubaneswar has observed variance in deposit, credit sanctioned and credit utilized figure, The figures reported by controlling heads of banks to SLBC through online do not tally with the figures reported by Head Office of the concerned bank to the Central Office, RBI, Mumbai through BSR statement. It is happened due to lack of internal check mechanism as well as lack of co-ordination between the controlling head of bank in Odisha who compiles data for SLBC and bank's head office which submits BSR data.</p> <p>SLBC vide its letter dated 9th July 2014 has requested the controlling heads of all banks in the state to ensure data consistency while reporting the deposit & credit figure to SLBC and RBI to avoid such discrepancy in computation of CD Ratio of the state. The matter should be brought to the knowledge of Head Office for taking due care.</p>
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<p>4.</p>	<p>Clearing House-</p> <p>Opening of Clearing House in Odisha at centers with more than 5 bank branches.</p> <p>Establishment of Clearing House is being done as per Direction of Govt. of India and keeping in view the importance of the matter, RBI is also constantly monitoring the same.</p> <p>The centers namely Gopalpur, Gunupur & Dhamara have been identified for opening of Clearing House.</p>	<p>SBI / UCO Bank / Andhra Bank /RBI</p>	<p>We are glad to inform the house that clearing operation has already been started in all the three centers.</p>
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5. Bankwise and Scheme wise interest subvention utilization for the year 2013-14 is enclosed at **Annexure - III**

Interest Subvention & Subsidy Budget Vs. Utilization for the year 2013-14

(Amount in Rs. Lakh)

Interest Subvention Scheme	Budget	Utilization
Short Term Crop Loan	9000.00	2397.20
Agriculture Term Loan	2539.00	85.93
Short Term Fishery Loan	150.00	3.26
Long Term Fishery Loan	893.55	8.39
Short Term Dairy Loan	69.98	0.37
Long Term Dairy Loan	116.26	9.86
Subsidy Scheme - PDE	908.25	905.36

All the Banks are requested to submit their claim to nodal bank (UCO Bank) for the half year September 2014 latest by 31st October 2014 in the prescribed format. The banks which have not claimed the interest subvention for the period 2013-14 are requested to submit the same within 31st August 2014. All banks are also requested to give certificate to the SLBC to the effect that interest subvention amount received has been credited to the account of the beneficiaries in time.

6. Review on Banking Developments in Odisha in KEY Parameters as of June 2014.

(Amt in Rs Crores)

Parameters	June 2013	June 2014	Variation over June 2013	% of growth over June 2013
No. of branches	3842	4338	496	12.90
Deposits	150031.62	170527.24	20495.62	13.66
Advances	128892.81	134626.77	5733.96	4.45
CD Ratio	85.98	78.95	(-)7.03	
Credit Investments to Deposit Ratio	83.41	79.60	(-)3.81	
Priority Sector Advances	46023.38	51534.03	5510.65	11.97
% of Priority Sector Advances to Total Advance	57.97	57.10	(-)0.87	
Agriculture Advances	24003.61	27700.76	3697.15	15.40
% of Agriculture Advances to Total Advance	30.23	30.69	0.46	
MSME Advance	17239.47	19491.74	2252.27	13.06
Education Loan	1834.26	1845.42	11.26	0.61
Advance to Minority Communities	2238.68	2517.40	278.72	12.45
Advances to Weaker Sections	15126.63	17556.84	2430.21	16.06
% of Weaker Section Advances to PS Advances	32.87	34.07	1.20	
DRI Advances	222.15	151.55	(-)70.60	
% of DRI Advances to Total Advances	0.36	0.17	(-)0.19	

Branch Network

As at the end of June 2014, the total number of Bank Branches in Odisha increased to 4338.

During the period 01.04.2014 to 30.06.2014, Banks have opened 43 new branches in the state. Out of 43 branches, Public Sector Banks, Private Sector Banks and RRBs have opened 24, 18, and 1 numbers of branches respectively.

Deposit Growth

Deposits of the Banks in the state have increased from Rs.150031.62 Crores as of June 2013 to Rs.170527.24 Crores as of June, 2014, registering an increase of Rs. 20495.62 Crores. The year on year incremental deposit growth is 13.66 %.

Credit Expansion

The total advances increased from Rs.128892.81 Crores as of June 2013 to Rs. 134626.77 Crores as of June 2014, an increase of Rs.5733.96 Crores. The incremental growth is 4.45 %. The credit utilization in the state as on 30.06.2014 has been reduced by Rs.10099.94 over 31.03.2014.

CD Ratio

The Credit Deposit Ratio of all Banks in the state decreased from 85.98 % as of June 2013 to 78.95 % as of June 2014 due to decline of advance.

Priority Sector Advances

The percentage of priority sector advances is 57.10 % as of June 2014 against the national norm of 40 %.

The incremental growth on year to year basis is 11.97 %.

Agricultural Advances

The aggregate of agricultural advances extended by banks in Odisha have increased from Rs.24003.61 Crores as of June 2013 to Rs.27700.76 Crores as of June 2014, thus registering an increase of Rs.3697.15 Crores in absolute terms and 15.40 % in percentage terms. The share of agricultural credit in total advances as of June 2014 is 30.69 % against the national norm of 18 %.

Micro , Small & Medium Enterprises (MSME)

The advances to MSME during the period under review have witnessed an increase from Rs. 17239.47 Crores as at June 2013 to Rs.19491.74 Crores as at June 2014.

Education Loan

The increase of Rs. 86.49 Crores under Educational Loan represents a growth rate of 4.86 %.

Advances to Weaker Sections

The advances to Weaker Sections increased from Rs.15126.63 as of June 2013 to Rs. 17556.84 Crores as at June 2014, registering a growth rate of 16.06 %. The share of weaker section advance to Priority Sector advance is 34.07 % against the bench mark 25 %.

DRI Advance

Against the national goal of 1% of the previous year's Gross Bank Credit, only 0.17% of the total credit could be given under the DRI scheme in the state by Commercial Banks as at June 2014.

Agenda Item No.3

Fresh Issues.

A) SLBC in implementation of Sampoon Vittiyea Samaveshan (SVS)- Comprehensive Financial Inclusion (CFI) in the state.

Department of Financial Services, Ministry of Finance, Govt.of India has circulated a draft paper on Comprehensive Financial Inclusion (CFI)- Sampoon Vittiyea Samaveshan (SVS) which is scheduled to be launched on 15th August,2014.There are three major shifts from the earlier programme on Financial Inclusion. First, the earlier efforts of financial inclusion had village as the unit for coverage while the present plan focuses on coverage of households. Second, only rural areas have been the focus so far while both rural and urban areas have been included now. Third, the present plan is proposed to be implemented as a Mission Mode Project. It envisages a comprehensive coverage of all excluded households in the country by a six pillar approach in two phases. The comprises of:

Phase-1(15th August-2014 to 14th August (2015) comprising of following 4 pillars:

- Universal access to banking facilities
- Providing Basic Saving Deposit Accounts with overdraft facility of Rs.5000/- and RuPay Debit Card.
- Financial Literacy Programme
- Creation of Credit Guarantee Fund for coverage of default overdraft account
- **Phase-II(15th August,2015 to 14th August 2018) comprising of following 2 pillars.**
- Micro Insurance
- Unorganized sector Pension scheme like Swavalamban

The entire programme is proposed to be implemented in a Mission mode.

In addition, in this phase, coverage of households in hilly, tribal and difficult areas would be carried out. Moreover, this phase would focus on coverage of remaining adults in the households and students.

For discussion on its readiness for implementation of above Mission Mode Project, number of meetings have been conducted by Department of Financial Services, Ministry of Finance, Govt. Of India addressed by Secretary (FS).

