

**PROCEEDINGS OF THE 174TH
STATE LEVEL BANKERS' COMMITTEE
MEETING OF ODISHA HELD ON
16.03.2024**



State Level Bankers' Committee, Odisha

Convenor: UCO Bank

गौतम पात्र

महाप्रबंधक एवं संयोजक,
एसएलबीसी, ओडिशा

Goutam Patra

General Manager and Convenor,
SLBC, Odisha



यूको बैंक

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संदर्भ सं/Ref. No. SLBC/ODI/2024-25/106

दिनांक / Date: 01-05-2024

राज्य स्तरीय बैंकर्स समिति, ओडिशा
के सभी सदस्य ।

All the Members of State Level Bankers'
Committee, Odisha

आदरणीय महोदय/महोदया,

Respected Sir/Madam,

विषय : ओडिशा की 174 वीं एसएलबीसी बैठक का
कार्यवृत्त

Sub: Proceedings of the 174th SLBC
Meeting of Odisha

हम इसके साथ 16 मार्च, 2024 को आयोजित ओडिशा
की 174वीं एसएलबीसी बैठक का कार्यवृत्त भेज रहे हैं।

We are sending herewith the proceedings
of 174th SLBC Meeting of Odisha held on
16th March, 2024.

आपसे अनुरोध करते हैं कि आप अपने
विभाग/कार्यालय/संस्था से संबंधित बिन्दुओं पर तत्काल
कार्यवाही शुरू करें। एसएलबीसी की अगली बैठक में
अवगत कराने के लिए आपके द्वारा की गई कार्रवाई
रिपोर्ट से हमें सूचित किया जाए।

We would request you to initiate action on
the points related to your Department /
Office / Organization immediately. The
action taken report may please be
intimated to us to apprise in the next SLBC
Meeting.

शुभकामनाओं सहित !

With regards !

भवदीय,

Yours faithfully,

गौतम पात्र Goutam Patra

महाप्रबंधक, यूको बैंक एवं संयोजक(एस.एल.बी.सी.), ओडिशा

General Manager, UCO Bank and Convener, SLBC, Odisha

अनुलग्नक Encl.: यथोक्त As stated above



Proceedings of the 174th SLBC meeting of Odisha held on 16.03.2024

The 174th SLBC meeting of Odisha was held on 16.03.2024 under the Chairmanship of Shri Ashwani Kumar, MD & CEO UCO Bank cum Chairman, SLBC at Hotel the Crown-IHCL SeleQtions, Nayapalli, Bhubaneswar in presence of:

Principal Secretary, Finance Department, Govt. of Odisha. Shri Vishal Kumar Dev,

Principal Secretary, Fisheries & Animal Resources Development Department, Govt. of Odisha, Shri S K Vashishth,

Regional Director, RBI, Bhubaneswar, Dr. Sarada Prasan Mohanty,

Commissioner Cum Secretary, Mission Shakti Department, Govt. of Odisha Smt. Sujata R. Karthikeyan,

Chief General Manager NABARD, Dr. Sudhansu K K Mishra,

Managing Director Odisha State Co-operative Bank, Shri Uddhaba Chandra Majhi,

Director of Institutional Finance, Finance Department, Govt. of Odisha, Dr. Pragyansmita Sahoo,

Chief General Manager, SBI, Shri Dinesh Pruthi,

Special Secretaries, Additional Secretaries, Joint Secretaries, the Directors of different Departments of Government of Odisha, General Manager of RBI, General Manager of NABARD, MD-Odisha SCST Development Finance Cooperation Ltd., Deputy General Manager CGTMSE, Asst. General Manager-BSNL, Director DoT, Registrar DRT, Secretary OKVIB and Senior Officials of State Government, Controlling Heads of different Banks, SUDA, Dept. of Post, Lead District Managers, convenors of SLIC Life Insurance- Bharati Axa, SLIC General Insurance- Shreeram General Insurance & other participants. The list of participants is annexed.

Welcome address by General Manager, UCO Bank-cum-Convenor, SLBC, Odisha: Shri Goutam Patra

The Convenor of SLBC Odisha, started the 174th SLBC meeting with a warm welcome to all the dignitaries. He highlighted that the active participation of esteemed members is crucial for turning discussions into effective pathways for achieving desired outcomes in the financial services sector.

He expressed gratitude to the State Government, the Reserve Bank of India (RBI), and the National Bank for Agriculture and Rural Development (NABARD) for their consistent and timely support to SLBC at both the state and district levels.

Then the Convenor SLBC started the agenda wise discussion through power point presentation.



AGENDA NO.1

Confirmation of Proceedings of 173rd SLBC Meeting held on 12.12.2023 at Bhubaneswar.

The proceedings of 173rd SLBC Meeting held on 12.12.2023 was circulated among all the members of SLBC vide letter No. SLBC/ODI/2023-24/867 dated 29.01.2024. The action points of last meeting and their compliance status are also discussed. Since no comments have been received from any quarter, the same is confirmed.

AGENDA NO.2

Annual Credit Plan / CD Ratio

2.1 Achievement under Annual Credit Plan (ACP) 2023-24 under Priority Sector

The total disbursement of Priority Sector loans for FY 2023-24 (up to 31.12.2023) is Rs.1,28,268.86 Crore, which represents an achievement of 80.03% against the annual target of Rs.1,60,280.22 Crore.

The Convenor, SLBC informed that under ACP achievement, 15 Banks are above the state average, 5 Banks are above 75% but below state average and others have achieved less than 75% of their annual target. This comprehensive assessment highlights the diverse performance levels among banks and underscores the importance of collaborative efforts to enhance overall ACP performance. Likewise, 12 districts have surpassed the state average in Annual Credit Plan (ACP) achievement, while 3 districts have exceeded 75% but fall short of the state average, and the rest districts are below 75%. The SLBC convenor reported that Bolangir and Sundargarh districts have already exceeded their annual targets. However, Gajapati and Bhadrak districts have achieved less than 60% of their annual targets. He requested all banks to put concerted efforts for achieving the ACP target for the FY 2023-24.

The Principal Secretary, Finance announced plans for a forthcoming meeting with NABARD aimed at revising the PLP for the Financial Year 2024-25 upward from the previously set target of Rs.2.06 lakhs Crore. Emphasizing the importance of meeting the National Level benchmark for Credit to GSDP ratio of minimum 40% , he urged for an increase in the size of ACP as well as average ticket size of loans to further bolster financial metrics.

The CGM, NABARD, Bhubaneswar suggested to flag off the credit potentials first so as to increase the credit disbursement.

2.1. a. Education Loan

During the period of 01.04.2023 to 31.12.2023, a total education loan of Rs. 593.98 Crore has been disbursed by all banks in 18,934 accounts, including both Priority and Non-Priority sector accounts. The disbursement under Priority Sector is Rs.566.53 Crores which constitutes 49.12% of the set target of Rs.1153.35 Crores for the FY 2023-24. As of 31.12.2023, the total outstanding balance (PS & NPS) is Rs. 2,247.44 Crores in 54,323 accounts. 15 banks have not sanctioned any education loan. All banks are requested to improve the performance.



2.1. b. Housing Loan

During the period from 1st April 2023 to 31st December,2023, a total of Rs. 7,596.96 crore has been disbursed by all banks in 75,887 accounts, including both priority and non-priority sector. The disbursement under Priority Sector is Rs.3,464.57 Crores against a target of Rs.6,614.50 Crores and the achievement is 52.38%. As of 31st December 2023, the total (PS & NPS) balance outstanding is Rs.29,896.64 Crores in 2,74,976 accounts.

As per CLSS data provided by NHB for PMAY, total loan accounts under EWS/LIG are 5,062 with disbursement of Rs.487.80 crore and subsidy / processing fee release is Rs.106.60 Crores. Similarly, under MIG, total loan accounts are 3,607 with loan disbursement of Rs.646.60 Crore and Subsidy/ processing fee released is Rs.71.60 Crore.

