

## AGENDA NOTES OF 130<sup>TH</sup> SLBC MEETING

### Agenda Item No.1

Confirmation of Proceedings of 129<sup>th</sup> SLBC meeting held on 15.11.2012 at Bhubaneswar.

The Proceedings of 129<sup>th</sup> SLBC meeting held on 15.11.2012 at Bhubaneswar had been circulated among all the members of SLBC vide our letter No.GM/SLBC/ODISHA/353/12-13 dated 28.11.2012. 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 129<sup>th</sup> SLBC meeting held on 15.11.2012.

<b>Sl. No.</b>	<b>Action points</b>	<b>Action to be Taken by</b>	<b>Action taken</b>
1.	The Hon'ble Chief Minister of Odisha in his address to the participants in the SLBC meeting dated 18.08.2011 advised the bankers to earmark DRI advances for differently abled Beneficiaries.	SLBC/All Banks/ Women & CD Deptt.	The achievement made by banks under DRI is given in Annexure-I. It is observed that banks have financed 787 no. of beneficiaries sponsored to the banks during the year. The Commissioner cum Secretary Women & CD Department Govt. of Odisha had taken a meeting of all major banks on 18.01.2013 for giving a thrust to this sector. The minutes of the meeting has been circulated among the entire stake holders by Convenor SLBC, vide their letter No.503 dt.31.01.2013. All banks have been advised to finance at least 2 beneficiaries per branch by end of this financial year.

2.	<p><b>Opening of branches at 6 blocks of Malkangiri &amp; Nawrangpur district.</b></p> <p>The proposal of opening of Public sector/Private Sector banks at Korukunda, Kudumulguma and Podia blocks of Malkangiri district, Chandahandi, Nandahandi &amp; Kosagumunda blocks of Nawrangpur district was discussed and centres were allotted to different banks</p>	<p>ICICI Bank/HDFC Bank/ Andhra Bank/UBI/ Bank of Boroda &amp;UCO Banks.</p>	<p>The controlling heads of different banks have reported to SLBC as under. Bank of Baroda, UCO Bank &amp; UBI are in the process of opening the branches before March end at Chandahandi, Nandahandi and Korukunda Blocks. ICICI Bank has reported about agitation by public for opening SBI branch at Kosagumunda block. Andhra Bank reported about non availability of suitable infrastructure for branch opening at Podia block. No communication has been received from HDFC bank for opening branch at Kudumulguma block.</p>
3.	<p><b>Data base for loanee farmers &amp; KCC holders.</b></p> <p>Convenor SLBC sought information from Director of Agriculture about the list of banks submitting information/ list of loanee farmers/KCC holders so that the defaulting banks can be followed up for submission of information.</p>	<p>Action-Banks/ Director of Agriculture.</p>	<p>As per information received from Director of Agriculture, out of 20 major banks, 18 banks have already submitted the list of borrowers/ KCC holders and the remaining major banks like Syndicate Bank &amp; OSCB are yet to submit the list of borrowers to the Director of Agriculture. Those banks are requested to comply without further delay.</p>
4.	<p><b>Preparation of calendar of DCC</b></p> <p>All LDMs were advised to hold DCC meetings before the SLBC meeting so that the issues/problems emerged in DCCs can be referred to SLBC.</p>	<p>Action-LDMs</p>	<p>As per information available with SLBC, out of 30 districts of the State only two LDMs could not hold DCC by 25<sup>th</sup> February,2013.The defaulting districts are Ganjam &amp; Rayagada.</p>
5.	<p><b>Issues Relating to RSETIs</b></p> <p>It was reported by SBI that dues to the extent of Rs.19.65 lacs are still pending from DRDAs of Sambalpur,</p>	<p>Action-Panchayati Raj Deptt./Bank/ LDMs</p>	<p>The representative of Panchayati Raj Deptt. present in the house may inform present status of the issue.</p>

	Sundargarh, Baragarh & Nuapada. In last SLBC meeting it was assured by Secretary Panchayati Raj Department, that the matter has been taken up with the Collectors and she was hopeful of resolving the issue very soon. It is now reported that the outstanding amount has further escalated to around Rs.30.00 Lacs instead of coming down.																						
6.	<p><b>Financing Handloom clusters.</b></p> <p>In 129<sup>th</sup> SLBC few banks like SBI, UBI, CBI &amp; UGB had adopted certain handloom clusters for financing weavers.</p>	Action-SBI/UBI/CBI & UGB	<p>The progress made by the banks like SBI, UBI &amp; UGB as on 31.12.2012 are furnished below. No information has been received from Central Bank Of India.</p> <table border="1"> <thead> <tr> <th>Name Of Bank</th> <th>No.of Application received</th> <th>No. Of application Sanctio-ned</th> <th>No.of cases disbur-sed</th> <th>Amt. disbur-sed in lacs</th> </tr> </thead> <tbody> <tr> <td>SBI</td> <td>1523</td> <td>822</td> <td>483</td> <td>96.60</td> </tr> <tr> <td>UBI</td> <td>644</td> <td>167</td> <td>163</td> <td>53.83</td> </tr> <tr> <td>UGB</td> <td>510</td> <td>475</td> <td>3</td> <td>0.40</td> </tr> </tbody> </table>	Name Of Bank	No.of Application received	No. Of application Sanctio-ned	No.of cases disbur-sed	Amt. disbur-sed in lacs	SBI	1523	822	483	96.60	UBI	644	167	163	53.83	UGB	510	475	3	0.40
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7.	<p><b>Amendment of Stamp duty for Agril.term loan upto 10 lacs.</b></p> <p>It was reported in the last SLBC meeting that IG OF Registration has prepared a draft amendments &amp; it was to be taken up in the next meeting of the cabinet.</p>	Action-Revenue & Disaster Management Department & Finance Deptt.	State Govt. Issued notification on 25.12.2012 declaring exempting stamp duty on Agricultural term loan upto 10.00 lac. A copy of Govt. of Odisha notification has been enclosed in annexure-II of agenda note. The same has also been uploaded in SLBC web-site for information of the member banks.																				
8.	<p><b>Parking of Govt. funds with Banks.</b></p> <p>It was suggested by DG RBI that a committee of bankers is to be constituted to list the criteria for empanelment of</p>	Action-Convenor SLBC/Agril. Deptt. /Banks.	As per direction received from Finance Department, Govt. of Odisha, Convenor SLBC in consultation with RBI has prepared a list of committee members to																				