It is the responsibility of all the banks in the state for smooth and timely implementation of this Project to communicate the importance and action plan of above Mission Mode Project immediately to all the field functionaries for time bound implementation in mission mode.

Secretary, Department of Financial Services has written to Chief Secretaries of all States for their cooperation and support in the implementation. A copy of the D.O. letter sent is enclosed **(Annexure-IV)**. The role of State Government is very critical in the implementation of the plan. Government of Odisha has already constituted a 19 member State Level Implementation Committee, the copy of the notification is enclosed in **Annexure - V**. The Chief Secretary is the Chairman, Director of Institutional Finance is the Mission Director and Convener of the SLBC is the Secretary to the State Level Implementation Committee.

A Special SLBC meeting was convened on 05.08.2014 for successful implementation of the Comprehensive Financial Inclusion Plan.

First Meeting of State Level Implementing Committee.

The meeting was held on 06.08.2014 under the chairmanship of the Chief Secretary, Odisha. Taking stock of the present situation in Odisha, Chief Secretary directed to all stake holder to work out a comprehensive model for fastening banking service coverage to all Gram Panchayats through Business Correspondents model till permanent brick and mortar branches are established in uncovered areas. He has also advised to include SHGs Federations, Primary Agricultural Cooperative Societies and Common Service Centers in selection of BCs. A committee has been constituted with Secretary Panchayatiraj, Women & Child Development, Information Technology, Cooperation Departments, UCO Bank, SBI and Odisha State Cooperative Bank to work out the model plan within a month. The Chief Secretary has also advised to make an attractive package for Bank Correspondents converging various services like dealing of other products of the banks, agri-extension services, agri- business etc. so that young talents will have interest to work as BC and earn a substantial amount.

The list of Service Center Agents (SCAs), Village Level Entrepreneurs with contact number, Common Service Centers (CSCs) with Address, District wise, Block wise and GP wise received from Commissioner-Cum-Secretary IT Deptt., Govt. of Odisha has already been circulated by SLBC vide letter no. SLBC/ODI/249/2014-15 dated 11.08.2014 to the Controlling Heads of all Banks which will help in selection of BCs of individual Bank.

B) Unbanked Gram Panchayat in the State under Financial Inclusion Plan.

Under the guidance of Additional Chief Secretary, Finance, Odisha and in consultation with RPCD, RBI, Bhubaneswar, SLBC has prepared the road map allotting 4597 unbanked GPs of the State among all the banks for opening of Brick & Mortar branches covering the identified unbanked GPs over a period of 5 years(2014-15 to 2018-19). The list of Bank wise & District wise allocation of unbanked GPs is available in SLBC website. SLBC has also supplied a book to Government Departments, all banks and Lead District Managers containing the list of Bank wise & District wise allocation of unbanked GPs. A copy of our letter indicating year wise and bank wise target is enclosed **(Annexure VI)**.

All the banks have been requested to provide SLBC the list of the GPs in which they propose to open branches month wise for the current year and year wise for next four year by 31st July 2014 for regular monitoring and reviewing in every quarter. We have not received the response so far. It is our request to all banks to submit the said list immediately to SLBC for doing the needful.

In order to extend banking facilities to all the panchayats, the State Government has already assured that the banks would be provided space of 400-500 sq feet in Rajiv Gandhi Seva Kendra for opening of bank branches free of rent for five years.

C) Banks to submit information on their progress in FIP through SLBC on line.

- 1 At present banks are directly submitting the information to RBI for compilation. Since the LDMs are not in a position to know bank-wise progress in terms of coverage of number of villages with banking facilities in respect their districts, RBI suggests for collecting the above information as per the format enclosed in **Annexure - VII** from the banks as per the prescribed periodicity through SLBC on line. RBI will be given rights to access SLBC website to view the above data filled in by banks on SLBC website.

2 Data on Branch opening status.

In order to streamline the process and to have the updated information on branch opening status of banks in the state on an ongoing basis, RBI suggested SLBC to provide enclosed format **(Annexure - VIII)** on our website where banks can fill in their branch opening details on a real time basis using specific user ID and Password.

- D)** RBI, in association with ORSAC has developed a Geographic Information System (GIS) based application for mapping the existing bank branches and ATMs in the State which can be accessed through www.orsac.org > Banking Network – Odisha. The application is expected to help banks to identify the unbanked stretches with other important information like population, distance from nearest bank branch and to reduce the regional gap in terms of banking penetration.

All banks are requested to expedite their branch opening plan with symmetrical distribution among districts.

E) Direct Benefit Transfer and Aadhar Number Seeding.

A meeting on preparation of database of beneficiaries under Direct Benefit Transfer (DBT) Scheme for transfer through bank accounts was held on 30.07.2014 under the chairmanship of Additional Chief Secretary, Finance, Govt. of Odisha. Different departments have been advised to provide list of the beneficiaries of various schemes for facilitating DBT. Panchayati Raj Department has already prepared a data base of all families – District –wise, Block-wise, GP-wise and Village – wise showing the age of individuals. The data-base has already been shared among the banks.

It is reported by the Director (**Annexure-IX**) Census that out of total population of 4.19 crore in Odisha, target population (five years above) is 3.85 crore, Biometric entry has been done till 27.07.2014 is 2.72 crore (70.72%), AADHAR No. generated for 2.14 crore (55.66%). Additional Chief Secretary, Finance has emphasized that every individual beneficiary account will have to be linked with AADHAR number. Director, Census will add village name (with code), G.P. name (with code) and Block name (with code) from the Panchayati Raj Department data base received from UIDAI Authorities. This will help in AADHAR seeding of Bank Accounts by uniquely identifying the beneficiaries.

F) Stoppage of sanction of subsidy for new projects under Agriculture Marketing Infrastructure Sub Scheme of ISAM.

It has been informed by NABARD, Bhubaneswar that the Director (marketing), Department of Agriculture and Cooperation , Govt. of India vide his e-mail dated 05 August, 2014 has directed to stop with immediate effect, sanction of subsidy for new projects under Agriculture Marketing Infrastructure sub Scheme of ISAM (erstwhile Gramin Bhandaran Yojana and Development Strengthening of Agricultural Marketing Infrastructure Grading Standardization). Accordingly all banks are advised not to sponsor any new projects for subsidy to NABARD.

G) Information on collection of stamp duty & registration fees towards execution of Equitable Mortgage Deeds.

Revenue & Disaster Management Department, Govt. of Odisha desires to get information regarding collection of revenue in shape of stamp duty and registration fees towards execution of equitable mortgage deeds. SLBC has already requested all banks to furnish the information in a given format for onward transmission to the State Govt. We are yet to receive the same from the banks. A copy of the recent communication of Revenue & Disaster Management Department is enclosed at **Annexure-IX (a)** for reference. All controlling heads of banks are requested to ensure submission of the information to SLBC by 20th August 2014.

H) Extending credit to Rice Mills against Pledge/ Mortgage/Hypothecation of Paddy, Rice and Gunny Bales.

It has been informed by Food, Supplies & Consumer Welfare Department, Govt. of Odisha vide its letter No.1297 dated 07.08.2014 (a copy enclosed in **Annexure – X** that some Millers have availed loan from the Banks by hypothecating paddy belonging to State Agencies like OSCSC or MARKFED. The Banks are not doing due diligence before sanctioning loan. These Millers sometimes have misled the Bank by declaring the stock of paddy, rice & gunny bales of State Agencies hold by them as agent, as their own stock. If bank extends any credit on stock of State Agents lying at the Mills, it would be entirely at the risk of the bank concerned.

All banks are requested to take a careful note of the said content, for compliance.