2.1. c. Export Credit

All Banks have disbursed a total amount of Rs. 3,841.25 Crore During the period 1stApril, 2023, to 31st December 2023, against the target of Rs.7,435.96 Crores which is 51.66% of the target. The Convenor SLBC requested all banks to extend credit to export sector so that annual target can be achieved.

2.1.d. Advance to Weaker Section

As of 31.12.2023 total outstanding advance to Weaker Section was Rs 11,0789.68 Crore which is 30.78% of the total outstanding advance. This is well above the RBI mandate of 12% of ANBC for FY 23-24.

2.2 CD Ratio (All Banks)

As of 31st December 2023, the CD ratio of all banks, taking into account total utilization (which includes loans sanctioned outside the state but utilized in Odisha), is 82.50%, indicating an improvement from 81.75% as of 30th September 2023.

The Director, Institutional Finance, Finance Department, Govt. of Odisha enquired about the reason of the low CD ratio of Central Bank of India which is 55.80% as of 31st December 2023 and advised the Bank to take corrective actions immediately. The representative from Central Bank of India assured to achieve the bench mark level CD ratio i.e. 60% very shortly.

2.3 CD Ratio (District wise)

As of December 31, 2023, all districts in the State have CD ratio above 60%.

The MD & CEO of UCO Bank cum Chairman SLBC, Odisha raised concerns regarding the low Credit-Deposit (CD) ratio observed in Keonjhar district, which currently ranks at the bottom of the list of districts based on CD ratio as of December 31, 2023. He also advised the LDM Keonjhar to understand the underlying factors contributing to Keonjhar's comparatively lower CD ratio, potentially seeking avenues for improvement and strategic interventions to enhance the district's financial performance and accessibility to credit facilities.



The Principal Secretary Finance highlighted a significant improvement in the Credit-Deposit (CD) ratio of the State over the past three years, now aligning with the national level.

AGENDA NO. 3

Financing to Agriculture Sector

3.1 SAFAL (Simplified Application for Agricultural Loans) Portal.

In the SAFAL portal as of 12.03.2024, total number of applications received across all banks is 2,714, out of which 35 applications are sanctioned, 933 applications pending, 338 applications reverted, and 1,182 applications rejected and 226 applications are withdrawn.

The Principal Secretary, Finance Department highlighted that the SAFAL portal was meticulously crafted with inputs from various banks to enhance transparency within the loan sanctioning process. Despite this effort, the presented figures indicate a concerning level of underperformance. To address this issue, he proposed convening a meeting of a small committee as decided in the sub-committee meeting held on 26.02.2024 during the second fortnight of April to thoroughly investigate the bottlenecks within the SAFAL portal and devise strategies for its improvement.

The MD & CEO of UCO Bank cum Chairman SLBC, Odisha urged for a comprehensive discussion in the Sub-Committee meeting regarding the causes behind application rejections and other related issues of the SAFAL portal. Emphasizing the need for overcoming these challenges, he proposed devising a simplified process to streamline operations.

3.1 ACP achievement under Agriculture Sector - Crop Loan & Agriculture Term Loan

As of 31st December 2023, in the financial year 2023-2024, all banks have collectively disbursed Rs. 53,298.40 Crore to the agriculture sector, achieving 90.68% of the total annual target of Rs. 58,776.16 Crore. Achievement under crop loans is 81.60% of the annual target, achievement under term loans is 74.90%, achievement under allied advances is 97.93%, achievement under farm credit is 83.18%, achievement under agriculture infrastructure is 87.32%, and achievement under ancillary activities is 216.02% of their respective annual targets.

The Principal Secretary, Finance stated that the performance of Private Sector Banks those having the ACP target of more than Rs.1,000. Crore like HDFC Bank and ICICI Bank is very poor and advised them to improve their performance immediately. He further stated that while empaneling banks for handling Govt. Business, achievement under ACP is one of the major key parameters and any shortfall in the ACP achievement is not acceptable and will have consequences.

3.2 Kissan Credit Card (KCC)



Banks have disbursed **33,45,917** numbers of KCC accounts, amounting to **Rs.21,818.85 Crore** from 01.04.2023 to 31.12.2023. Total outstanding balance as on 31.12.2023 is **Rs.36,058.52 Crore** in **52,19,023** KCC accounts. The average KCC loan size is Rs.65,210.37

The Chief General Manager, NABARD, Bhubaneswar underlined the issue of low average loan size provided by RRBs and Co-operative banks in the state, despite the interest subvention initiatives by both Central and State Governments. To address this concern, he urged banks to elevate the average loan size of the Kisan Credit Card (KCC) by a minimum of 30% annually. Additionally, he proposed exploring the feasibility of extending KCC benefits to sectors such as Animal Husbandry and Fishery, where there is a lesser demand for traditional agricultural loans, thus diversifying and expanding the scope of financial support in rural areas.

3.3 Crop Insurance (Pradhan Mantri Fasal Bima Yojana – PMFBY)

During the period from 1st October , 2023, to 31st December, 2023, a total of 6,51,722 enrollments covering 1,33,609 farmers under the Pradhan Mantri Fasal Bima Yojana (PMFBY- Implementation during Rabi 2024 Crop Season). The area insured during this period is 105.45 thousand hectares, and the sum insured amounts to Rs. 729.57 Crores. The gross premium is Rs. 48.96 Crores.

The General Manager UCO Bank and Convenor SLBC noted a significant rise in the coverage of the Pradhan Mantri Fasal Bima Yojana (PMFBY), attributing it to the State Government's initiative of bearing farmers' premium shares for land up to 2.00 hectares. Building upon this momentum, he urged banks to extend the virtually cost-free crop insurance benefits to both loanee and non-loanee farmers across all notified blocks and crops. This approach aims to ensure comprehensive risk mitigation and financial security for farmers.

3.4 BALARAM (Bhoomihina Agriculturist Loan & Resources Augmentation Model)

In the current Financial Year up-to 31.12.2023, all banks have sanctioned/ disbursed credit facility to 8,147 JLGs against the revised annual target of 65,000. The major banks which sanctioned credit facilities to JLGs are OSCB (6,678), SBI (2,310) UCO Bank (1,217).

The Additional Secretary of the Department of Agriculture & Farmers' Empowerment, Government of Odisha, proposed augmenting the disbursement under the BALARAM scheme, highlighting a disparity between the disbursement and the number of applications sponsored.

The Chief General Manager, NABARD, Bhubaneswar informed that NABARD offers the banks a grant of Rs.4,000/- for each Joint Liability Group (JLG) they promote. Despite the ongoing formation of JLGs, he expressed disappointment over the lack of financing being extended to these groups. Stressing the significance of empowering JLGs, he urged banks to prioritize financing the JLGs.

The Convener SLBC informed that in the sub-committee meeting on agriculture credit held on 02.02.2024, the Principal Secretary, Agriculture & Farmers Empowerment has advised OSCB that finance to JLGs as per the eligibility criteria mentioned in the operational guidelines which are formed nurtured and financed by PACS/LAMPS are to be covered under BALARAM and the same is to be reported to SLBC. OSCB has reported



that they have financed 38401 JLGs and 13031 BALARAM as on 07.03.2024. He requested OSCB to confirm that all the 38401 JLGs are eligible for inclusion under BALARAM.

3.5 Agriculture Infrastructure Fund:

As of December 31, 2023, a total of 1,056 applications are sanctioned under the scheme, amounting to Rs. 756.51 Crores out of 1,577 applications sponsored. 398 applications are rejected/denied. Additionally, there are 123 applications pending at the bank level for further processing.

The convener SLBC informed that though the sanction is increased and pendency is reduced, he appealed all banks to dispose pending applications as per time norms.

3.6 Mission for Integrated Development of Horticulture (MIDH)

The Horticulture Department, Government of Odisha has reported that as of December 31, 2023, there are 80 pending applications with various banks amounting to Rs. 3.44 Crore. On the other hand, banks have sanctioned 60 applications, amounting to Rs. 1.99 Crores.