	banks for handling business and deposits of PSUs and SLAs of Govt. of Odisha.		decide on criteria for parking of funds by PSUs & SLAs of Govt. of Odisha. The suggestion of the committee has been sent to Finance Department, Govt.of Odisha for their perusal.
9.	For increasing credit to Agriculture & fix up realistic / achievable ACP target for Agriculture sector, DG, RBI directed SLBC to form/revive sub committee on Agriculture and hold meeting to prepare plan & implement the same.	Action- Convenor SLBC/Agri. Deptt /Banks	Convenor SLBC after due consultation with P.S. Agriculture constituted a sub-committee of SLBC Agriculture and the meeting of the Sub Committee is likely to be held very shortly.
10.	In 129 <sup>th</sup> SLBC meeting dated 15.11.2012 it was suggested by DG, RBI to create data base of KCC holders/loanee farmers at SLBC level with details of their bank account no. so that any payment received by farmer either from Govt./ Insurance companies etc. can be routed through the same A/c.	Action— SLBC/Banks	Convenor SLBC requested all the bankers to furnish information in respect of KCC holders/loanee farmers in a Proforma (Soft copy- enclosed format) so that the information can be maintained/updated in SLBC web-site for information of bankers. As on 31.01.2013 only Dena bank has furnished <b>NIL</b> information. All other banks are yet to respond. All banks are requested to expedite submission of information.
11.	Commissioner cum Secretary Panchayati Raj proposed for constituting a sub committee of SLBC at state level and also sub-committee of District and block level on SHG-bank linkage. These sub-committees are to meet on monthly basis for next few months till end of the Financial year & review the performance on SHG Bank linkage.	Action- Panchayati Raj Deptt./Banks/ SLBC	All the three sub committees proposed have been constituted and approved by SLBC. The first meeting of the sub-committee of SLBC on SHG linkage met on 09.01.2013 and reviewed the progress and adopted various strategies for increasing the SHG bank linkage performances of the State. The minutes of the meeting has been enclosed to the agenda notes in annexure V.

			Further the district wise revised SHG target received from NABARD has been sent to LDMs to fixup bank wise/branch wise target and all LDMs have been advised by SLBC to include RSETI as separate agenda in DCC meeting.			
12.	In response to the suggestion of DG, RBI, two banks namely Axis bank & United bank of India volunteered for financing of handicraft artisans in Puri district.	Action— Axis Bank/ United Bank of India	The progress made by United Bank of India in financing to handicraft artisans in Puri district is furnished below. We have not received any information from axis bank.			
			<b>No.of applications received</b>	<b>No.of applications sactioned</b>	<b>No.of applications disbursed</b>	<b>Amt.disbursed in lac.</b>
			<b>10</b>	<b>9</b>	<b>7</b>	<b>9.60</b>
13.	It was suggested by DG, RBI that to increase export as well as export financing in the State, the sub-committee on export is to be revived & it has to meet twice in a year. The first of such meeting should be held during December, 2012.	Action- SLBC	The sub committee of SLBC on export was re-constituted & the first meeting was held on 17.12. 2012. As per the feed back received a meeting of the active exporters of the state is proposed to be held very shortly. The names of the active exporters are being collected from the banks & other stake holders for holding the meeting.			

### **Agenda Item No.3**

#### **Fresh issues:-**

#### **(A) Readiness for implementation of Direct Benefit Transfer scheme.**

All the CEOs of Public Sector Banks were advised by DFS, MOF, GOI about introduction of Direct Cash Transfer Scheme in 43 identified districts in 16 States w.e.f. 01.01.2013. The scheme is to be introduced in remaining districts of the country in a phased manner.

As a first step to implement this, banks have been advised to ensure that there is at least one bank branch/BCA in every Panchayat. About 1000 to 1500 house holds of a Panchayat are to be served by one branch/BCA, so that in a larger Panchayat more than one BCA can be appointed where as in case of smaller Panchayats more than 2 to 3 contiguous Panchayats are to be tagged to one BCA. As such, bankers have to form Sub Service Areas (SSAs) such that one Branch/BCA/CSC (Common Service Centre) extends service to each sub-service area. In sub-service areas where BCA is absent or non functional, the CSC established by Govt. of India. ( CSC-e governance service Ltd. ) have been authorized to provide Banking services. The LDMs of the districts have identified the Sub Service Areas where new BCAs/CSCs are to be given the task of banking services to the beneficiaries.

The steps involved for smooth implementation of the process are.

- 1) Allocation of sub service areas (in rural areas) among bank branches/BCAs/CSCs.
- 2) Allocation of urban areas, (ward wise) among the bank branches.
- 3) Scheme wise list of beneficiaries to whom benefit shall be provided by Govt., is to be provided to respective banks as per service areas for opening of bank accounts.
- 4) Govt. Departments shall prepare list of beneficiaries in consultation with banks with the details (i) Bank Name (2) Beneficiary Name (3) Bank A/c. No. (4) Aadhar No.
- 5) After finalisation of list by Govt. Department it is to be sent to the respective banks. The banks will send its soft copy to their Head Office for up loading the Aadhar No. in their CBS system.
- 6) Installation of on site ATMs at all branches.
- 7) Issuance of ATM debit cards by banks to all the beneficiaries attached to them.
- 8) Besides opening of accounts of each beneficiary, Banks have to open accounts of each house hold for implementation of financial inclusion.

For operationalising the Common Service Centres (CSCs) as Business correspondents the following activities are to be under taken by different agencies.