Agenda Item No.4

Branch Expansion in Odisha.

Branch	As on 31.03.2012	As on 31.03.2013	As on 31.03.2014	As on 30.06.2014
a)Rural	1959(54.49 %)	2055(53.74%)	2335(54.54%)	2372(54.68%)
b)Semi-Urban	901(25.06 %)	1021(26.70%)	1143(26.70%)	1150(26.51%)
c) Urban	735(20.45%)	748(19.56%)	803(18.76%)	816(18.81%)
T o t a l	3595	3824	4281	4338

Branch Net work in Odisha.

Banks	As on 31.3.2012	As on 31.3.13	As on 31.3.14	As on 30.06.14
Public Sector	2157	2313	2637	2662
Private Sector	216	269	350	381
RRBs	885	901	951	952
Total Commercial Banks	3258	3483	3938	3995
Co-operative Banks	337	341	343	343
Total	3595	3824	4281	4338

Per bank branch population in the State of Odisha is 9675.

Branch Expansion growth in %.

Banks	For the year 2012	For the year 2013	For the year 2014
Rural	4.48	4.90	13.62
Semi Urban	17.77	13.31	11.95
Urban	5.76	1.77	7.35
Public Sector	9.60	7.23	14.00
Private Sector	39.35	24.53	30.11
RRBs	1.14	1.80	5.55
Total Commercial Banks	8.67	6.90	13.06
Co-operative Banks	0	1.18	0.58
Total	7.80	6.37	11.95

Bank wise and District wise branch network as on 30.06.2014 is enclosed in **Annexure-XI**. Bank wise & District wise Branch opening for the period 01.04.2014 to 30.06.2014 is enclosed in **Annexure-XII**.

Position of ATM installation in the State :

Sl. No.	ATM Position	Nos.
1	No. of Onsite ATMs	1946
2	No. of Offsite ATMs	2422
3	Total No. of ATMs	4368
Out of which		
I	No. of ATMs in Rural Branch	1208
II	No. of ATMs in Semi-Urban Branch	1584
III	No. of ATMs in Urban Branch	1576

Bank wise and District wise ATM position are enclosed in **Annexure-XIII**.

Agenda Item No.5

NPA & Overdue position as on 30.06.2014

The NPA % of the State is 8.26 which is at a higher side and alarming. The bank wise and Sector wise NPA position is given in **Annexure – XIV**. For PMRY / PMEGP / SJSRY/SHG WCC the recovery performance the NPA & Overdue % is too high, which can only be rated as unsatisfactory. Banks & Govt. Departments have to make joint endeavor with specific strategies to improve the recovery performance for better recycling of funds. SLBC has already requested all the banks to submit the list of NPA in respect of SHG & PMEGP to OLM & KVIC/DIC/KVIB (implementing agencies) for improving the recovery position and regularization of NPA accounts.

Sector wise NPA & Over due % as on 30.06.2014

Sl. No.	Sector	NPA %	Overdue %
1.	Short term crop loan	13.28	27.37
2.	Agriculture Term Loan	17.49	20.65
3.	Agriculture Allied	9.32	11.00
4.	Total Agriculture	13.88	23.98
5.	MSME Sector	8.80	10.12
6.	Education Loan	10.43	16.73
7.	Housing Loan	6.31	9.07
8.	Total Priority Sector	11.16	16.57
9.	Total Advance	8.26	12.10

Schemewise NPA & Overdue % as on 30.06.2014

Sl. No.	Sector	NPA %	Overdue %
1.	PMEGP/PMRY	29.84	39.38
2.	SHG	21.21	20.55
3.	SJSRY	40.55	41.86
4.	Weaver Credit Card	20.98	22.91

Under OPDR Act. 12365 Cases involving Rs.157.56 crores are pending for disposal by Certificate Courts. The detailed bank wise and district wise position in respect of Odisha Public Demand Recovery Act and Odisha Agriculture Credit Operation and MISC Provision (Banks Act) is given in **Annexure – XV**.

Agenda Item No.6

Banking Key Indicators

The details of Bank wise deposit, advances & important banking key indicators are given in **Annexure – XVI**.

(a) CD Ratio (All banks):

Area	2010-11	2011-12	2012-13	31.03.2014	30.06.2014
Rural	82.43	100.29	112.72	66.17	63.54
Semi-Urban	43.06	46.96	68.74	44.33	41.83
Urban	70.20	73.43	85.87	57.66	53.51
Total	65.28	71.88	86.94	56.03	52.92

CD ratio of the year 2010-11, 2011-12 and 2012-13 includes the advance figure of sanctioned in out state but utilized in our state as per Thorat Committee, but CD Ratio of 31.03.2014 and 30.06.2014 excludes the said advance portion. CD Ratio of 31.03.2014 and 30.06.2014 has been computed on advance sanctioned and utilized in the state.

(b). Major Key indicators (Commercial Banks only)

(Amount in Rs. Crores.)

Parameter	30.06.2012	30.06.2013	30.06.2014	Variation of growth over June 2013	Variation of growth over June 2013 in %
No. of branches	3270	3501	3995	494	14.11
Deposit	127891.50	122592	164101.42	41509.42	33.05
Advances	96723.43	122592.08	127177.12	4585.04	3.74
CD Ratio	75.63	84.89	77.50	-7.39	****
Investment	1192.69	1288.74	1119.79	-168.95	****

Credit+ Investment to Deposit Ratio	76.56	82.23	78.18	-4.05	****
Priority Sector advances	36650.04	40283.46	44508.58	4225.12	10.48
Agril. Advances	15874.10	18262.02	20572.19	2310.17	12.65
MSME advances	14171.53	17130.69	19322.06	2191.37	12.79
Advance to Weaker section	8107.05	10323.19	11498.39	1175.20	11.38

Major Ratios: (Commercial Banks)

Sl. No.	Ratios In %	RBI stipulation	As on 30.06.2012	As on 30.06.2013	As on 30.06.2014
1.	C D Ratio	60	70.25	78.95	77.50
2.	P.S.Advances	40	57.06	57.97	57.63
3.	Agril. Advances	18	24.17	30.23	30.98
4.	Weaker Section advance to P.S. Advances	25	22.88	32.87	34.06

Observation :-

Commercial Banks in Odisha have achieved all national parameters.

The Public Sector Banks and Private Sector Banks having **low CD Ratios below 60%** are given below.

Public Sector Banks:

Sl. No.	Name	CD Ratio (30.06.2014)
1	Bank of Maharashtra	14.38
2	Vijaya Bank	29.80

Private Sector Banks:

Sl. No.	Name	CD Ratio (30.06.2014)
3	Indus Ind. Bank	28.61
4	Kotak Mahendra Bank	19.97
5	ING. Vysya Bank	0.96
6	Laxmivilas Bank	2.22

District wise CD ratio as of 30.06.2013. & 30.06.2014 for all Districts of Odisha.