The General Manager UCO Bank and Convenor SLBC requested all Banks to dispose all the pending applications in a time bound manner.

3.7 Agriculture Allied Sectors

As of December 31, 2023, banks have disbursed Rs. 7,505.75 Crores in the agriculture allied sectors against annual target of Rs. 7,664.73 Crores achieving 97.93 % of the target. The performance of banks in Dairy is 89.62% of the target, in Fishery 59.82% of the target, in Poultry 80.25 % of the target, in AH Sheep/Goatery/Piggery 147.58 % of the target, and in Other Allied Sectors 213.15 % of the target is achieved.

The Principal Secretary, Finance Department, Govt. of Odisha pointed out that the reporting under AH-Sheep/ Goat/ Piggery by IndusInd Bank which is Rs.1,557.69 Crore seems to be quite abnormal. The representative from IndusInd Bank informed that the figures reported are by Bharat Finance India Limited, a wholly owned subsidiary of IndusInd Bank Ltd. and the loans are small ticket size loans.

The Director, Institutional Finance, Finance Department, Govt. of Odisha, advised IndusInd Bank to submit the district-wise and branch-wise granular data to the Fisheries & ARD Department for analyzing the same.

The reporting in other allied sectors has significantly increased to Rs.456.34 Crores as of 31.12.2023 and the main contributors are RBL Bank (Rs.191.47 Crore), Yes Bank (Rs. 82.20 Crore) DCB Bank (Rs.47.17 Crore), ESAF SFB (Rs.43.75 Crore), HDFC Bank (Rs.31.48 Crore), IDFC Bank (Rs.25.37 Crore) and Kotak Mahindra Bank (Rs. 23.72 Crore). These banks are advised to take up the MIS issue with their central office and classify the figures in appropriate subhead so that reporting in other allied sector can be minimized.

The MD & CEO of UCO Bank expressed his concern on fluctuation of figures reported in other allied sector in the last quarter. He advised all banks to rectify the anomalies in reporting.



The Principal Secretary, Fisheries & ARD Department, Govt. of Odisha raised several pertinent points regarding the Allied sector. Firstly, he noted discrepancies in reporting, specifically mentioning instances where certain banks have inaccurately represented figures under other allied sectors, a matter previously deliberated in the Sub-Committee of the SLBC on Fisheries & ARD held on 26th February 2024. Secondly, he expressed dissatisfaction with the level of bank credit to the allied sector, particularly in fisheries sector. Lastly, he emphasized the importance of setting realistic targets for the allied sector, urging for a more pragmatic approach in target distribution.

3.8 Mukhya Mantri Krushi Udyoga Yojana (MKUY)

As of December 31st, 2023, under the Mukhyamantri Krushi Udyoga Yojana (MKUY) Scheme, a total of 4,959 applications have been sponsored to different banks. Out of these, 1,718 applications are sanctioned, 1,218 applications are rejected, and 2,023 applications are pending under the scheme.

The General Manager UCO Bank and Convenor SLBC highlighted that while there has been an increase in sanctions under MKUY scheme, there has been a simultaneous rise in pending applications. In this regard, he requested all banks to expedite the clearance of pending MKUY applications to ensure improved performance by the end of the financial year 2023-24.

3.9 KCC Saturation Drive

As of December 31, 2023, under the KCC Saturation Drive for Animal Husbandry, out of 61,516 applications accepted, 16,857 applications have been sanctioned, 41,685 applications have been rejected, and 2,974 applications are pending at various banks. Similarly, in case of Fisheries, out of 11,029 applications accepted, 2,311 applications have been sanctioned, 8,139 applications have been rejected, and 579 applications are pending at various banks.

The General Manager UCO Bank and Convenor SLBC requested Controlling Heads of Banks to take up with the branches for immediate disposal of all the pending applications and update the same in the portal.

The Director, Institutional Finance, Finance Department, Govt. of Odisha expressed concern over the high rate of rejections under KCC Animal Husbandry and KCC Fishery applications.

The representative from State Bank of India stated that rejections are largely on account of some basic reasons viz. customer is not interested to avail the loan at a later stage, CIBIL issue, customer already availed loan from other financial institutions etc.

Under Ghar Ghar KCC Abhiyan out of the total 34,61,998 PM Kisan beneficiaries in the State, 16,25,693 beneficiaries are saturated as of 06.02.2024. The convener SLBC informed that SBI has achieved 87.37 % saturation followed by Union Bank of India at 31.49%. He appealed all banks to increase the saturation level.

3.10 Financing to FPOs (Farmers Producer Organization)



As informed by NABARD, in the current financial year upto 31.12.2023, 64 FPOs have been sanctioned credit limits of Rs.8.24 Crores by NABKISAN. The CGM NABARD informed that SBI and UCO Bank have already started financing to FPOs. Additionally, he mentioned that 118 FPOs have been identified, with applications already submitted to the Horticulture Department for the creation of solar dryers and cold chambers. He urged all banks to adopt a liberal approach in financing these FPOs.

AGENDA NO. 4

Financing to SHGs

4.1 WSHG Bank linkage in Odisha

(a) Credit Flow to WSHGs.

During the current financial year (as on 31st December 2023), 3,26,870 SHGs have been credit linked with an amount of Rs. 12,997.49 crore, and the average loan size of Rs.3.98 Lakh. As on 26.02.2024 the credit flow to SHGs increased to Rs. 15086.11 crore with credit linkage to 388389 SHGs. Thus the financial achievement is 100% of the target and 97% of physical target.

The Commissioner cum Secretary of the Mission Shakti Department, Government of Odisha, congratulated the banks for their commendable efforts in reaching the significant milestone of providing Rs.15,000.00 Crore in financing to Self-Help Groups (SHGs) within the state. Highlighting the progress, she announced the implementation of a 0% rate of interest for loans up to Rs.10.00 Lakhs, effective from April 1, 2023, emphasizing that this initiative aims to incentivize banks to extend big ticket size loans to SHGs. In addition, she informed that for the financial year 2024-25, the target for credit linkage to Self-Help Groups (SHGs) will be set at Rs.20,000.00 Crore. Expressing gratitude to the banks for increase of the average loan size nearing to Rs 4 lakhs, she proposed to increase the minimum ticket size for SHGs to Rs.5.00 Lakhs for the upcoming financial year 2024-25. She informed that average loan size is low in Bank of Maharashtra and UGB which is below Rs.3 lac and advised them to improve. She also advised other banks whose average loan size is less than state average to improve their performance.

(b) Mission Shakti Loan – State Interest Subvention

The Commissioner cum Secretary of the Mission Shakti Department informed that during the FY 2023-24 till February 2024, Rs.291.00 Crore has been given as interest subvention. Considering the growth in demand of credit and women entrepreneurship at the SHG level, State Government has increased the interest subvention benefits from Rs. 5 lakhs to Rs. 10 lakh providing loans at 0% effective annual rate of interest to SHGs (both rural and urban) w.e.f 1st April 2023.

She also advised banks to educate their field functionaries about the interest subvention scheme and facilitate SHGs to avail benefits of the scheme.

(c) Bank Linkage & Interest Subvention (BLIS) MIS Application



Interest subvention claims amounting to **Rs. 291.09 Crore** has been settled under 'Mission Shakti Loan' -State Interest Subvention Scheme during 2023-24 up-to 26.02.2024 against the annual target **Rs. 250 crores**. The Commissioner cum Secretary, Mission Shakti Department informed that there are some banks who are not doing the data sharing regularly in BLIS portal and advised Punjab & Sind bank to sign MoU for data sharing since data sharing for the bank is pending since March 2021. She also advised all banks to ensure monthly data sharing for online reimbursement of interest subvention benefits to eligible SHGs.