**By Banks :**

- 1.To complete mapping exercise and identify sub service areas, where existing functional CSCs are to be engaged as BCAs.
- 2.Allocation of KIOSK operator (KO) code to these CSCs and complete other Procedural requirements for engaging CSCs as BCAs.
- 3.Finalise locations where new CSCs have to be set in consultation with Service Centre Agencies (SCAs) designated by CSC e – governance service India Ltd.
- 4.Opening of the settlement account for operationalisation of CSCs.
- 5.Training of CSCs as BCAs to be completed with Service Centre Agencies (SCA)
- 6.Field functionaries of Banks are to be trained on internet based Kiosk Banking model.
- 7.Installation of the Kiosk banking application, its integration with bank system & activation of CSCs for under taking transaction.

**BY CSC e- Governance Services India Ltd. :**

- 1) To communicate SLBC Convenor the details of SCAs & advise these agencies.
- 2) To assist LDMs through SCAs to identify SSAs having functional CSCs to engage them as BCAs.
- 3) To ensure that the existing & functional CSCs are ready with hardware & other infrastructure support to function as BCAs.
- 4) To organize work shop in consultation with LDMs for-
  - (i) Allocation of KO Number to CSCs.
  - (ii) Bio-metric enrolment of CSC operator to start the activities.
- 5) To ensure setting up a new CSC in SSA which remain uncovered by existing branch/BCA/CSCs.

However, it is very much clear that for successful implementation of Direct Cash Transfer scheme all the beneficiaries/ house holds have to open bank accounts. Banks in co-ordination with State Govt. should organize camps for opening of accounts . The State Govt. is requested to provide support to bank officials for opening of accounts by each house hold.

## **(B) National Horticulture Board's New Scheme.**

### **(1) Scheme: - "Development of Commercial Horticulture through Production and Post Harvest management of Horticulture Crop".**

Component: -Production related – Hi-tech commercial production of vegetables in open field.

#### **Aims & objectives:-**

- i) To encourage hi-tech commercial cultivation of vegetable.
- ii) To promote Capital investment in land development, irrigation farm mechanization. Specialized transport & PHM, so as to achieve high production and substantial growth.
- iii) Sustained increase in productivity, Reduction in Pre and Post Harvest Losses.

#### **Pattern of Assistance:-**

Credit linked back-ended subsidy @ 20% of the total project cost limited to Rs.25 lakh per project in general area and Rs.30.00 lakh in NE Region, Hilly and Scheduled areas.

#### **General Conditions:-**

- i) The above assistance shall be available for projects covering area above four hectares (above 10 acres) in case of open field cultivation in general area and 5 acres in NE, hilly/scheduled area.
- ii) Credit component as means of finance of the project should be term loan from banking or non banking financial institutions and should be at least 35% (i.e. 15% more than the admissible rate of subsidy).

### **(2) Scheme:- " Accreditation & Rating of Horticulture Nursery".**

As per the aspect of availability of Good quality planting material, NHB has started a system of Recognition of Horticulture Nurseries. The scope of the scheme is to establish a network of quality nurseries across the country for the purpose of propagation and distribution of quality planting material of specified horticulture crops.

The recognition shall be accorded to the nurseries for:-

- a) Production of quality planting material of one or more specified crops by adopting Good Nursery management Practices.
- b) Nursery Premises only where sale of specified quality planting material of recognized source are being carried out by creating necessary

infrastructure facilities and proper record keeping.

Note: - If different premises are being used for nursery, recognition of all these are required to be obtained separately and individually.

Note: Details and Application form available on website: [www.nhb.gov.in](http://www.nhb.gov.in)

**C) Difficulties faced by tenant farmers / Oral leasees in selling paddy at PACs/ Govt. Mandies .**

It has been observed that the tenants farmers/oral lessees are unable to sell their produce (paddy) at Govt. Mandi to get MSP as fixed by Govt. Those farmers are not in a position to produce necessary documents / proof of cultivating land which is mandatory to sell paddy to the Govt. agencies. As a result, they are selling their produce to the local traders / middle men at lesser price. Hence, State Govt. is requested to devise appropriate mechanism for purchase of paddy from these farmers.

**Agenda Item No.4.**

**Recovery as on 31.12.2012**

Overall recovery position of Banks dues in the state during last three years is as follows.

Y e a r	% of recovery	% of overdues
31.03.2010	49.21	50.79
31.03.2011	49.59	50.41
31.03.2012	61.82	38.18
31.12.2012	48.32	51.68

**Position of Recovery under Govt. sponsored scheme**

As on	% of Recovery (IRDP/SGSY)	% of Recovery PMRY & PMEGP
31.03.2010	45.78	18.67
31.03.2011	43.26	19.22
31.03.2012	42.58	15.26
31.12.2012	27.13	16.64

**Position of overdues as on 31.12.2012.  
(Institution wise break up)**

Institution	31.03.2010	31.03.2011	31.03.2012	31.12.2012
Public Sector Bank	45.90	44.43	46.41	52.20
RRB	34.68	36.96	29.83	49.04
Co-op Bank	26.69	30.90	29.89	52.09

As on 31.12.2012 the recovery of all Banks in Odisha being 48.32 % is very poor.

Banks & Govt. Departments may have joint endeavour with specific strategies to improve the recovery performance for better recycling of funds. Under PMRY / PMEGP and SGSY the recovery performance is 27.13 & 16.64 % respectively; which is far from satisfactory. Various line department officials are requested to be present in recovery camps to boost recovery of bank dues.

Under OPDR act. & OACOMP (Banks) Act 18089 & 3027 no. of cases involving Rs.80.72 & Rs.3.58 crores respectively are pending for disposal by Certificate courts. The detailed bank wise position is given in annexure-VI & VII. The NPA position of special schemes and sector wise is given in annexure -VIII for information of members.

It may be observed from annexure IX that the recovery position of Agriculture, MSME & SHG Sectors are 45.35 %, 56.50 % & 55.80 % respectively.

**The house may review the same and suggest measures for improving recovery in all these sectors.**

**Agenda Item No.5.**

**Banking Key Indicators**

The details of Bank wise deposit, advances & important banking key indicators are given in annexure - X.