(Amt. in Rs. Crore)

SL. NO.	DISTRICT NAME	30/06/2013			30/06/2014		
		Deposit	Advance	CD Ratio	Deposit	Advance	CD Ratio
1	ANGUL	4565	2386.51	52.28	5377.00	2290.35	42.60
2	BALASORE	4590.69	3141.04	68.42	5922.75	3463.72	58.48
3	BHADRAK	2286.01	1572.86	68.80	2682.74	2108.50	78.60
4	BARAGARH	2301.24	1672.54	72.68	2895.70	1748.31	60.38
5	BOLANGIR	2564.37	1500.04	58.50	3229.93	1419.31	43.94
6	BOUDH	448.21	289.06	64.49	531.61	318.88	59.98
7	CUTTACK	11813.34	6132.77	51.91	14999.80	6537.54	43.58
8	DEOGARH	552.03	196.56	35.61	661.77	235.06	35.52
9	DHENKANAL	2192.53	1083.26	49.41	2934.22	2166.88	73.85
10	GAJAPATI	857.07	333.04	38.86	1224.02	297.57	24.31
11	GANJAM	7740.76	4117.55	53.19	9705.23	3901.40	40.20
12	JAGATSINGHPUR	4922.88	1155.29	23.47	5608.98	1321.42	23.56
13	JAJPUR	3904.61	1971.80	50.50	4119.45	2339.16	56.78
14	JHARSUGUDA	1976.59	1000.82	50.63	2493.19	1253.31	50.27
15	KALAHANDI	1733.57	1127.71	65.05	2009.53	1217.10	60.57
16	KANDHAMAL	1216.74	390.91	32.13	1355.08	447.82	33.05
17	KENDRAPARA	2524.83	963.92	38.18	2939.46	1073.82	36.53
18	KEONJHAR	4281.96	2325.11	54.30	6238.96	2791.25	44.74
19	KHURDA	42099.80	28452.63	67.58	55727.40	34582.58	62.06

20	KORAPUT	2541.54	1069.79	42.09	3091.95	1316.30	42.57
21	MALKANGIRI	805.47	169.17	21.00	922.09	185.53	20.12
22	MAYURBHANJA	4258.37	2253.56	52.92	5241.81	2008.69	38.32
23	NAYAGARH	1402.30	901.40	64.28	1040.91	574.30	55.17
24	NOWRANGPUR	845.18	478.22	56.58	1816.83	1045.12	57.52
25	NUAPADA	829.58	345.35	41.63	967.35	356.57	36.86
26	PURI	3296.41	1640.12	49.75	4372.39	1747.19	39.96
27	RAYAGADA	1782.01	721.03	40.46	2148.34	899.99	41.89
28	SAMBALPUR	21818.11	2013.71	9.23	15452.41	2221.54	14.38
29	SONEPUR	830.14	503.74	60.68	1032.37	567.97	55.02
30	SUNDARGARH	6943.13	4446.72	64.04	11103.10	5391.63	48.56

The advance figure of 30.06.2014 excludes the amount sanctioned in other state and utilized in our state.

It is observed that only in 3 districts (**Khordha, Kalahandi , Dhenkanal and Bhadrak**) have achieved CD Ratio of more than 60 %.

Districts having CD Ratio below 40%:

Deogarh, Gajapati, Kandhamal, Kendrapara, Malkangiri, Sambalpur, Jagatsinghpur, Nuapada, Keonjhar and Puri .

The LDMs of those districts having CD Ratio below 40 % should constitute sub-committee of DCC to review the same and take appropriate steps to improve the CD ratio.

Agenda Item No.7

(A) Achievement of Annual Credit Plan(ACP) 2014-15 :-

Achievement under Annual Credit Plan (District wise & Bank wise) as on 30.06.2014, (LBS-MIS-III), is enclosed in **Annexure – XVII**. Performances under major segments of Priority Sector are reproduced below.

(Amount in Rs. Crores)

Sl. No	Sector	Target for the year 2014-15	Achievement for June 2014 quarter	% of Achievement
1	Agril and Allied (Direct)	****	****	****
	i) Crop Loan	15290.62	3221.62	21.07
	ii) Term Loan	3370.50	339.93	10.09
	iii) Allied Loan	2781.66	469.89	16.89
	Sub-total	21442.78	4031.44	18.80
2	Agril and allied Indirect	1532.57	384.48	25.09
3	MSE	5719.13	1651.69	28.88
4.	Education	1000.13	40.53	4.05
5	Housing	2225.91	272.16	12.23
6	Other Priority Sector	8080.49	1070.84	13.25
	Total Priority Sector	40001.01	7451.10	18.63

The above data reveals that the performance of Banks under ACP for the June quarter 18.63 %.

All the controlling heads of banks and LDMs in the state are requested to ensure that the target allocated is achieved before 31 March 2015. Banks are advised to accelerate investment credit for agriculture and allied activities for sustainable growth of priority sector lending to increase food production and productivity in Odisha.

(B) Brief Analysis of Trend in Agriculture Credit. Outstanding:

(Amount in Rs. Crores)

Years	31.03.2013	Share in %	31.03.2014	Share in %	30.06.2014	Share in %
Commercial Banks(Excluding RRB)	11249.19	58.35	11240.24	52.83	11430.11	52.89
RRBs	2377.35	12.33	2966.01	13.94	3051.67	14.12
Co-op Banks	5649.54	29.32	7070.13	33.23	7128.57	32.98
Total	19276.08	100	21276.38	100	21610.35	****

Agenda Item No.8

Agriculture.-

A) Bank wise Performance of **Crop Loan & Term loan** for the period 01.04.2016 to 30.06.2014 is enclosed in **Annexure - XVIII**.

B) Kissan Credit Card(KCC):-

The bank wise achievement made under KCC as on 30.06.2014 is enclosed in **Annexure – XIX**. It is observed that banks have disbursed Rs. 4750.11 crores in 1173041 KCC accounts during 01.04.2014 to 30.06.2014, out of which **fresh KCC** has been issued in 87442 accounts disbursing Rs. 314.52 crore. Total outstanding balance as on 30.06.2014 is Rs. 12421.43 crores in 5799198 no. of KCC.

No KCC has been issued so far by the following banks –

Public Sector Banks

Bank of Maharashtra, State Bank of Bikaner & Jaipur, State Bank of Hyderabad, State Bank of Mysore, State Bank of Travancore.

Private Sector Banks

Indus Ind Bank, ING Vysya Bank, Karur Vysya Bank, Kotaka Mahindra Bank Ltd., Laxmi Vilas Bank, The South Indian Bank Ltd.

C) Horticulture

Odisha has immense potential in horticulture, particularly in vegetable cultivation and micro irrigation. Horticulture is becoming popular in the hilly districts. Commercial floriculture is also increasing. Since income derived from horticulture per hectare of land is generally higher than in cereals and pulses, State Govt. has taken many steps through promotional policy for expanding the area under horticulture to increase the production and productivity. Introduction of interest subvention and subsidy scheme by State Govt. will provide ample scope to the banks for augmenting their credit flow to different activities of Horticulture. Govt. of Odisha provides subsidy to the following schemes.

1. Development of Nursery(Large / Small).
2. Vegetable Seed Production.
3. Seed Infrastructure.
4. Vegetable cultivation in Open condition.
5. Establishment of New Garden. (Fruits- perennial / non- perennial, Tissue Culture Banana, inter cropping).
6. Floriculture.
7. Mushroom Cultivation
8. Plantation
9. Spices
10. Post Harvest Management (Cold Storage Units- Construction/Expansion/ Modernisation, Process Unit, Preservation Unit etc.)
11. Establishment of Marketing Infrastructure
12. Protected Cultivation(Green House, Mulching, Plastic Tunnel etc)
13. Organic Farming
14. Vermi Compost Unit
15. Minor Irrigation (Drip/ Sprinkler/ HDPE Pipe)

National Horticulture Board (NHB) , Bhubaneswar, Odisha

The revised Operation Guidelines for release of subsidy in respect of projects under NHB Schemes are enclosed in **Annexure –XX**.

The details of the valid Letter of Intent (**LOI**) pending in the different Banks (Branch wise) for Term Loan sanction for Hi- Tech Commercial Horticulture Projects and details of the Utilization Certificate(**UC**) pending in the different banks (Branch wise) where the project has been completed and full/final subsidy amount has been utilized is enclosed (**Annexure - XXI**).