(d) Engaging Women SHG / Federation Members as Business Correspondent Agents (BCAs) under BC Model:

To ensure last mile delivery of banking services in unbanked and under-banked Gram Panchayats, Department of Mission Shakti has tied up with different banks namely OGB, SBI, UGB, YES, ICICI, UCO, Union, PNB, Canara, Axis, Indian bank, Bank of India and HDFC Bank for engaging Women Self Help Groups and Federation Members as Business Correspondent Agents (BCAs).

A total of 2,318 BCAs are currently operating across the state. Transactions amounting to Rs. 825.16 crore have been undertaken by these BCAs during the current FY (2023-24). All banks who have signed MOU with the Department are advised to engage more SHG members as BC, particularly in the CSP+ outlets.

(e) "Mission Shakti Scooter Yojana"

The Commissioner cum Secretary, Mission Shakti Department informed that as on 06.03.2024 out of 62,273 Mission Shakti Scooter loans sponsored, 38,807 cases are sanctioned. However, it is observed that some of the loan applications are rejected without valid reason. She also advised for the consideration of income from all sources of the applicant when calculating loan eligibility under Mission Shakti Scooter Yojana. She appreciated that OGB, SBI, Bank of India, UCO Bank and Odisha State Co-operative Bank are doing very well under the scheme and advised all banks to improve performance.

4.2 National Urban Livelihood Mission (NULM)

As reported by SUDA, in the FY2023-24, the physical target for individual loans is 3000, against which 794 loans are disbursed. The target for group loans is 540, against which 299 loans are disbursed. The target for credit linkage of SHGs is 6000, out of which 2,127 SHGs are credit linked.

All banks are requested to improve the performance under all the three categories as the performance is not satisfactory.

4.3 Progress on implementation of Income Generating Schemes of OSFDC in Collaboration with Mission Shakti.

- a. **Target and Achievement Under Bankable IGS relating to the year 2022-23 to be implemented during 2023-24.**



Govt. has approved 79 no. of loan applications under Bankable IGS relating to the year 2022-23 to be completed in 2023-24 in 17 districts. Against the target of 79 applications 47 applications have been sponsored to banks and 42 applications are disbursed. All financing banks are requested to dispose all pending applications immediately.

b. Prospective Plan under Bankable Income Generating Scheme for the Year 2023-24, 2024-25 and 2025-26

386 nos. of proposals have been targeted for financing SC Women Self Help Groups under Bankable IGS during the period 2023-24(207) ,2024-25(100) and 2025-26(79). On receipt of funds from Govt. loan applications relating to the 2023-24 will be sponsored to banks for finance. Banks and LDMS are advised to give priority on disbursement of loan applications under OSFDC scheme

AGENDA NO.5

Financing to MSME Sector

5.1 ACP achievement in Micro, Small and Medium Enterprises (MSMEs)

Against total target of Rs.72,297.84 Crore, achievement as on 31.12.2023 is Rs.60,037.16 Crore which is 83.04% of annual ACP targets under MSME.

The sector-wise performance highlights that under Micro Enterprises achievement is 100.43% of the target, with Rs. 25,412.44 Crore disbursed against a target of Rs. 25,304.25 Crore. Under Small Enterprises achievement is 94.37 % of the target, with Rs. 21,148.85 Crore disbursed against the annual target of Rs. 22,412.36 Crore. Under Medium Enterprises achievement is 92.26 % of the target with disbursement of Rs. 12,006.29 Crore against a target of Rs. 13,013.60 Crore. However, the achievement in the Khadi & Village Industries category stood at 6.69%, with Rs. 241.69 Crore disbursed out of the target of Rs. 3,614.88 Crore.

Five banks (ICICI, HDFC, AXIS Bank, Kotak Mahindra Bank and RBL Bank) have already achieved their annual target. Six Banks (Indian Bank, State Bank of India, Bank of Baroda, Central Bank of India, Odisha Gramya Bank and Federal Bank) have achieved more than state average of 83.04 % and two banks Punjab National Bank and Union Bank of India have achieved more than 75 % target. All banks are requested to achieve the annual target by 31.03.2024 like previous year.

5.2 Pradhan Mantri Employment Generation Programme (PMEGP)

As of 31st December, 2023, against a physical target of 6000 units banks have sanctioned 3,683 accounts till 31.12.2023 which is 61.38% of target. As on 13.03.2024 the sanction increased to 4831 which is 80.52 % of the annual target. The margin money claimed in 3671 accounts amounting to 120.95 crores and mm disbursed in 2583 accounts amounting to Rs. 84.75 crores.

The Director of Industries stated that there are 9 banks which are above state average and 24 banks are below state average. He further added that the private banks except IDBI Bank, the performance is miserable.



The Director Institutional Finance also expressed her concern over very poor performance of private sector banks and advised them to improve performance in the remaining period of the current financial year.

The MD & CEO UCO Bank cum Chairman, SLBC suggested that all banks to give utmost importance to Government sponsored schemes both in sanction and disbursement of number of projects and also claim/disbursement of margin money.

5.3 PMFME (Pradhan Mantri Formalization of Micro food processing Enterprise)

As of 31st December 2023, in the current year 2023-24, against the total target of 2,990 only 292 proposals sanctioned and the performance further increased to 443 as on 06.03.2024. The Convenor, SLBC informed that cumulatively as on 06.03.2024, out of 4,254 proposals sponsored to banks, 1,190 cases are sanctioned, 1,956 cases are rejected, and 1,505 applications are pending with banks. Only four banks (SBI, Union Bank of India, UCO Bank and Canara Bank) have sanctioned more than 100 cases cumulatively.

Highlighting the importance of logging into the PMFME portal to take timely decision on the loan applications, the Director of Industries, Govt. of Odisha stated that 169 bank branches have not logged-in to the PMFME portal. He further stated that applications are getting rejected without any valid reason which is to be looked into by the Controlling Heads of Banks.

The MD & CEO UCO Bank cum Chairman SLBC advised the LDMs to ensure that all the branches in their jurisdiction to log-in to the PMFME portal.

The Director of Institutional Finance advised all the LDMs to discuss the performance of PMFME in detail in the DCC meetings as an important agenda including the status of not logged in branches.

5.4 Progress under Pradhan Mantri MUDRA Yojana (PMMY) in Odisha

All Banks and Financial Institutions have sanctioned 32,86,621 accounts with an amount of Rs. 20,650.36 Crore and disbursed Rs. 20,474.12 Crores as on 29.02.2024 in the financial year 2023-24.

The Convenor, SLBC informed that the average loan size under Sishu category is RS.0.37 lacs, under Kishore category it is Rs.0.98 Lakhs & under Tarun category it is Rs.9.17 lacs.

The Director Institutional Finance expressed her concern over very low ticket size under kishore category. She advised SBI to analyse their portfolio and find out the real reasons behind the low ticket size in kishore category of PMMY.

The MD & CEO of UCO Bank advised all banks to increase the ticket size in Kishore category by extending loans up-to Rs. 5.00 lacs.

MUDRA Weaver Scheme



As per the information provided by the Directorate of Textiles, Govt. of Odisha out of 182 applications forwarded to SBI, 3 applications are sanctioned and 179 applications are pending in Boudh district (171) and Ganjam district (8).

The DGM, SME, SBI stated that all MUDRA loans are coming through portal only and through MUDRA portal they have received 20 MUDRA weaver applications out of which 6 applications are sanctioned and 12 are rejected. He requested the department to provide the district-wise and branch-wise details of 179 applications if forwarded manually so that the same can be disposed in a phased manner.

5.5 Assistance to Startups through Bank Linkage

For the financial year 2023-24, up to 31st December 2023 as reported by banks, four account have been sanctioned with a total amount of Rs. 749 lakhs. The cumulative number of accounts sanctioned so far is 510, with sanctioned amount of Rs. 195.29 Crores. All banks are requested to extend more credit facilities to the start ups.