**(a) CD Ratio for last 3 years(All banks)**

<b>Area</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>Upto Dec-12</b>
Rural	84.15	82.43	100.29	98.77
Semi-Urban	45.30	43.06	46.96	75.99
Urban	68.18	70.20	73.43	81.81
Total	65.25	65.28	71.88	83.87

It is observed from the above information that CD Ratio of the state has consistently increased from 65.25 from March, 2010 to 83.87 % as on Dec-2012. However still there is scope for improvement of the CD ratio of the state.

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

Amount in Rs.Crores.

Parameter	December 2010	December 2011	December 2012	Variation & % of growth over Dec-2011
No. of branches	2900	3133	3379	246
Deposit	93801.99	113067.46	133137.30	+20069.84(17.75)
Advances	57751.85	80956.15	110379.79	29423.64(36.34)
CD Ratio	61.57	71.60	82.91	+11.31
Investment	2828.86	2579.45	559.20	-2020.25((78.32)
Credit+ Investment	64.58	73.73	83.33	+9.60
Priority Sector advances	33338.24	33726.89	38335.74	+4608.85(13.66)
Agril.Advances	16604.52	14897.85	17047.76	+2149.91(14.43)
MSE advances	8320.30	13460.76	16044.91	+2584.15(19.19)
Advance to Weaker section	6749.76	8556.72	9045.52	+488.80(5.71)
Advance to Minorities com.	1729.14	2012.97	2449.55	+436.58(21.69)

## C. Major Ratios.

Sl. No.	Ratios In %	RBI stipulation	As on Dec-11	As on Dec-12
1.	C D Ratio	60	71.60	82.91
2.	P.S.Advances	40	52.72	55.80
3.	Agril.Advances	18	23.29	24.81
4.	Weaker Section advance to P.S.Advances	25	25.37	23.60
5.	Advance to Minority community to PS advance	15.00	5.25	5.61

## Observation.

**Commercial Banks** in Odisha have achieved all national parameters excepting advance to weaker sections. On a year to year basis the deposits & advances have increased by 17.75% and 36.34 % respectively.

In absolute terms there is credit growth from Rs.80956.15 crores as on 31.12.2011 to Rs.110379.79 crores as on 31.12.2012, thus there is an increase of Rs.29423.66 crores during the year.

**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
1	Bank of Maharashtra	46.16
2	Vijaya Bank	30.75

Private Sector Banks

Sl. No.	Name	CD Ratio
1	Ing.Vysya Bank	2.66
2	Laxmivilas Bank	10.05
3	The South Indian Bank Ltd	8.55

CD Ratio as of 31/12/11 & 31/12/12 for all Districts of Odisha (For all Banks) is given below;

(Amt in Rs. Crores)							
Sl No	Name of the District	December-2011			December-2012		
		Deposit	Advance	CD Ratio	Deposit	Advance	CD Ratio (%)
1	ANGUL	4001.43	1857.99	46.43	4527.05	2329.09	51.45
2	BALASORE	3547.05	2620.90	73.89	4332.22	2994.44	69.12
3	BHADRAK	1773.87	1167.37	65.81	2044.85	1347.96	65.92
4	BARAGARH	1854.28	1421.15	76.64	2238.82	1681.28	75.10
5	BOLANGIR	2010.17	1065.87	53.02	2407.07	1421.24	59.05
6	BOUDH	362.96	271.56	74.82	430.72	283.05	65.71
7	CUTTACK	9398.43	5051.76	53.75	11049.14	5698.81	51.58
8	DEOGARH	457.72	143.45	31.34	556.85	179.86	32.30
9	DHENKANAL	1806.06	902.86	49.99	2061.07	1032.47	50.09

10	GAJAPATI	663.71	251.14	37.84	708.85	288.08	40.64
11	GANJAM	5526.32	3183.87	57.61	6373.50	3797.22	59.58
12	JAGATSINGHPUR	3892.50	1319.84	33.91	4075.92	1204.78	29.56
13	JAJPUR	2848.74	1729.38	60.71	3332.91	1981.32	59.48
14	JHARSUGUDA	1596.16	2613.36	163.73	1865.25	1044.47	56.00
15	KALAHANDI	1359.46	1026.81	75.53	1566.48	1111.98	70.99
16	KANDHAMAL	959.86	378.93	39.48	1135.79	445.52	39.22
17	KENDRAPARA	1856.89	940.60	50.65	2099.04	1083.52	51.62
18	KEONJHAR	4329.34	2505.32	57.87	4727.26	2906.44	61.48
19	KHORDA	33338.59	21200.56	63.59	43131.33	29423.91	68.22
20	KORAPUT	2000.07	896.92	44.84	2329.02	988.92	42.46
21	MALKANGIRI	660.27	161.21	24.42	857.05	162.65	18.98
22	MAYURBHANJ	3029.25	1635.79	54.00	3182.36	1903.66	59.82
23	NAYAGARH	1131.32	759.48	67.13	1344.76	893.45	66.44
24	NAWARANGPUR	716.00	430.39	60.11	944.20	500.07	52.96
25	NUAPADA	813.71	321.38	39.50	930.19	345.82	37.18
26	PURI	2650.87	1665.12	62.81	3019.00	1701.99	56.37
27	RAYAGADA	1290.21	1738.73	134.76	1486.22	600.30	40.39
28	SAMBALPUR	9103.77	1743.93	19.16	15160.53	2759.72	18.20
29	SONEPUR	677.38	435.19	64.25	777.87	478.07	61.46
30	SUNDARGARH	6061.60	3784.36	62.43	7661.38	4603.95	60.09

It is observed that CD Ratio of DEOGARH, JAGATSINGHPUR, KANDHAMAL, MALKANGIRI, NUAPADA & SAMBALPUR is below 40% & they must take steps for improving the same. The number of districts with less than 43% C.D ratio has come down from 8 to 6. The LDMs of these districts should constitute sub-committee of DCC to review the same.