Agriculture Allied Sectors (Fishery & Dairy).

Bank wise progress made on Financing under different schemes of Allied Agriculture Sector is given in **Annexure – XXII**.

As evident from the annexure, except HDFC Bank, the share of other Private Banks financing Agriculture Allied Sector is negligible. All Banks should give more importance for credit delivery to different schemes of allied sector which is supported by subsidy and interest subvention scheme of state government.

All the member banks are requested to dispose of the pending loan applications and ensure timely sanction and disbursement of loan application. Any return / rejection of application is to be informed to the loan application sponsored department with reasons.

The allocated budget for Odisha under Dairy Entrepreneurship Development (DEDS) for the year 2014-15 as follows.

State	Budget (Rs. lakh)	
	General category (including ST)	Special Component Plan (SCP) for Scheduled Caste Target.
Odisha	245	210

NABARD shall accept/process the subsidy claims under each category only upto the allocated budget. No claims are permitted after the allocated budget is exhausted until additional budget is provided by Gol. Since fund will be available on first-come – first serve basis, banks are advised to proceed and forward their claims as per the scheme guidelines without any time-lag/ delay. We reiterate that all financing banks are required to forward the subsidy claims through their controlling office to NABARD, Odisha Regional Office, Bhubaneswar within two months of disbursement of first installment of bank loan. Claims received by NABARD after the specified period of two months (from the date of release of first installment of loan) will not be permitted for release of subsidy during the financial year 2014-15.

Keeping in view the above allocated budget, submission of increased number of claims under SCP category may please be expedited by banks.

As per the policy guidelines Utilization Certificate in the prescribed format should be submitted by the banks to NABARD, RO within 15 days of receipt of subsidy. Controlling Offices of Banks are requested to monitor the same. Submission of Utilization Certificates in respect of all DEDS subsidy released by NABARD since inception of the scheme may please be reviewed and certificates obtained from the branches may please be forwarded to NABARD, RO, Bhubaneswar at the earliest.

Agenda Item No.9

Financing to MSME Sector :-

MSME is an important sector providing maximum employment opportunities to people. Govt. of India, Govt. of Odisha & RBI have taken several measures to enhance credit flow to MSME sector.

As per recommendation of Prime Minister's Task Force on MSME under chairmanship of T.K.A Nair banks are advised as under.

Achieve a 20% year on year growth in credit to Micro & Small enterprises and 10% annual growth in number of Micro Enterprises account. The allocation of 60% of MSE advances to Micro Enterprises is to be achieved. As per Committee recommendation achievement in credit flow to **Manufacturing Sector** is also to be reviewed.

The position of finance to Micro & Small enterprises in the state as on 30.06.2014 is as follows.

(Amount in Rs. crores)

Particulars	Balance outstanding 30.06.2013		Balance outstanding 30.06.2014	
	A/cs	Amount	A/cs	Amount
Micro Enterprises	582999	7643.17	599157	8934.57
Small Enterprises	119496	7238.06	164927	7632.91
Total MSE	702495	14881.23	764084	16567.48
Share of advances of Micro Enterprises to MSE (%)	82.98	51.36	78.42	53.93
Total MSME	703664	17239.47	768006	19491.74

Observation :-

Year-on-Year growth in credit to Micro on Small Enterprises as on 31.03.2014 was 29.16 % against the target of 20 %.The advances to MSE sector during the period under review has registered a decrease by Rs. 1686.25 crores over the March 2014 figure.

The allocation of Micro Sector to MSE advance at end of June 2014 is 53.93 % against the parameter of 60 %. **Member Banks should speed up the flow of credit to Micro Enterprises so that the 60% norm could be achieved.**

Details of bank wise position under MSME is given in **Annexure – XXIII.**

(Amount in Rs. Crores)

CREDIT FLOW TO MSME (MANUFACTURING) SECTOR FOR THE PERIOD 01.04.2014 to 30.06.2014																
Name of Bank	MICRO ENTERPRISES				SMALL ENTERPRISES				MEDIUM ENTERPRISES				TOTAL MSME			
	(MANUFACTURING)				(MANUFACTURING)				(MANUFACTURING)				(MANUFACTURING) SECTOR			
	❖ No of case		Balance		No of Cases		➤ Balance		No of case		Balance		No of Cases		Balance	
	A/c	Amt.	A/c	Amt.	A/c	Amt	A/c	Amt	A/c	Amt	A/c	Amt	A/c	Amt	A/c	Amt
Total Comm Banks	3542	220.26	10953	2349.58	912	247.97	43911	3725.81	55	117.51	1799	1888.54	4509	585.74	155243	7963.93

❖ No of cases disbursed from 01.04.2014 to 30.06.2014

➤ Balance outstanding as on 30.06.2014

Bank wise performance of manufacturing sector is enclosed in **Annexure – XXIV**.

The share of MSME advances to total advances as of 30.06.2014 is 21.65 %.

Rehabilitation of Sick SMEs

We reiterate that RBI has brought out a detailed guidelines covering definition of sickness, identification of such units, study of viability, handholding support, rehabilitation package for potential viable units etc. The Director of Industry, Odisha has expressed his concern that no information regarding rehabilitation of sick units is forthcoming. As a result, there is no proposal for providing assistance under IPR-2007 and MSME Development Policy-2009 through SLIC. Besides, Odisha Govt. is not able to submit information on Assembly / Parliament Questions relating to revival of sick units. It is therefore requested all banks to submit the information quarterly through SLBC statement on line for monitoring rehabilitation of Sick SMs accounts. However, we would like to inform the house that since RBI, Bhubaneswar is monitoring rehabilitation of Sick units of MSME in every quarter, the bank wise information is available with them.

Agenda Item No.10

RSETI Issues :

The Ministry of Rural Development , Government of India has given a target of 19800 number of trainees to be trained by RSETIs for the year 2014-15 in Odisha and expects a settlement ratio of around 70 % and credit linkage ratio at least 50 %. It involves a great deal of challenges for the RSETIs and suitably strategic planning should be put in place for an immediate action plan by all the RSETIs.

Land allotment to RSETIs –

The Director of RSETIs Cuttack, Puri, Ganjam, Gajapati, Sambalpur, Deogarh, Dhenkanal and Sundargarh are requested to pursue the matter with the PD, DRDA for early allotment of land for RSETIs. Land has already been identified. The Secretary of Panchayati Raj Department is also requested to look into the matter.

A) RSETI Functioning.

TRAINING DETAILS OF RSETIS OF ODISHA for the year 2014-15.

Total no. of trainees trained - 4434(As against a target of 19800 for March' 2015 set by MoRD)

No. of programmes conducted	155
Total no. of trainees settled	3097
Settlement Ratio	69.85 %
No.s of RSETI'S trained candidates settled with Bank Finance	1187
No.s of RSETI'S trained candidates settled with self finance	1310
% of Bank Finance to total settlement	38.32

SLBC has already requested the controlling heads of all banks vide its letter No.GM/SLBC/ODI/788/2013-14 dated 18.03.2014 to instruct the branches to be very proactive in providing credit linkage to the trainee of RSETI having certificate issued by the RSETIs/RUDSETI to achieve the target of credit linkage ratio.

RSETI wise performance for the period 01.04.2014 to 30.06.2014 is enclosed at **Annexure – XXV.**

Strategies for RUDSETI/ RSETIs during 2014-15.

A workshop for RSETI directors and sponsor banks was organized by Odisha Livelihood

Mission on 11 July 2014 at SIRD, Bhubaneswar. Based on the deliberations and instructions issued from time to time, the RSETI training strategy was finalized. The strategy will be sent to all the Collectors and DRDAs for their support. The main features of the strategy are:

- Nodal officers will be identified in DRDAs and Block office for dealing with all matters relating to RSETIs including sponsoring of trainees, monitoring training programmes, facilitating bank linkage, settlement of claims, land and construction related issues.