5.6 Stand Up India Scheme

As of 31st December , 2023, under the Stand-Up India scheme, banks have sanctioned loans to 6,536 applicants, out of which 1,117 are from the SC/ST category, with a disbursement amount of Rs. 101.54 Crores and 5,419 are from women category with a disbursement amount of Rs. 670.83Crores. Though banks have achieved the target for financing women beneficiaries, the achievement under loan disbursement to SC/ST beneficiaries is not satisfactory (24.10%).

The Convenor, SLBC requested all banks to improve their performance under the Stand-Up India scheme as it has now been extended up to 2025, with a particular focus on providing more credit to SC/ST beneficiaries.

5.7 Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) Scheme – Govt. of India

As per SIDBI, during the period of 01.04.2023 to 31.12.2023, banks have covered 39,050 accounts under the CGTMSE scheme, with a total sanctioned amount of Rs. 4,209.25 Crores. The convener SLBC informed that the coverage is increasing and it will further improve after sanction of loans under the two State Govt scheme "SWAYAM" .

5.8 Onboarding of MSME on Udyam Portal

As of 31.12.2023, a total of 2,20,35,259 MSMEs have registered on the platform across the country. In the state of Odisha, there are 4,78,159 registered MSMEs which is further increased to 6,68,636 as on 13.03.2024. There are still a significant number of MSMEs that have not yet joined the Udyam net, indicating the need for further outreach and awareness regarding the registration process.

5.9 On-boarding of corporate buyers on TReDS (Trade Receivables Discounting System)

The Government of India has mandated that companies with a turnover exceeding ₹500 crore and Central Public Sector Enterprises must register on the TReDs platform. In



response, RBI Bhubaneswar requested Deptt. Of Public Enterprises, Govt. of Odisha to consider advising the State PSUs to ensure onboarding in TReDs platform to facilitate the onboarding of Government departments, enterprises, and eligible companies.

5.10 PM Vishwakarma Yojana 2023

To support the hard work of all the Vishwakarmas, on the occasion of 77th Independence Day, Prime Minister announced the launch of the 'PM Vishwakarma Yojana. As on 26.02.2024 out of 4,08,845 applications, 3,01,307 nos. of applications are forwarded, 26,060 applications are not recommended and 81,478 applications are pending with bank branches.

The Convener SLBC appealed all banks to clear the pendency on priority basis.

5.11 CM's scheme for Reimbursement of interest to MSMEs (CM-SRIM)

The Scheme was launched with an aim to financially help manufacturing MSMEs in the State by way of reimbursing interest paid by them to banks on Working Capital Loans availed by them from the banks. As of 07.02.2024, out of 2,152 Enterprises registered, 1,695 applications for reimbursement of interest has been received.

The Director of industries informed that under this scheme bank branches have to certify the interest amount but as many as 540 cases are pending with bank branches. He informed that verification by bank branch is an intermediary step and due to pendency the further processing is delayed . He advised all banks to complete the process expeditiously.

5.12 Issues related to MSME emerged in the Town Hall Meeting at Berhampur

RBI, Bhubaneswar conducted a Town Hall meeting on MSME related issues at Berhampur, Ganjam district on December 29, 2023. More than 220 MSME entrepreneurs and bankers from Ganjam district participated in the event. During the interactive session, entrepreneurs raised their queries/issues faced by them w.r.t bank linkage, operational issues, etc. Some MSME customers complained that they don't get adequate time to discuss their issues with concerned Branch Managers. They also requested banks to consider extension of banking business hours for MSME customers.

The Convener SLBC appealed all banks to take up the issues of MSME customers sympathetically.

AGENDA NO.6

6.1 Introduction of new schemes "SWAYAM" and SWAYAM(U) by Government of Odisha.

Department of Panchayati Raj & Drinking Water, Govt. of Odisha vide notification no. 2743-PTI-PR-RH-Scheme-0002-2024 dated 15.02.2024 has circulated the guidelines for Interest Free Credit Guarantee Self Employment Scheme for Rural Youth namely "SWAYAM".



Department of Housing & Urban Development, Govt. of Odisha vide notification no.3784-HUD-HU-SCH-0004-2024 dated 15.02.2024 circulated the guidelines for Interest Free Credit Guarantee Self Employment Scheme for Urban Youth namely "SWAYAM(U)".

The scheme has provision for credit guarantee coverage up-to 100% of the loan amount in collaboration with CGTMSE where State Government will provide guarantee up-to 15% of loan amount over and above 85% guarantee covered under CGTMSE. MoU in this regard has been signed by Govt. of Odisha with CGTMSE on 22.02.2024.

The Director, Special Projects, Panchayati Raj & Drinking Water Department, Govt. of Odisha emphasized the significance of SWAYAM and SWAYAM(U) schemes, describing them as highly lucrative. He urged all banks to diligently verify applications of SWAYAM received through the portal, ensuring comprehensive field verification, with the aim of facilitating timely sanction.

The Convenor, SLBC stated that a total of 70,771 applications have been received under the scheme. He urged all banks to promptly develop the necessary scheme code and start financing under the schemes.

6.2 MO GHARA (Government Assistance for Rural Areas)

As per the information provided by Panchayati Raj & DW, as on 12.03.2024, out of 2,58,657 applications sponsored to different banks, 3,123 applications are sanctioned. Document verification completed for 75,244 cases, field verification completed for 17,884 cases and legal opinion obtained for 4,259 cases.

The Director, Special Projects, Panchayati Raj & Drinking Water Department, Govt. of Odisha conveyed his discontent regarding the lack of momentum in the scheme despite repeated follow-ups and meetings. He emphasized the need to address the disparity between the number of applications where legal opinion has been completed and those that have been sanctioned, as well as between the number of sanctioned applications and actual disbursements made. This call for action highlights the importance of streamlining processes to ensure a smoother transition from application to disbursement, ultimately maximizing the scheme's impact and effectiveness in fulfilling its objectives.

6.3 Silpi Unnati Yojana (SUY)

As per the information provided by the Directorate of Handicrafts, the total number of applications sponsored (including backlog) under SUY up-to 31.12.2023 is 3,383 out of which 517 applications have been sanctioned, 2,721 applications are pending and 145 are rejected.

The Convener SLBC appealed all banks to dispose all pending applications within 31.03.2024.

6.4 PMSVANidhi (Street Vendors)

As per PMSVANidhi portal as of 31.12.2023, out of 1,10,191 applications entered in the portal, 86,879 applications are sanctioned & disbursement made in 82,257 accounts. 7,578 applications are pending in different bank branches. However as on 10.03.2024 the



sanction increased to 91,466 against current year target of 1,24,840 with disbursement in 85631 accounts. The no. of pending applications further increased to 7972.

The Convenor, SLBC informed that Department of Financial Services, Ministry of Finance, Govt. of India had taken a review meeting and has directed to clear all the pending applications under PMSVANidhi scheme by 31st March 2024. He also requested banks who have not sanctioned any loan under PMSVANidhi to start financing.

6.5 Implementation of Prime Minister's New- 15 Point Programme for Welfare of Minorities.

During 01.04.2023 to 31.12.2023, Banks have extended credit of **Rs. 1,666.51** crore to 1,82,439 beneficiaries of Minority Community. The outstanding balance as on 31.12.2023 is Rs. 9,201.74 Crore in 10,63,835 accounts.

AGENDA NO.7

Financial Inclusion/Financial Literacy/Banking Infrastructure

7.1 Expanding and Deepening of Digital Payments Ecosystem

In the effort to expand and deepen digital payment eco system, four districts in Odisha namely Cuttack, Bolangir, Sambalpur and Ganjam have achieved 100% digitization and have been declared as fully digitalized districts.

The remaining 26 districts have been taken for digitalization. The cut-off date for crystallization of total eligible accounts (savings and current) by banks was fixed as of March 31, 2023, and the date of achieving 100% digitization was fixed 31.03.2024.

As of 31.12.2023 the percentage of coverage with at least one of the digital modes of payment is 95.56% in SB and 92.16% in Current Account.