## **Agenda Item No.6**

### **(a) Normal Branch expansion.**

During the last one year, the Commercial Banks taken together have opened 246 branches in the state taking the total branches to 3379 of which 95 are in rural 111 in semi-urban & 40 in urban centres. Public Sector banks have opened 157 branches, RRBs have opened 20 branches and Private Sector Banks have opened 69 branches. The above figure does not include the position/opening of USBs in the state.

### **(b) Branch expansion in FIP villages.**

- (i) Opening of Brick & Mortar branches:- Out of total 1877 villages identified with population of 2000 & above, banks have opened 61 brick & mortar branches in 61 villages.

In terms of instructions issued by DFS, MOF, GOI, brick & mortar branches are to be opened in all villages with 5000+ population. 82 such centres have been identified in the state. It has been further clarified by MOF,GOI that in case opening of brick & mortar branch is not found to be viable at such centre the banks may open ultra small branch (USB) functioning 6 days in a week.

At the branch, the BCA has to carry out cash transaction part, where as the officer has to perform other assignments. However all these centres are to be covered with B & M branch/USB by Sept, 2012. It is observed that as on 31.12.2012 41 USBs (6 days a week) have been opened at these centres.

All other remaining villages with population of 2000 & above where BCAs are provided, those villages are to be provided with USBs. At these centres banks are permitted to open USBs where officer along with BCA will visit the village at least once in a week. The visit can be increased depending upon the no. of banking transactions. All these villages are to be covered with USBs by end of March, 2013. As on 31.12.2012 banks have opened 905 no. of USBs in such villages.

- (ii) Opening of B & M branches in 10% of FIP villages with population above 2000.

In the special SLBC conducted during visit of RBI governor to Odisha on 15.02.2012 it was decided that under FIP out of 1877 villages of the state with 2000+ population, 200 B & M branches are to be opened by March,2013. As of 31.12.2012 only 61 B & M

branches have been opened by banks. All most all banks preferred to open USB instead of B & M branches & opening of B & M branches were not found to be economically viable. The house may deliberate on the issue. The details of branch opening in FIP villages is furnished in annexure – XI.

**Agenda Item No: 07**

**Achievement under Annual Credit Plan as on 31.12. 2012.  
(Amount in Rs. Crores)**

Sl. No.	Sectors	Target	Achievement	% of Achievement
1	Crop Loan	6877.36	5733.69	83
2	Agril.term Loan	1655.07	1032.10	62
3	Allied Sector	1392.77	273.01	20
4	Total Agriculture	9925.20	7038.80	71
5	NFS	2357.67	2325.00	99
6	OPS	7169.63	5650.86	79
	T o t a l	19452.50	15014.66	77

The above data reveals that the performance of Banks under ACP 2012-13 for the 3<sup>rd</sup> quarter ended i.e. quarter ended December, 2012 is **77 %**.

The district wise review of performances under ACP for December, 2012 reveals that districts like Angul,Bhadrak,Cuttack, Dhenkanal,Gajapati,Jharsuguda,Kandhamal,Keonjhar,Koraput, Malkangiri, Mayurbhanj, Nayagarh, Nawarangpur, Rayagada & Sonapur have achieved less than 60 % of their target. The LDMS should take proactive steps in close co-ordination with Govt. line departments and banks to improve the performance of their districts.

Bank wise performance under ACP 2012-2013 for December, 2012 quarter reveals that most of Public Sector Banks excepting CBI, IOB, SBBJ, SBT & UBI have achieved more than 60% of their ACP target. In case of Private sector banks, Federal Bank, ICICI Bank, Ing.Vysya Bank & among RRBs except Neelanchal Gramya Bank have achieved less than 60%. The controlling heads of the low performing banks should take steps to increase their performance in the next quarter to achieve their annual target of March,2013.

**(B) ACP achievement (Annual Target Vs Achievement & % for last 3 years).**

(Amount in Rs. Crores)

Sectors	2009-10			2010-11			2011-12			Upto 31/12/2012		
	Target	Achievement	%	Target	Achievement	%	Target	Achievement	%	Target	A	%
Agril	5914.19	5363.49	91	9165.80	6751.81	74	12924.00	8617.00	67	9925.20	7038.80	71
NFS	1121.70	1514.47	135	1400.01	2759.50	197	2785.23	2918.45	105	2357.67	2325.00	99
OPS	4466.65	4264.93	95	6337.88	7099.92	112	9524.21	8454.15	89	7169.63	5650.86	79
Total	11502.54	11142.89	97	16903.69	16611.23	98	25233.44	19989.60	79	19452.50	15014.66	77

It is observed from the above statement that the ACP achievement has increased from Rs.11142.89 crore to Rs.19989.60 crores with growth of 49.07 % & 20.33 % during 2010-11 & 2011-12 over the previous years.

**(C) Brief Analysis of Trend in Agriculture Credit. Outstanding (for 3 years)**

(Amount in Rs. Crores)

Years	31.03.2010	%	31.03.2011	%	31.03.2012	%	31.12.2012	%
Commercial Banks	8743.68	66.96	10324.89	64.53	8711.84	55.26	9693.65	54.90
RRBs	1524.17	11.67	2021.27	12.64	2617.31	16.60	2857.98	16.18
Co-op Banks	2790.23	21.37	3653.16	22.83	4437.01	28.14	5104.16	28.92
Total	13058.98	100	15999.32	100	15766.16	100	17655.79	100

The total outstanding in agricultural credit has increased from Rs.15766.16 crores as on March, 2012 to Rs.17655.79 Crores as on Dec-2012 with a growth of 11.98 %. During the same period the outstanding of agriculture advance has increased by 11.26 % ,9.19 % and 15.03 %, in case of Commercial Banks, RRBs & Co-operative Banks respectively.