- A District Level Workshop will be organized by DRDA for sensitization, strategy finalization and convergence. This has to be completed by end of August 2014.
- Regular conduct of Local Advisory Committee of RSETI under the chairmanship of Collector. DPM-OLM will participate in the meeting. Similarly RSETI Directors may be invited to District NRLM committee meetings.
- Sponsoring of trainees by BDO/DRDA.
- Quick settlement of claims submitted by RSETIs to DRDAs.
- Collector/DRDA support for solution of issues relating to allotment of land/ permissive possession of land/ approval of construction plans by municipal authorities/ construction related issues.
- Conduct of OLM sponsored training programmes in RSETI for youth graduates on financial literacy, Master Book Keepers and Bank Mitras of GPLF.

Agenda Item No.11

Finance to Weaver Sector:

Waiver of Overdue loan of Individual Weaver / SHGs/JLGs

- i) The individual weavers overdue loan outstanding in respect of 10668 weavers have been waived out, the issue of weavers credit card to the concerned weavers is not up to the mark though it is precondition to sanction fresh loan to the concerned weavers whose loan have been waived off. It is reported by the participating banks that 7973 number of beneficiaries have been refinanced with amount Rs.21.26 crores (**Annexure-XXVI**).

Total No. of fresh WCC issued for the quarter ended June 2014 is 613 and amount disbursed is Rs.1.35 crore. Balance outstanding as on 30.06.2014 is Rs.43.83 crore in 13476 accounts.

The Bank Wise performance as on 30.06.2014 is furnished in **Annexure – XXVI(a)**.

Agenda Item No.12

Financing Under Women Self Help Group (WSHG)

Government of India has given more importance to the role of financing to Self Help Groups (SHGs) for poverty alleviation across the country. Banks have been emphasized to give more attention towards linking maximum SHGs by savings / loan accounts.

As lending to SHGs or to NGO for on lending to SHGs comes under Priority Sector Advances, we request all Banks to maximize the credit flow to SHGs to increase the loan portfolio under priority sector to achieve regulatory targets of RBI.

We request all the Controlling Heads to bestow their preferred attention in monitoring the progress of SHG Bank linkage on monthly basis. Workshop should be organized to sensitize the dealing Officer at Controlling Office and Officer of Branches.

Target of WSHGs Bank Linkage Programme for the year 2014-15:

The District wise and Bank wise target has been circulated by SLBC to all Banks (**Annexure - XXVII**). The SHG- bank linkage achievement as on 30.06.2014 is Rs.96.44 crore and 8582 SHGs against target of 928.72 Cr and 93032 SHGs. The bank-wise achievement made under SHG Bank Linkage is enclosed in **Annexure - XXVIII**. Most of the Private Sector Banks have not extended credit to SHGs. Banks are requested to identify the potential SHGs for repeat finance and to utilize advantage of interest subvention to achieve the target set for 2014-15.

The overall target of WSHGS in Odisha for the year 2014-15 will have the following norms & Strategies

1. SHGs promoted under other livelihood programs like OTELP, IWMP etc, are included in the target.
2. All SHGs promoted in intensive and non intensive blocks by OLM are a part of total target of the district.
3. The Bank wise target shall include both fresh and repeat linkage.70% of the target shall be contributed as repeat finance while 30% as fresh finance mostly in TRIPTI and Intensive blocks
4. Interest subvention shall be available to all WSHGs which avails a Bank loan up to Rs.3 lakh from any Bank subject to prompt repayment.
5. Based on the target, Branches will identify SHGs for linkage during 2014-15.
6. Training to identify SHGs on SHG Bank linkage may be imparted at the earliest. The training will be held at Branch site and Branch Managers will train the SHGs on various aspects of Bank linkage. Concerned BDOs will make logistic arrangement for the training program.

7. Constitution of Branch Linkage and Recovery Committee at the branch level in TRIPTI blocks and hold monthly meetings.
8. Organisation of Recovery camps and involves the field staff.
9. Identify branch staff for training and exposure to be organised by OLM.
10. Include SHG- Bank linkage as an item of study/ discussion in banks' in-house review meetings/ training programmes.
11. The identification of SHG both for repeat and fresh shall be done jointly by Banks and Block OLM team which shall be discussed in the monthly Block Level NRLM committee meeting.

Interest Subvention scheme under NRLM Status of Implementation of Interest Subvention in Odisha

- Controlling Heads of all Banks have been intimated regarding Scheme of Interest Subvention and have been asked to communicate the same to their bank branches.
- OLM opened interest subvention account with UCO bank for Non-IAP districts and safe Govt scheme.
- The reimbursement of interest subvention over and above amount paid by NRLM in the eligible accounts shall be claimed by the banks in the prescribed format attached to the letter addressed by OLM to all Banks for the IAP districts (Category -1) to all banks in the given format **(Annexure – XXIX)**.
- During the workshop held with bankers to discuss the operational issues in implementation of interest subvention scheme, it transpired that 17 commercial banks and 2 RRBs have submitted claims to Nodal Bank (Canara Bank) over and above 7% interest to WSHGs. 12 commercial banks have submitted claims for 3% NRLM interest subvention for prompt payee WSHGs in category I districts. Concerned banks as well as other commercial banks and both the RRBs were advised to submit 2% OLM interest subvention claims immediately to Nodal Bank(UCO Bank), Odisha Government, Secretariat Branch.

Regularisation of Non Performing Assets / Revival of defunct or dormant SHGs

OLM, Odisha besides supporting for recovery of SHG Loans with banks will also analyse the reasons of default and formulate strategy to review the default SHG. For regularization of accounts, data base of NPA accounts is required. Despite our repeated requests banks have not furnished the information to OLM. In every meeting of Sub Committee of SLBC on SHG, the matter is being discussed. We therefore request all the banks to furnish the required up to date information to the OLM by e-mail (spm.u.tripti@gmail.com).

Name of category -1 Districts

Bolangir, Deogarh, Gajapati, Ganjam, Jajpur, Kalahandi, Kandhamal, Keonjhar, Koraput, Malkangiri, Mayurbhanja, Nabarangpur, Nayagarh, Nuapada, Rayagada, Sambalpur, Sonapur and Sundargarh.

Agenda item No.13

Finance to Handicraft

Finance to Artisans/SHGs under the scheme of “Modernization & Technical Up-gradation of Handicraft Industries”.

It has been informed by the Director of handicraft , Govt. of Odisha that :

1. In order to enhance the productivity of the handicraft items, under the scheme “Modernization & Technological Up-gradation of Handicraft Industries” (M.T.U.H.I)” an amount of Rs.47.51 lakhs has been released as subsidy to 34 units and an additional amount of Rs.11.38 lakh will be released very soon to 6 units. The branch wise details is placed at **Annexure-XXX**.

During 2014-15 there is a budget provision of Rs100.00.lakhs under the scheme to provide subsidy to 53 units.

2. Bank Linkage of SHGs promoted in handicraft sector under craft village scheme.

During the year 2014-15, total 480 artisans are to be trained of 32 SHGs and total funds of Rs.70.00 lakh has been sanctioned by Govt. for implementation of the same. The details list is at **Annexure-XXX(a)**. The bankers are to be requested to make credit linkage with the SHGs after skill up gradation training programme are over.

3. Rehabilitation of Handicraft Artisans.

Margin money assistance is provided to individual artisans @ 20% of the project cost with maximum ceiling of Rs.10,000/- per artisan to avail bank loan for setting up own handicraft production unit. During 2014-15 there is a budget provision of Rs.50.00 lakhs under the scheme to provide margin money to 5000 units.