Concerned LDMs of the districts, Nodal Banks and all the Banks operating in the respective districts are requested to ensure achievement of 100% digitisation by 31.03.2024.

The Director, Institutional Finance, Finance Department, Govt. of Odisha commended the collaborative efforts of all banks across the state, noting their significant progress toward achieving the target of 100% digitalization. Expressing satisfaction with the current advancements, she urged both banks and Lead District Managers (LDMs) to sustain their efforts diligently, aiming to achieve complete digitalization in all 26 districts of Odisha State by 31st March 2024.

The Convenor, SLBC conveyed important directives from the recent Video Conference organized by RBI, Bhubaneswar, emphasizing the imperative to digitalize all merchants across the 26 districts. Banks are tasked with identifying merchants based on the Service Area approach in rural areas and the banks with maximum presence in urban wards. A standardized survey format has been circulated to all banks for this purpose. All banks and concerned Lead District Managers (LDMs) are urged to ensure timely submission of the survey data to SLBC to facilitate consolidation and onward submission to RBI.



7.2 Banking Network in Odisha

The total banking network in Odisha is 55,228 as on 31.12.2023. The total number of B&M branches is 5,845 increased from 5,812 as on 30.09.2023.

The ATM network in Odisha increased to 7,685 as of December 31, 2023, from that of 7,665 as on 30th September 2023.

7.3 Operations of Business Correspondents (BCs)

Total number of BCs as on 31.12.2023 is 41,698 reduced from 42,299 as on 30.09.2023.

The number of BCs decreased as of December 2023 over September 2023 due to decrease in number of BCs of RBL Bank (From 3,013 to 1,836).

The Director Institutional Finance directed IndusInd Bank to provide the details of the Fixed number of BCs as reported by the bank. Those BCs who are working on remittance led model and are unable to perform the basic functions of opening savings accounts, will not be considered in the count of BCs in the State.

The representative from IndusInd Bank clarified that the Business Correspondents (BCs) operate under Bharat Financial Inclusion Limited (BFIL), and the details of these BCs will be promptly shared with the RBI, the Finance Department and SLBC. While those BCs are doing remittance business, they are enabled for account opening also.

7.4 Opening of Brick & Mortar Branches in 270 identified GPs

Out of 270 identified GPs, as on 31.01.2024, 19 brick & mortar branches have already been opened by 11 banks, Suryoday Small Finance Bank (4), Punjab & Sind Bank (3) UCO Bank (2), Canara Bank (2), Jana Small Finance Bank (2), Ujjivan Small Finance bank (1), IDFC First Bank (1) Axis Bank (1), Indian Bank (1), ICICI Bank (1) and Punjab National Bank (1).

As 28 GPs are allotted to SBI and 42 GPs are allotted to OSCB and they have not opened any branch, the Director Institutional Finance advised both the banks to expedite the process. She also advised all other banks to take necessary steps for opening B & M branches in the GPs allotted to them.

Villages Identified by DFS for opening B & M Branches

Department of Financial Services, Ministry of Finance, Govt. of India has identified 14 villages in Odisha for opening of brick-and-mortar branches out of which 10 brick & mortar branches are already opened by banks and at other 4 villages the branch opening process is under progress. As informed by the Punjab National Bank, the branch at Haldi will be opened by 31.03.2024 and Indian Bank has also informed to open the branch at Kandili by 31.03.2024. The Director, Institutional Finance informed that Collector, Koraput has assured to provide the premises for opening of branch at Mathpada very shortly which is allotted to Bank of Baroda. She also informed that the issue relating to premises at Hatigaon (allotted to Central Bank of India) will be taken up with the district authority of Nabarangpur.



7.5 Villages inadequately covered or uncovered by Financial Infrastructure on Jan Dhan Darshak GIS App.

According to the Jan Dhan Darshak GIS web portal, there were 60 unbanked villages in the State of Odisha as of September 30, 2023. The State Level Bankers' Committee (SLBC), after consultation with the Lead District Managers (LDMs), has allocated these 60 unbanked villages to banks for providing banking facilities within 5 km radius of each village. As on 31.01.2024, the unbanked villages come down to 10. The Convenor, SLBC requested the Banks to whom the villages are allotted to open banking touch points within 5 Km radius of the villages allotted immediately namely SBI (9 villages) and HDFC Bank (1).

The representative from State Bank of India informed that 3 banking touch points are already operational, another 4 will be operational very soon and in rest 2 places there is a connectivity issue, which they are looking into to resolve the issue.

The Convenor requested SBI to upload the details of the banking touchpoints in the JDD APP.

7.6 Connectivity by BSNL in the GPs

According to the report from Bharat Broadband Network Limited (BBNL), as of December 31, 2023, in the first phase of BharatNet, 3,990 Gram Panchayats (GPs) and Block Headquarters (BHQs) in 18 districts of Odisha have been connected through underground Optical Fiber Cable (OFC). This represents 99.98% of the total 3,991 GPs and BHQs in these districts. Out of these connected GPs and BHQs, 50.45% have active connectivity.

In the second phase of BharatNet, all 3,065 identified GPs and BHQs in Odisha have been connected through aerial optical fiber cable. This accounts for 100% coverage in these GPs and BHQs, with 79.41% of them having active connectivity.

The representative from BSNL informed that since January 2024 the active connectivity has been increased.

7.7 Implementation of Pradhan Mantri Jan Dhan Yojana (PMJDY)

As of February 29, 2024 during the FY 2023-24, 12,65,139 accounts have been opened under the Pradhan Mantri Jan Dhan Yojana (PMJDY) in Odisha against the target set at 14,50,000 accounts, achieving 87.25% of the target. The convener SLBC requested all banks to achieve the target within 31.03.2024.

7.8 Performance under Social Security Schemes

Under PMJJBY, the enrollment achievement reached 102.29% as on 29.02.2024 with 16,36,563 enrollments against the target of 16,00,000. Similarly, under PMSBY enrollment achieved 161.09% as on 29.02.2024 with 48,32,642 enrollments compared to the target of 30,00,000. The APY scheme achieved an enrollment of 93.23% as on 29.02.2024 enrolling 4,15,890 individuals against the target of 4,46,060. These achievements highlight the successful implementation of social security schemes, ensuring enhanced financial protection for the people of Odisha.



The Convener SLBC requested all banks to achieve the target under APY by 31.03.2024 as a very few enrollments are remaining to surpass the target. He appealed PNB, Canara Bank and Central Bank of India to improve performance as their achievement is below 50% so far.

Viksit Bharat Sankalp Yatra (VBSY)

During the VBSY Campaign in GP level total 5553 GPs are covered and large number of applications sourced under PMJDY, PMJJBY, PNSBY, MUDRA, SUPI & APY.

The Convener SLBC requested all banks to take steps for enrollment of these applications.

Similarly, in ULBs all the districts are covered and 43570 persons attended the PMSVANidhi Camps.

Under the Viksit Bharat Sankalp Yatra campaign from 15.11.2023 to 29.02.2024 all the Banks in the State participated wholeheartedly. The CGM, NABARD congratulated all the banks in the state for their active participation for which Odisha State has earned a special name at the central level.

7.9 Conducting Financial Literacy Camps

As per the information submitted by LDMs and Banks during the quarter ended on 31st December 2023, a total number of 6,527 financial literacy camps are conducted through 3,062 rural branches and 4,806 camps are conducted through 30 Financial Literacy Centers operating in the State. In the Financial year 2023-24 up-to 31.12.2023, total 11,333 FLC camps are conducted by Financial Literacy Centers and rural branches.

7.10 Financial Literacy Centers (FLC)

Out of 30 FLCs, currently, there are 4 vacant positions for Financial Literacy Counsellors in various districts. UCO Bank has three vacancies in Angul, Bhadrak and Jagatsinghpur districts. Despite multiple advertisements, only one application was received in Angul which was ineligible. The Lead District Managers (LDM) in Angul, Bhadrak and Jagatsinghpur have been assigned to carry out the counsellor's responsibilities. As informed by Bank of India, process has been reinitiated for recruitment of FL Counsellor at Mayurbhanj.