**a. The comparative position of disbursement made under ACP 2012-13(Upto Dec Quarter) and 2011-12(Upto Dec Quarter) is as follows.**

(Amount in Rs. Crores)

Sectors	2011-12 (Dec. quarter)		2012-13(December quarter)		Variation	%
Crop loan	7395.71	4757.61	6877.36	5733.69	+976.08	20.51
Agril.term Loan	1932.74	630.46	1655.07	1032.10	+401.64	63.70
Allied Sector	1656.95	322.75	1392.77	273.01	-49.74	-15.41
Total Agril.	10985.40	5710.82	9925.20	7038.80	1327.98	23.25
NFS	2367.45	1457.31	2357.67	2325.00	869.69	59.54
Other P.S	8095.58	4590.95	7169.63	5650.86	1059.91	23.08
Total	21448.43	11759.08	19452.50	15014.66	3255.58	27.68

It is observed from the information given above that on year to year basis as on December 2012 there is credit growth in Agriculture sector to the tune of 1327.98 crores. The overall growth for all sectors taken together is 27.68 % over achievement made during the corresponding period of last year. The details of Bank wise and district wise achievement under ACP 2012-13 as on quarter ended Dec,2012 is furnished in Annexure - XII

**Agenda Item No.08**

**Comprehensive package for Handloom Weavers.**

**(a) Release of Waiver amount under Debt. Waiver Scheme for Weavers.**

It has been reported by NABARD Regional Office that the claims received by various banks have already been released by them. There was some delay in releasing the Waiver amount as the claims submitted by some banks were not as per the guidelines of GOI. The details of amount released by NABARD is as follows.

**(Amt. in Rs. crores)**

Sl. No.	Date of release of State Govt.share	Date of release by NABARD	Amount released by NABARD	Total no. of Accounts.
1.	04.10.2012	11.10.2012	7.647	4016
2.	30.11.2012	10.12.2012	7.998	2241
3.	30.11.2012	18.12.2012	7.301	4171
<b>Total</b>			<b>22.946</b>	<b>10428</b>

It is observed that major portion of Waiver amount has been released during 2<sup>nd</sup>/3<sup>rd</sup> week of December, 2012. The bank branches might have adjusted the individual loan accounts by last week of December or first half of January-2013. Hence it is expected that most of these beneficiaries can get fresh finance during the 1<sup>st</sup> quarter of 2013. However the progress made by banks as on 31.12.2012 is enclosed in annexure-XIII.

**(b) ISSUE OF FRESH WEAVER CREDIT CARDS (WCCs).**

During the awareness camps organized by Directorate of Handloom in the State during May/June-2012 at different Handloom clusters of State about 21000 fresh applications were received for issuance of WCCs. Out of these 21,000 applications about 18000 applications have been forwarded to different bank branches by the LDMs for sanction & issuance

of WCCs. A target of 12,000 WCC was fixed by Govt. of India for the state to be achieved by Sept, 2012.

Additional Chief Secretary, Finance Department Govt. of Odisha called a meeting of bankers on 04.08.2012 for speedy disposal of applications under the scheme. Commissioner cum Secretary, Handloom & Textiles & Handicrafts reiterated the decisions of the 4<sup>th</sup> August meeting & advised the District Collectors vide letter dated 11.07.2012 to take up the issue in DCC for quick implementation of the scheme. Convenor SLBC has taken up the issue with controlling heads of banks of the state by providing the bank wise and branch wise sponsoring position to follow up with the branches for disposal of pending applications.

In spite of the above concerted effort, performance of banks is yet to show a desired result. The banks have financed 3564 cards amounting to Rs.15.88 crores by end of December, 2012. The bank wise performance made as on 31.12.2012 is furnished annexure-XIV.

**The house may deliberate on the issue.**

**(c) Handi Craft Sector.**

**1. Modernization & Technological upgradation & Handicraft Industries.**

To enhance the productivity of Handi Craft items a new scheme has been introduced named as MTUHI. The handicraft entrepreneurs/ artisans and handicraft co-op societies/SHGs registered under societies act may avail the loan for setting of handicraft industries using modern equipments with self contribution of 10% of project cost for general category and 5% for special category of artisans. The margin money subsidy assistance may be provided @ 20% for general categories & 30% of SC/ST/OBC/Women category of total project cost subject to limit of 10.00 lac & 12 lac respectively. The detailed guidelines are in annexure - XV. Total 100 lacs has been sanctioned by Govt. of Odisha for implementing the programme during the year. Around 679 applications received by different DICS is placed in annexure-XVI.

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

During the year 2012-13 total 675 no. of artisans are being trained forming 45 no. of SHGs and total funds of Rs.62,45,420 has been remitted to the concerned DICs for the same. The district wise position is given in annexure- XVII. The bankers are requested to finance SHGs.

### **3. Rehabilitation of Handicraft Artisans**

Margin money assistance is provided to individual artisans @ 20% of Project cost with maximum ceiling of Rs.10,000/- per artisan, to avail bank loan for setting up own production Unit. During the year 2012-13 for a target of 860 total 1241 applications have been sponsored till end of December-2012 and 350 cases have been sanctioned. The district wise position is at annexure - XVIII.

#### **Agenda Item No.9**

**Progress under govt. sponsored programme.**

##### **A) Odisha Livelihood Mission (O L M) Bank linkage.**

A meeting of Small Committee of SLBC on SHG Bank linkage under OLM was held on 09.01.2013 and minutes of the meeting is enclosed in annexure - III of agenda note for information of house. The major action points emerged in the meeting are as follows.

1. All Banks are to submit the list of defunct SHGs to the Collectors for revival.
2. SLBC has to submit the list of unbanked GPs to Panchayati Raj Department.
3. DCC & BLBC meeting for quarter ended December are to be held during January & special DCC in February-2013 to expedite SHG bank linkage.
4. Common SHG grading format developed by OLM & approved by SLBC is to be adopted by all banks.
5. 95000 SHGs which have passed grade I/II test are to be credit linked in a campaign mode. Samanwaya Mela is to be organized for this purpose during 3<sup>rd</sup> week of February, 2013.
6. A joint letter signed by Commissioner cum Secretary, Panchayati Raj Department & CGM, NABARD will be sent to Collector to achieve target of Rs.800 crores disbursement during the current financial year.
7. In the state focus paper on credit prepared by NABARD & in the seminar to be held in 2<sup>nd</sup> week of February, 2013 the SHG credit linkage target is to be finalised.
8. The controlling heads of each bank will identify a nodal officer who will be the contact person for all matters regarding OLM.