The district wise position is at **Annexure – XXX(b)**.

Agenda Item No.14

Progress under Govt. Sponsored Programmes

A) PMEGP :-

Ministry of MSME, Government of India has communicated approval for continuation of PMEGP Scheme for the 12th Five Year Plan (From 2012-13 to 2016-17) with the existing guidelines.

Tentative PMEGP Target for the year 2014-15.

Bank wise, District wise and Agency wise (KVIC, DIC & OKVIB) tentative target under PMEGP for 2014-15 is enclosed in **Annexure – XXXI**. The details of target in respect of three implementing agencies are as under.

Implementing Agency	No. of Projects	Margin Money in lakhs
KVIC	1576	2177.79
KVIB	1576	2177.59
DIC	2101	2903.45
Total	5253	7258.63

The above targets may be approved in this SLBC Meeting for the current year.

On perusal of bank wise target distributed by the three agencies, it is observed that no target has given to private banks except Axis bank. Referring to the advice of Chief Secretary and Secretary, MSME, Odisha in various review meetings and discussion in SLBC meeting, we have requested the State Director, KVIC to give target to Private Sector Banks for the current year.

1. Achievement of PMEGP for the year 2013-14 as on 30.05.2014

Imp. Agency	Target		Sanction by the Banks		Disbursed by Financing banks		Released by the Nodal Banks including Back log	
	No.	M.M.	No.	M.M	No.	M.M.	No.	M.M.
KVIC	1353	1756.49	384	949.00	370	890.11	372	915.93
KVIB	1353	1756.49	979	1922.77	919	1804.38	683	1374.67
DICs	1805	2341.99	1846	3116.80	1673	2733.78	1167	1940.81
TOTAL	4511	5854.98	3209	5988.57	2926	5428.27	2222	4231.41
Back Log	****	****	243	480.65	243	480.65	****	****
G.Total	4511	5854.98	3452	6469.22	3169	5908.92	2222	4231.41

Achievement of MM against target is 72% and against sanction & disbursement is more than 100%. Due to non availability of margin money fund, nodal banks could not release the rest amount.

2. Target under 100 days Action Plan under PMEGP (1st June 2014 to 10th September, 2014)

No. of Projects	MM to be disbursed(Rs in lakhs)	EDP Training
828	1593.27	785

3. Achievement under PMEGP for 2014-15 as on 24.07.2014

No. of Project – 75

MM disbursed – Rs.152.16 lakhs

EDP Training – NIL

4. EDP Training

As per Circular No. PMEGP/Circular Guide/ B&FL/2013-14 dated 29.03.2014 EDP training has been mandatory before the disbursement of 1st installment of loan under PMEGP with effect from 01.04.2014.

It has been decided in the State Level Local Committee Meeting to accredit to all the banks sponsored RSETIs & RUDSETIs and Govt. Training Centers to conduct EDP training during 2014-15 for completion of EDP backlog cases and ongoing. Accordingly, SLBC has already requested all the banks financing under PMEGP to sponsor the name of beneficiaries in the enclosed format (**Annexure - XXXII**) to the RSETI of the concerned district for undergoing EDP training.

5. Physical Verification and Margin Money Adjustment

As per guidelines of PMEGP, it is necessary to adjust the margin money after 3 years on the basis of physical verification report received by the implementing agency and adjustment letter issued in this connection. All the controlling heads of participating banks are requested to instruct the branches to send the certificate M.M. Subsidy under PMEGP Scheme has been adjusted in the beneficiary accounts as per format already circulated along with Adjustment Letter.

Stipulated targets of social category viz. SC-15%, ST-7.5%, Minority-5%, OBC-27%, PHC-3% Ex-Servicemen-1%, Women-30% should also achieved while implementing the scheme.

It is reported by Director KVIC Odisha in the State Level Monitoring Committee Meeting held on 12.05.2014 that despite the above communication of SLBC to the controlling heads of all participating banks, the implementing Agencies have not receive certificate and statement in the given format. However we are again enclosing the prescribed format in **Annexure - XXXIII and Annexure – XXXIII(a)** with request the banks to submit the same to the concerned implementing Agency within 15th June'2014.

B) SJSRY :-

During the period of 01.04.2014 to 30.06.2014, all the banks have provided credit of Rs. 8.44 crores in 67accounts. The balance outstanding as on 30.06.2014 is Rs. 110.18 crores in 15376 accounts (**Annexure - XXXIV**)

National Urban Livelihood Mission (NULM)

The objective of NULM, a flagship programme of the Ministry of Housing & Urban Poverty Alleviation (M/o HUPPY) is to reduce poverty and vulnerability of the urban poor households by enabling them to access gainful self-employment and skilled wage employment opportunities, resulting in an appreciable improvement in their livelihoods on a sustainable basis, through building strong grass level institutions of the poor.

At present 33 nos. of towns have been covered under NULM in the State. In future Swarna Jayanti Sahari Yojana (SJSRY) will be replaced by NULM and all the towns of the state will be covered under this flagship programme.

- ❖ State Urban Development Authority (SUDA) is declared as Nodal Agency.
- ❖ 33 towns are covered presently under the scheme.
- ❖ SJSRY will be phased out.
- ❖ All the towns will be covered in a phased manner.
- ❖ State Mission Management Unit shall function under the aegis of SUDA.

NULM Operational Guidelines for Self-Employment Programme is enclosed in **Annexure – XXXV**.

C. Financing under SC/ST Schemes:-

1. During the financial year 2014-15, the Corporation has fixed target for financing 21000 Sch. Caste families through 2100 Self Help Groups, 60000 Sch. Tribes through individual and SGHs under Credit Linked Income Generating Schemes through Banks. It has

The District-wise sponsoring of applications, sanction and disbursement position for the year 2014-15 is enclosed in **Annexure – XXXVI**. As reported by Odisha SC & ST Development Finance Co-operative Corporation Limited, the State wise progress is as under.

	SCs	STs
Target	21000	6000
Achievement	57	32

Total amount disbursed under SC sector by different banks is Rs.12.44 crores and subsidy amount is Rs.5.70 Crores. Total amount disbursed under ST sector by different banks is Rs.8.44 crores and subsidy amount is Rs.3.20 Crores.

2. The target under Bankable Income Generating Scheme (IGS) for the year 2014-15 under Sch.Caste & Sch.Tribe Sector has already been distributed by the Corporation.
3. The findings of the complaint forwarded by National Human Right Commission is enclosed at **Annexure - XXXVII** for ready reference. We impress upon all banks to take all possible steps for extending smooth bank credit to SC/ST entrepreneurs of the State for their all round economic development.

D. Joint Liability Group (JLG):-

JLGs have emerged as successful non- collateralized credit instruments for financing livelihood activities of small farmers in general and tenant cultivators in particular.

Total amount disbursed for the period 01.04.2014 to 30.06.2014 is Rs19.62 crore in 1985 accounts and balance outstanding as on 30.06.2014 is Rs.282.63 crore against 51834accounts.

The achievement made by banks as on 30.06.2014 is given in **Annexure – XXXVIII**.

District wise target for financing JLGs (Only Farming Activities) received from NABARD, Bhubaneswar on 07.08.2014 is enclosed in **Annexure – XXXIX**. SLBC has already communicated the target to the LDMs with request to distribute the district target to the banks in the districts with copy to us for preparing bank wise target at state level. 40000 JLGs(Farm sector) are to be credit linked during 2014-15.

E. Artisan Credit Card (ACC):-

The state of Odisha is having abundant scope for skill development of Rural artisans. Issuance of artisan credit cards should be a priority of Banks & Banks should take steps to finance more under artisan credit card (ACCs) to all eligible persons.