7.11 Financial Inclusion Fund (FIF) of NABARD

As reported by NABARD, during FY 2023-24 up to 31.12.2023 NABARD has sanctioned Rs. 155.43 Lac to banks and Rs. 14.96 Lac to other agencies under FIF against a sanction budget of Rs 589 lacs.

NABARD has disbursed Rs. 373.62 Lac to 15 banks and Rs. 101.51 Lac to other agencies during FY 2023-24 up to 31.12.2023 against disbursement budget of Rs 1202.70 lacs.

7.12 Targeted Financial Inclusion Intervention Programme (TFIIP) within the overall Aspirational District Programme (ADP) of Niti Aayog.



In Odisha, the Targeted Financial Inclusion Intervention Programme (TFIIP) is being implemented in 10 Aspirational Districts viz. Balangir, Dhenkanal, Gajapati, Kalahandi, Kandhamal, Koraput, Malkangiri, Nabarangpur, Nuapada, and Rayagada. The performance of these districts as of December 31, 2023, is compared to the benchmark/aspirational targets set by NITI Aayog. Only Balangir and Dhenkanal districts have achieved 100% in the parameter of Operative CASA per lakh population. All districts have achieved 100% benchmark level under PMJJBY. Only Nabarangpur has not achieved 100% in PMSBY and APY target. The Convenor, SLBC advised the LDM Nabarangpur to achieve the all the benchmark by 31.03.2024

Mission Utkarsh

As of December 31, 2023, the progress of the Mission Utkarsh campaign in Kalahandi district shows good results. While the district has achieved 92% of the national benchmark for Current Accounts and Savings Accounts (CASA) per lakh population, it has exceeded the targets for Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Atal Pension Yojana (APY) and MUDRA with 196%, 177%, 115% and 101% achievement respectively. Additionally, three villages in Kalahandi district were identified as unbanked. As of 31.01.2024 no village in the district remained unbanked as per JDD App.

AGENDA NO. 8

NPA, Recovery & Security Creation.

8.1 NPA position as on 31.12.2023

Total NPA as on 31.12.2023 is Rs.15,349.88 Crore, increased from Rs. 12,618.64Crore as on 30.09.2023. The NPA % of the State as on 31.12.2023 is 4.80%. (Priority Sector 4.97%, Non-Priority Sector 0.21%). NPA % under MSME is 4.88% particularly NPAs under PMEGP & Mudra are very high at 23.52% and 9.46% respectively. The NPA under education loan is 9.61 % and that for crop loan is 8.18 %.

The Convenor, SLBC requested State Government to help in recovery of NPA accounts

8.2 State Recovery Act (OPDR)

The Convenor, SLBC informed that the mechanism of State Recovery Act (OPDR) to be strengthened to ensure effective recovery of bank's overdues.

There are 6,687 OPDR cases pending for different banks amounting to Rs.112.07 Crores. It is observed that maximum number of cases are pending with SBI and OGB. All the concerned banks are advised to take up with appropriate authorities for disposal.

8.3 Applications for attachment of property under Section 14 of the SARFAESI Act pending with District Magistrates

As per Section 14 of the SARFAESI Act banks require the support from District Magistrates for attachment of property and for quick enforcement.



It is reported that as of 31.12.2023, 805 numbers of applications involving Rs.581.01 Crore of different banks for attachment of property under section 14 of SARFAESI Act are pending with District Magistrates out of which 546 cases amounting to Rs.419.52 Crore are pending for more than 60 days.

All Lead District Managers were requested to incorporate in the agenda on pending SARFAESI applications, if not done, and critically review the position of pending cases in every DCC meetings and to pursue the matter with the District Authorities for immediate disposal of the same.

8.4 Mortgage of Khasmahal, Nazul, Abadi and Gramakantha Paramboke category of lands against loans.

Revenue and Disaster Management Department, Govt. of Odisha vide letter no.RDM-LRGE-ANG-0003-2023-28591/R & DM dated 8th August 2023 addressed to MSME Department and all Collectors, has advised OSFC and other financial institutions not to accept the Khasmahal, Nazul, Abadi and Gramakantha Paramboke category of lands as security assets for mortgage against loans, unless such lands are finally settled in favour of the occupants of the lands as per the provisions of OGLS Act and Rules.

8.5 NOC for transfer of land from financing banks

It is requested that the state authorities to ensure that no transfer of land mortgaged to a bank should be allowed/registered without an NOC from the bank/charge release letter from the bank.

8.6 Registration Conveyance Deed

Banks are facing difficulty in sanction & disbursement of housing loans as the execution of registration of sale deeds for purchase of flats is not being allowed for the time being at the registering Offices. Under this scenario, inflow of housing loan files from builder projects to branches for sale transaction of flats are being badly hampered. State Government is requested to intervene in the matter for its early resolution.

8.7 Registration of MOTD

Many banks in the state are not registering Memorandum of Title Deeds (MOTD), increasing the risk of security dilution. All banks are advised to issue necessary guidelines to their branches for the registration of MOTD with the registering authority. The state government is also requested to reduce the charges for MOTD and to enable online charge creation for banks.

8.8 Property Cards Under SVAMITVA scheme- validity as instrumental for property mortgage.

SVAMITVA scheme was launched by Hon'ble Prime Minister on 24th April 2020 with the objective to enable demarcation of inhabited land in rural area by the latest drone survey methods. The SVAMITVA scheme would provide the 'Record of Rights' to village household owners possessing houses in inhabited rural areas in villages, which in turn would enable them to use their property as financial asset for taking loans and other financial benefits from Banks.



As per Directorate, Land Records & Surveys, Board of Revenue, Odisha, Cuttack, in Odisha State, five districts viz. Rayagada, Jharsuguda, Gajapati, Nabarangpur and Dhenkanal have been notified by the Revenue & D.M. Deptt, Govt. Of Odisha for conducting SVAMITVA scheme in these five districts. Currently SVAMITVA property cards are being issued in Rayagada district only and Property cards are issued to 1751 beneficiaries in the district.

Banks are requested to formulate internal guidelines for issuance of loan against the issued property cards.

8.9 Digitization of land records

The digitization of land records in Odisha State has revolutionized the land administration system by establishing a digital database linked to banks and financial institutions. The Bhulekh Odisha online portal serves as a comprehensive platform for managing land records in the state. This digitization initiative was initiated in 2008 as part of the National Land Records Modernization Programme (NLRMP) led by the Central Government. The Revenue Department of the Government of Odisha is urged to provide banks with access to the digital land records database, facilitating the creation of online charges on land for loan sanctioning purposes.

AGENDA NO. 9

Other Issues

9.1 RSETI

As informed by State Director of RSETIs, the overall number of candidates trained as on 31.12.2023 is 2,49,412 out of which 1,90,340 (71.05%) numbers are settled and 76,727 trained candidates have been credit linked.

As on 31.12.2023 (FY 2023-24), 15,736 Rural Poor/NRLM target group youth have been trained against annual target of 15,243 (% of achievement is 103.23 %)

Status of Infrastructure related issues in RSETI

The Director, Institutional Finance stated that a meeting was convened on 14.03.2024 under the Chairmanship of the Additional Chief Secretary, Revenue and Disaster Management Department, Govt. of Odisha to resolve the infrastructure related issues of the 6 RSETIs (Ganjam, Gajapati, Puri, Cuttack, Angul and Rayagada). ACS, Revenue & DM Dept. advised the Collectors to give advance possession of land to the RSETIs by 31.03.2024. However, in Rayagada district, where objections were raised by the National Institute of Rural Development (NIRD), the Collector was instructed to expedite discussions with the Rayagada Municipality for early approval. She also informed that the decision on exemption of rent and cess will be taken shortly by moving a consolidated proposal by R & DM Dept. to Cabinet for approval.