## **Observance of Tuesday as SHG day.**

Although Tuesday was fixed for SHG members for their activities in bank and was observed as SHG day but over a period of time the same has lost its importance.

Therefore, the instruction of observing Tuesday as SHG day may be reiterated to branches with instruction to display in the board in a prominent place of the branch.

The signage may be so written that it should be clear explicit & visible.

**EVERY TUES DAY IS SHG DAY**  
**IN ODIYA**  
**PRATYEK MANGALBAR SWAYAM SAHAYAK DIVAS.**

The details of bank wise progress under SHG Bank linkage as on quarter ended December, 2012 is given in annexure -XIX. As on 31/12/2012 banks have financed 31988 SHGs for Rs.283.90 Crores.

### **(B) SJSRY**

Swarna Jayanti Sahari Rozgar Yojana (SJSRY) is a centrally sponsored scheme aims at Poverty alleviation of urban poor. The scheme has two bank linked component i.e. Urban Self- Employment Programme (USEP) and urban Women Self Help Programme (UWSP).

The Principal Secretary H & UD Department, Govt. of Odisha had taken up meetings of controlling heads of Banks, LDMs & CEO of the ULBS to address the bottlenecks and accelerate the progress under the scheme.

The minutes of the meeting has been circulated among all the stake holders for their immediate action.

The major bottlenecks (suggestion emerged in the meeting) have been communicated to all concerned for taking necessary action.

The next review meeting is scheduled to be held during the current month.

The Bank wise progress as on 15.12.2012 (Received from H & UD Deptt.) and as on 31.12.2012 (Received from Banks by SLBC are enclosed in annexure XX & XX(A). As on 31/12/2012 banks have financed 1117 cases for Rs.62.97 crores.

### **(C) PMEGP**

Achievement under the scheme for the year 2012-13 as on 15/02/2013 is furnished in Annexure – XXI(A,B&C). It is observed from the Statement that against physical target of 3451 units accepted by DIC / KVIC & KVIB 1491 cases have been sanctioned involving margin money of 3016.98 lakhs against target of Rs.8100 lacs.

### **(D) Financing under SC/ST/DFCC schemes.**

During the financial year 2012-13 OSCSTDFCC has fixed a target for financing 13500 SC families through 1350 SHGs and 4500 ST families through 450 SHGs under credit linked income generating scheme through Banks. It is also decided to finance SC individual applications where SHG are not available but individual finance should not be more than 30% of total target.

The Sector wise target and achievement as on 31.12.2012 is given in annexure – XXII (A,B&C).

It is observed from the given information that the number of applications sponsored under both Schedule Caste & Schedule Tribe Sector is very low. Out of 364 Scheduled Caste applications sponsored, the banks have disbursed, 324 applications. Under ST Sector out of 213 applications the banks have disbursed 196 applications.

### **E) Financing under Pisciculture scheme.**

(i) **FFDA/NMPS schemes:-** It is reported by Director of Fisheries that under FFDA & NMPS schemes during the quarter ended December-2012 banks have financed 326 cases, covering an water spread area of 188.10 ha. for an amount of Rs.799.99 lacs. The details of district wise sponsoring & sanction pendency position is furnished in Annexure-V.

#### **(ii) Mastya Credit Card:-**

1. Under Mastya Credit Card, 637 applications have been sponsored with water spread area (WSA) of 127.40 ha and amounting to Rs.191.10 lakhs, out of which 237 cases with WSA 47.40 ha amounting to Rs.71.10 lakhs have been sanctioned. Under general crop loan 780 cases have been sponsored with WSA 509.79 ha amounting to 178.20 lakhs, out of which 639 cases have been sanctioned with WSA 381.41 ha amounting to Rs.123.03 lakhs. 233 cases are pending for sanction with WSA 149.05 ha amounting to Rs.65.35 lakhs.

2. Mastyajibi Unnayan Yojana is a flagship programme of the Hon'ble Chief Minister of Odisha and has been launched since last year for the economic development of fishermen communities. Under the programme, applications have been sponsored to different banks and the achievement is as follows.

Sl.No	Programme	Cases sponsored	Cases sanctioned
1	Assistance for Boat & Net	1757	530
2	FRP boat	308	189
3	Bicycle with ice box	796	111
4	Auto with ice box	22	0

The bankers are requested to extend finance to the weaker section of the communities for their socio-economic development and to achieve the target.

### **Agenda Item No.10.**

#### **(i) Mission Shakti:-**

Under the banner of Mission Shakti a Project for empowerment of women economically and socially is in operation since 08.04.2001. During 2012-13 (i.e. 01.04.2012 to 31.12.2012) credit linkage have been provided to 22800 WSHGs amounting 249.76 crores. Further the balance outstanding position as on 31.12.2012 is 275100 accounts with Rs.1435.71 crores. The Bank-wise achievement as on 31.12.2012 is furnished in annexure XXIII.

#### **Organisation of WSHGs in 19 LWE districts.**

Women SHG scheme is presently being implemented in 19 LWE districts of the state. In this scheme there is an attempt of having NGO-SHPI to work as business facilitator (BF) for bank to enable them to serve not merely as an SHPI for promoting and enabling credit linkage of these groups with banks but also serve as a banking/business facilitator, tracking, monitoring these groups and also being responsible for loan repayment. All the LDMs and DDMs of these 19 LWE districts have identified the Anchor NGOS for undertaking the above assignment. For the year 2012-13 a target 1000 WSHGs has been fixed for each LWE districts. The progress made in formation of WSHGs and providing credit support etc. as received from the NABARD furnished in annexure XXIV. It is observed from the said annexure that as on 31/01/2013, 4061 WSHGs have been formed in these districts and 2998 SHGs have been savings link.