During the period of 01.04.2014 to 30.06.2014 the banks in the state have issued 96 no. of artisan credit cards with amount Rs. 0.80 crores. The balance outstanding as on 30.06.2014 is Rs. 34.33 crores against 8153 accounts. The bank wise achievement is furnished in **Annexure – XXXX**.

F. Swarozagar Credit Card (SCC):-

787 SCCs have been issued for the quarter ended June 2014. The balance outstanding as on 30.06.2014 is Rs. 73.35 crores against 24909 accounts. No SCC is being issued by all Private Sector Banks and some Public Sector Banks. The performance other banks is not at all impressive and needs lot of improvement.

Bank wise achievement is furnished in **Annexure – XXXXI**.

Agenda Item No.15

Education Loan:

All commercial banks have disbursed Rs.32.06 crore in 1846 accounts during 01.04.2014 to 30.06.2014. The balance outstanding as on 30.06.2014 is Rs. 1845.42 crores in 73407 accounts.

The outstanding balance as on 30.06.2014 of all private sector banks is **only Rs. 2.36 crores in 107 number of accounts.**

No Education loan has been disbursed for the period 01.04.2014 to 30.06.2014 by the following Banks.

State Bank of Bikaner & Jaipur, Axis Bank, Indus Ind Bank, ING Vysya Bank, Kotka Mahindra Bank, The South Indian Bank Ltd, Laxmi Vilas Bank and Karur Vysya Bank.

Bank wise performance is enclosed in **Annexure – XXXXII.**

Agenda Item No.16

Housing Loan

Performance of all banks under Housing Loan as on 30.06.2014 is given below.

(Amt. in Crores)

Disbursement made during the current year (1.4.2014 to 30.06.2014)		Balance outstanding as on 30.06.2014		NPA outstanding as on 30.06.2014	
No. of A/c	Amt.	No. of A/c	Amt.	No. of A/c	Amt.
4401	349.27	152945	7562.75	16067	337.10

Bank wise performance as on 30.06.2014 is enclosed in **Annexure – XXXXIII.**

TARGET UNDER RAJIV RINN YOJANA (RRY) FOR THE YEAR 2014-15 (Annexure-XXXXIV)

Bank wise and District wise target under RRY has already been communicated to the banks and Lead District Managers. They are requested to ensure achievement of the target.

Agenda Item No.17

Implementation of Prime Minister's New- 15 Point Programme for Welfare of Minorities – Progress / Achievement made for 2014-15 – Financing under Minority Communities.

The Prime Minister's New 15 Point Programme for the Welfare of Minorities is an overarching programme covering many flagship / important schemes of other Ministries / Departments. This Programme aims to ensure that the benefits of these flagship schemes / programmes of Government of India flow equitably to the Minorities.

Ministry of Finance, Govt. of India has advised that the share of credit flow to minority communities of Public Sector Banks (PSB) should be 15% of the Priority Sector Advances.

During 01.04.2014 to 30.06.2014 the banks have extended credit of Rs. 85.37 crores to 9730 beneficiaries of minority community. The outstanding balance as on 30.06.2014 is Rs. 2517.40 Crore in 294185 accounts. Bank wise performance is enclosed in **Annexure – XXXXV**.

Agenda Item No.18

Advance to Weaker Sections:

The advances to Weaker Sections increased from Rs. 16464.96 crores as of March 2014 to Rs.17556.84 crores as at the end of June 2014 and constitutes 34.07 % of Priority Sector advance against the national norm of **25 %**.

Agenda Item No.19

Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) Scheme – Progress made by banks for the last five years.

SIDBI, Bhubaneswar has given the following information on CGTMSE Coverage in our state (Year wise).

At the end of the year	Proposals covered during the year	
	No. of Accounts	Amount in Rs. Crore
31.03.2009	3117	91.42
31.03.2010	6681	285.21
31.03.2011	13929	631.18
31.03.2012	14383	650.66
31.03.2013	16533	648.04
31.03.2014	15777	661.02
01.04.2014 to 30.06.2014	5919	294.88

District wise coverage indicates that Khurda district stands at 1st position (amount coverage) in our state.

Bank wise and District wise CGTMSE coverage approval is enclosed in **Annexure – XXXXVI**.

Agenda Item No.20

Organizing DCC & DLRC Meeting

Holding of DCC/DLRC Meeting

On a review, it has been observed by RBI that in many occasions the banks having sizable presence in the district either remains absent in the DCC/DLRC meetings or send their junior representatives without information or not conversant with the issues. As a result, the house suffers from adequate representation and meaningful discussion. The District Magistrate being the Chairman of the fora adversely comments on the banks for the said reasons.

As DCC/DLRC meetings are important for a in the districts, RBI suggests that the Controlling Heads may participate in few such meetings. All banks are requested to take a careful note of the advice of RBI for compliance.

Agenda Item No.21

Applications pending at Bank branches under different schemes of State Government.

It is informed by banks that applications rejected / returned long back are still appearing as pending in the list provided by different departments' state government. For reconciliation of data, SLBC requests application sponsoring departments, to reconcile the pendency position by collecting the information from the respective banks branches.

Agenda Item No.22

Financial Literacy

The second important pillar of Sampurn Vittiyea Samaveshan (SVS) is Financial Literacy Programme, focuses on preparing the people for financial planning and availing credit. SVS aims at Expansion of Financial Literacy and Credit Counselling (FLCC) to the block level. Financial Literacy is a prerequisite for effective financial inclusion. RBI, NABARD, BANKs and State Govt. in a collaborative manner will work to increase financial literacy among the financially excluded sections.

Agenda Item No.23

1) Unit Costs of various farm sector investment activities.

The State Level Unit Cost Committee (SLUCC) meeting for the year 2014-15 was held on 16 July 2014 and the unit costs for various farm sector investment activities has been approved by the SLUCC. The same is enclosed at **Annexure-XXXXVII**. NABARD has informed that the unit costs are purely indicative and the financing banks / institutions are at liberty to adopt costs as per their discretion.

2) National Project on Organic Farming (NPOF)

NABARD, Bhubaneswar has informed that two components viz. Fruit and Vegetable Market Waste Compost and Bio-fertilizers-Bio-pesticides production unit of the NPOF scheme are in operational for the year 2014-15.

As per the operational guidelines, each unit of Bio-fertilizers-Bio-pesticides will be provided with a subsidy of @ 25% of the capital cost of the project subject to a ceiling of Rs.40 lakh and each unit of Fruit and Vegetable Market Waste Compost production unit will be provided with a subsidy @33% of the capital cost of the project subject to a ceiling of Rs.63 lakh. The remaining cost will be met through term loan from banks and margin money. The subsidy is credit linked and back ended.

The banks may please implement the scheme.

Agenda Item No.24

Establishment of Ultra Small Branches (USBs) in the villages with population 2000 and above in LWE affected districts of Odisha by Utkal Grameen Bank, sponsored by State Bank of India.

The Chairman, Utkal Grameen Bank had made a commitment in the last SLBC meeting in the presence of the Director (Financial Inclusion), Ministry of Finance ,Govt.of India to complete establishment of USBs in LWE affected districts by 30.06.2014, the cut off date given by Department of Financial Services. As per the reporting of Utkal Grameen Bank, USBs are yet to be opened in 175 villages. As Department of Financial Services, Ministry of Finance Govt.of India is constantly monitoring the progress made in this regard, we request kind intervention of Chief General Manager, SBI in the matter to ensure completion of establishment of USBs without further delay.

Agenda Item No.25

Any other matter with permission of Chair.