9.2 Fintech Adoption

Fin tech as an industry uses technology to make financial systems and the delivery of financial services more efficient. Fin Techs are start-ups and other companies, that use



technologies to conduct the fundamental functions provided by financial services, impacting how consumers store, save, borrow, invest, move, pay, and protect money. Fin Tech help enhancing financial inclusion as more people are using digital mode for their financial services. Considering the potential of Fin Techs, banks may widely adopt Fintech, particularly in the agriculture sector, which could help bring in more investment into the sector for long term asset creation and infrastructure development.

9.3 Calendar of SLBC Meetings for the year 2024.

The calendar of meetings for the year 2024 is also given below:

SI	Particular of Meeting	Quarter ended March-2024	Quarter ended June-2024	Quarter ended Sept-2024	Quarter ended Dec-2024
1	Reminder regarding submission of data by Banks/LDMs/ Govt. Deptt. to SLBC	15.03.2024	14.06.2024	13.09.2024	13.12.2024
2	Deadline for receipt of information/ data by SLBC Convenor Bank	15.04.2024	15.07.2024	15.10.2024	15.01.2025
3	Distribution of SLBC Agenda	20.04.2024	20.07.2024	19.10.2024	20.01.2025
4	Holding of SLBC Meeting	15.05.2024 (Wednesday)	14.08.2024 (Wednesday)	14.11.2024 (Thursday)	14.02.2025 (Friday)
5	Forwarding the Minutes of the meeting to all stakeholders	24.05.2024	23.08.2024	22.11.2024	24.02.2025
6	Follow up the action points emerged from the SLBC Meeting from SLBC Members	To be Completed (24.06.2024)	To be Completed (23.09.2024)	To be Completed (21.12.2024)	To be Completed (24.03.2025)

SLBC Odisha has already circulated the calendar for 2024 vide letter no. SLBC/ODI/2023-24/8198 dated 04.01.2024. All banks are requested to adhere to the timeline for submission of data.

9.4 Functioning & Timely conduct of DCC/DLRC

The RBI guidelines and Lead Bank Scheme require that the DCC and DLRC meetings should be conducted separately at quarterly intervals within stipulated time without being rescheduled a number of times. DCC meetings should be convened by the Lead District Managers at quarterly intervals. DCC should give adequate feedback to the SLBC



on various issues that need to be discussed on a wider platform, so that adequate attention can be given at the State Level.

All LDMs to follow the guidelines as per the RBI circular while convening the DCC/DLRC meetings and it should always be conducted well before the scheduled SLBC Meeting. The unresolved issues may please be shared with SLBC for discussion in the forthcoming SLBC Meeting.

The State Government is also requested to advise all Collectors and District Magistrates to extend timely support and co-operation to the Lead District Managers & ensure holding the DCC/DLRC meetings separately as per RBI guidelines.

Consideration of the proposal for reduction of frequency of the DLRC meetings.

As per the Lead Bank policy of RBI, The DLRC is a forum to review the pace and quality of implementation of various Programmes under the LBS in the district, DLRC meetings are chaired by the District Collector and attended by members of the DCC. Public Representatives, i.e. Local MPs/MLAs/Zilla Parishad chiefs are also invited to these meetings. The DLRC meetings should be convened by the Lead Banks at least once a quarter. Lead Banks must fix dates of DLRC Meetings, taking into account the convenience of the MPs.

The frequency of DLRC meetings, often hindered by the unavailability of public representatives, poses a challenge for lead banks in ensuring regularity. The proposal for reduction in the frequency of DLRC meetings was placed before the Committee for discussion.

Absenteeism in DCC/ DLRC Meetings

DCC and DLRC are important forums facilitating coordination among commercial banks, Government agencies and other stakeholders at the district level to review and find solutions to the problems hindering development activities. Hence, it is necessary that all the members participate and deliberate in these meetings.

However, it is observed that some banks are not attending the DCC and DLRC meetings of various districts. Also, the absenteeism of banks from the said meetings has been recurring for one or more than one quarters for more than one districts. Further, officials attending the meetings are lacking any prior preparation/ background for the said meetings.

All banks are advised to issue suitable instructions to the district coordinators for meticulous compliance.

Strengthening of LDMs

As per the Master Circular of Reserve Bank of India on Lead Bank Scheme, dated April 3, 2023, the effectiveness of the Lead Bank scheme depends on the dynamism of the District Collectors and the Lead District Managers (LDMs), with supportive role of the Regional/ Zonal Office. The office of LDMs should be sufficiently strengthened with appropriate infrastructural & manpower support.



Controllers of the Lead Banks in the State are requested to provide adequate staff and other infrastructure facilities to strengthen the LDM's office.

9.5 Timely submission of data by banks, adhering to the schedule of SLBC meeting as per Master Circular on Lead Bank Scheme

As per the Master Circular on Lead Bank Scheme by Reserve Bank of India, to improve the effectiveness and streamline the functioning of SLBC/UTLBC meetings, SLBC Convenor Banks have been advised to prepare a yearly calendar of programmes (calendar year basis) at the beginning of the year itself, for conducting the meetings. One of the key aspects of SLBC meetings is the timely submission of data by banks which ensures smooth functioning, efficient decision-making and better financial inclusion. All banks should ensure submission of correct and timely data for timely conduct of the SLBC meetings.

Concluding Remarks by Regional Director, Reserve Bank of India

The Regional Director, RBI, Bhubaneswar stated that economy is on a positive glide path and as per advance estimates household consumption is going to be much higher. Private capex will be higher and both State and Central Government continue to thrust on Capex. So, bankers should fund adequately to these kinds of activities.

Secondly, he informed that it has been in the print media that accounts in Bhubaneswar are being used as money mules, reasons being lack of KYC among other things. Globally and moreover in India, the regulator is very stringent on KYC and strict actions have been taken. He advised the banks to strictly adhere to KYC norms so as to prevent their banks from being used by fraudsters and used as mule accounts.

Thirdly, he advised the banks to complete the 100% digitalization by March 31, 2024. He also advised the banks to adhere to the timeliness and accurate submission of data to SLBC and further, banks may rectify the data that has been reported earlier.

Fourthly, as discussed in the last EC meeting on MSME, considering the low entrepreneurial base of the state, each bank should give thrust on the relevant data of new borrower who had not access to institutional finance earlier.

Further, addressing to the forum, he advised that SLBC mechanism has to be strengthened so that the aberrations in the data can be validated before the meeting. He stressed that SLBC convenor bank should co-ordinate with other banks for timely and accurate data submission by banks. In the event of non-cooperation related to timely and accurate submission of data from the banks, the discussions in the meeting loses its relevance.

Subsequently, he laid emphasis on Master Circular on Lead Bank Scheme dated April 03, 2023 wherein it states that State Level Bankers' Committee meetings should primarily focus on policy issues with participation of only the senior functionaries of the banks/ Government Departments. All routine issues may be delegated to sub-committee(s) of the SLBC. However, the SLBC is not adhering to the guidelines and the meetings are not



held as per the Master Circular on LBS. Further, he said that micro issues should be discussed in the different Sub-Committee meetings.

During the discussion the following action points are emerged.

1. All banks to continue the momentum to achieve the ACP of the current year.
2. Targets under social security schemes are to be achieved.
3. The ticket size of crop loan is to be increased specially by RRBs & Cooperative Bank.
4. All Banks to actively participate and expedite sanctions under 'Mission Shakti Scooter Yojana'.
5. All banks have to process the applications under various schemes in a time bound manner to reduce pendency.
6. All banks to ensure 100% digitalization in 26 districts by 31.03.2024.
7. All banks to ensure timely and accurate data submission to SLBC within the stipulated time frame.

As there were no other agenda items for discussion the meeting ended with vote of thanks by In-charge, SLBC.

**General Manager and Convenor
SLBC, Odisha**