## **Agenda Item No.11.**

### **Financing to MSME Sector.**

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

In terms of GOI guidelines credit flow to SME sector should grow at 20% every year.

As per recommendation of Prime Ministers Task Force on MSME under chairmanship of T.K.Nair banks are advised as under.

- (i) Achieve a 20% year on year growth in credit to Micro & Small enterprises and 10% annual growth in number of Micro Enterprises account.
- (ii) The allocation of 60% of MSE advances to Micro Enterprises is to be achieved in stages viz.50% in the year 2010-11, 55% in the year 2011-12 and 60% in the year 2012-13.

The position of finance to Micro & Small enterprises in the state as on 31.12.2012 is as follows.

#### **Amount in Rs,crores.**

<b>Particulars</b>	<b><u>December-2011</u></b>		<b><u>December-2012</u></b>	
	<b>A/C.</b>	<b>Amt.</b>	<b>A/C.</b>	<b>Amt</b>
Micro Enterprises	6,36,700	5604.83	559182	6370.80
Small Enterprises	42,345	5184.47	111902	6428.80
Total MSE	6,79,045	10789.30	671084	12799.60
Share of advances of Micro Enterprises to MSE (%)	93.76	51.94	83.32	49.77

## **Observation:**

- (i) It is observed that total advance to MSE Sector has increased by 18.63 % during the year against the parameter of 20%. But the allocation of MSE advance to Micro Sector at end of December, 2012 is 49.77 % against the parameter of 60 % i.e. to be achieved by March, 2013. Banks have to pump more amount of advance to Micro sector than Small enterprise. Details of bankwise position is given in Annexure – XXV.

## **Agenda Item No.12**

### **Financial Inclusion Plan (FIP).**

#### **(i) FIP UNDER VILLAGES WITH 2000 + POPULATION**

Banking services have been provided in all 1877 villages of the State through B & M branches/BCA/Mobile vans etc. by 30.06.1912.

With the process of appointment of Common BC for State the progress of FIP in these villages had slowed down. Since the banks were advised to continue the FIPs with the existing BCs there after some improvement is marked but still the transactions have not happened to the desired extent. The details of transactions made by BCs in these villages is furnished in annexure XI.

#### **(ii) FIP IN VILLAGES WITH POPULATION OF 1600 to 2000.**

DFS, MOF GOI advised SLBC to identify the villages with population of 1600 to 2000 (as per 2001 census) and prepare road map for providing banking services in these villages by March, 2013. Accordingly Convenor SLBC in consultation with LDMs identified 1502 villages in the State. The bank wise allocation of villages was approved in 128<sup>th</sup> SLBC meeting. Banking services are to be provided in these villages by March, 2013. Besides BCAs these villages are to be covered with Brick & Mortar / USB by March 2013. The progress for these villages are being monitored every month and report is uploaded in DFS website. The progress made by banks as on 31.12.2012 is enclosed in annexure XXVI. Out of 1502 villages, banking services have been provided in 190 villages by 31/12/2012.

#### **(iii) Road Map - Provision of Banking Services Villages with Population Below-2000.**

As advised by RBI vide their letter No.RPCD: CO: LBS: BC: No.86/2.01.001/2011-12 dated 19.06.2012 road map has been prepared to provide banking services in all unbanked villages of

population less than 2000 and these villages have been notionally allotted to banks for providing banking services in a time bound manner. This notional allotment is only intended to ensure that all villages are provided with at least one banking outlet for providing of banking services and does not deny or bar any other bank from operating in these areas based on available business potential. The bank wise/year wise allotment of villages for providing banking services was placed & approved in the 129<sup>th</sup> SLBC meeting dated 15.11.2012. The year wise abstract of road map for providing banking services in villages with population below 2000 and progress made by the bank as on 31.12.2012 is furnished in annexure XXXII. It is observed that as on 31/12/2012 banking services have been provided in 203 villages, out of 2554 villages earmarked for the year 2012-13.

### **Agenda Item No.13**

#### **Financing under KCC,JLG & ACC.**

**KCC:-** Top most emphasis is given by Govt.of India/NABARD for issuance of Kissan credit card to all eligible farmers of the state. KCC scheme which was formulated 13 years ago was revisited during the current year to make it truly simple, and hassle free both for farmers and bankers. All the banks have to implement the revised scheme during March, 2013. The bank wise achievement made under KCC as on 31.12.2012 is enclosed in annexure XXVII. It is observed that banks have issued 5,25,809 KCCs during the year , taking the total number of KCC issued to 53,89,046.

**JLG:-** JLG is an important tool for extending credit to Tenant farmers/oral lessees and share croppers for farming activities. It has been reported by CGM, NABARD, Bhubaneswar that the committee of Chief Minister on BGREI, in its meeting held on 26.09.2012 at Kolkata has given emphasis on formation of a large number of JLGs to provide credit facilities to more than 90% of the farmers in the eastern region who are having small, marginal and fragmented land holding to extend timely & adequate credit facilities to all such poor farmers. NABARD has communicated SLBC a target of 40,000 JLG for 2012-13, which has been allocated among different bank branches.

The achievement made by banks as on 31.12.2012 is given in annexure XXVIII.

**ACC:-**

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

During the period of 01.04.2012 to 31.12.2012 the banks in the state have issued 9227 no. of artisan credit cards. The bank wise achievement is furnished in annexure XXIX.

**Agenda No.14.**

Financing under Education loan & Minority Communities.

The bank wise achievement and disbursement under the above schemes during the quarter ended Dec, 2012 have been furnished in annexure XXX & XXXI for review. As on quarter ended 31/12/2012 banks have financed 7249 accounts for Rs.113.44 crores under Education Loans with total outstanding of Rs.1785.75 crores against the year end target of Rs.2094.85 crores. Similarly, during the same period the banks have extended credit to 18565 members of Minority Community with an outstanding of 266847 accounts with Rs.2499.55 crores.

**Agenda No.15.**

**Any other issues with the permission of the chair.**