

Minutes of the 106th State Level Bankers' Committee (SLBC), Rajasthan,
meeting held at Jaipur on Tuesday the 21st September, 2010

The 106th meeting of SLBC was held on 21st Sept, 2010 at Jaipur under the Chairmanship of Shri N.S.Srinath, Executive Director, Bank of Baroda. The meeting was attended by Shri D.B.Gupta (Principal Secretary, Planning), Shri R.K. Meena (Principal Secretary, Agriculture) Shri Rajhans Upadhyay (Commissioner Industries), Shri Madhukar Gupta (Commissioner Social justice and Empowerment), Shri Tanmay Kumar (Commissioner NREGA and Secretary Rural Development), Ms. Sarita Singh (Commissioner & Secretary Women and Child Development), Shri B.P.Kanungo (Regional Director, RBI) Shri K. Murlidhar Rao (CGM, NABARD), Shri R.R.Kulkarni (DGM, RBI, representative of CAB, Pune) and other senior functionaries of State Government, Controlling Heads of Banks/ Financial institutions & other agencies. The list of participants is **annexed**.

Shri B.B.Garg, Convener SLBC and General Manager, Bank of Baroda, welcomed Shri N.S.Srinath, Executive Director, Bank of Baroda to preside over the 106th meeting of SLBC Rajasthan. He also welcomed Principal Secretaries of the State, Regional Director RBI, CGM NABARD, other officials of the State Government, executives of RBI, Banks and Financial Institutions and representatives of other agencies to the SLBC meeting.

श्री बी.बी.गर्ग, ने अपने उद्बोधन में कहा कि आज से 3 माह पूर्व हुई 105 वीं बैठक में हम सभी में मानसून को लेकर एक असमंजस की स्थिति बनी हुई थी। यह हम सब के लिए खुशी की बात है कि राज्य में मानसून की विशेष मेहरबानी रही और लम्बी अवधि के बाद में राज्य में अबतक औसत से अधिक वर्षा हो चुकी है। राजस्थान की अर्थव्यवस्था जो प्रमुख रूप से कृषि पर आधारित है, उसके लिए यह मानसून आर्थिक विकास के लिए शुभ संकेत है और निश्चय ही बैंक व्यवसाय के दृष्टिकोण से भी यह हर्ष का विषय है।

कुछ माह पूर्व जब विश्वमंदी का माहौल था तब हमारे देश पर इसका उतना प्रभाव नहीं पड़ा जो अन्य देशों ने महसूस किया था। इसका एक कारण यह था कि हम घरेलू मांग को कायम रखने में सफल रहे और ज्यादातर यह मांग ग्रामीण क्षेत्रों में हुई। यह साबित हो चुका है कि ग्रामीण क्षेत्र इस प्रकार के संकट के समय आर्थिक और रोजगार सुरक्षा प्रदान करवाते हैं।

बैंकों के राष्ट्रीयकरण व ग्रामीण बैंकों की स्थापना के बाद आज भी 2 तिहाई से ज्यादा जनसंख्या औपचारिक वित्तीय सेवाओं से वंचित है और इसके लिए भारत सरकार, रिजर्व बैंक व राज्य सरकार के संरक्षण में उठाये गये वित्तीय समावेशन के कदम से हम कह सकते हैं कि एक कृषि अर्थव्यवस्था ने औद्योगिक व्यवस्था वाले आधुनिक समाज की ओर बढ़ना प्रारम्भ कर दिया है। आज बिना बैंक वाले गांवों का चयन कर बैंकिंग सुविधा पहुंचाने हेतु रोल आउट प्लान तैयार कर आगे की कार्यवाही की जा रही है, जिससे 2000 से अधिक आबादी वाले गांवों को यह सुविधा **31 मार्च, 2012** से पहले मिल सके।

ग्रामीण क्षेत्रों में वित्तीय सेवाओं के साथ-साथ अर्थव्यवस्था का विविधीकरण करना, कृषि के परम्परागत तरीकों में बदलाव और कृषि क्षेत्र के साथ साथ गैर कृषि रोजगार व उद्यमशीलता को बढ़ावा दिया जाना एवं स्वरोजगार स्थापित करने के लिए वित्तीय साक्षरता/जागरूकता व रोजगार से जुड़े प्रशिक्षण ऐसे पहलू हैं जो ग्रामीण विकास में महत्वपूर्ण भूमिका अदा कर सकते हैं। राजस्थान की राज्य स्तरीय बैंकर्स समिति राज्य के विकास से जुड़ी योजनाओं में सक्रिय भूमिका निभाती रही है।

आज तक इन सभी योजनाओं में लक्ष्यों को पूरा करने में सभी बैंकों का अच्छा प्रदर्शन रहता रहा है व योजनाओं के निर्धारित लक्ष्यों की प्राप्ति की जाती रही है। पिछले वर्ष के आंकड़े इस बात के सूचक हैं। चालू वित्तीय वर्ष के दौरान जून तिमाही तक वार्षिक साख योजना में ऋण वितरण का 29% लक्ष्य प्राप्त कर लिया गया है। हालांकि जून 2010 को समाप्त हुई तिमाही तक विभिन्न सरकारी योजनाओं में कुछ कम प्रगति हुई है, पर इसका एक कारण पर्याप्त मात्रा में आवेदन पत्रों का प्रायोजित ना होना भी है। मैं सदन को आश्चस्त करता हूं कि विभिन्न योजनाओं में प्रगति आगामी तिमाही में आशानुरूप रहेंगी।

राज्य में वित्त के अभाव में कोई योग्य युवा उच्च शिक्षा से वंचित ना रहे व सभी योग्य विद्यार्थियों को आसान शर्तों पर ऋण उपलब्धता हो इस हेतु राज्य स्तरीय बैंकर्स समिति द्वारा पहल कर SLBC उप समिति का गठन किया गया है जिसकी पहली बैठक हाल ही में दिनांक **19 अगस्त 2010** को श्री विपिन चन्द शर्मा, प्रमुख शासन सचिव, तकनीकी शिक्षा की सहअध्यक्षता में सम्पन्न की गई है। राज्य में कार्यरत सभी बैंकों ने शिक्षा हेतु आगे बढ़ कर ऋण उपलब्ध करवाने में सहभागिता/रूझान दिखाया है व चालू वर्ष के दौरान लगभग 22000 विद्यार्थियों को शिक्षा ऋण उपलब्ध करवाने का लक्ष्य रखा गया है।

सामान्यतया बैंकों द्वारा दी जाने वाली सेवाओं की समुचित जानकारी के अभाव में ग्राहकों को कभी-कभी अनचाही परेशानी का सामना करना पड़ जाता है। ग्राहकों व बैंक के बीच निष्पक्ष व सोहार्दपूर्ण सम्बन्ध बढ़ाने के लिए सभी बैंकों द्वारा एक स्वच्छ कोड अपनाया गया है। भारतीय रिजर्व बैंक ने बैंकों द्वारा अपनाए गए ग्राहक सेवा कोड की निगरानी हेतु **भारतीय**

बैंकिंग कोड व मानक बोर्ड का गठन किया है। दिनांक 27 अगस्त, 2010 को वित्तीय समावेशन हेतु गठित SLBC की उप समिति बैठक में भारतीय बैंकिंग कोड व मानक बोर्ड के प्रतिनिधि श्री अरोड़ा द्वारा ग्राहको और बैंक प्रतिनिधियों में बैंकिंग कोड के प्रति जागरूकता के बारे में विस्तार से जानकारी दी थी। मैं समझता हूँ कि इस प्रकार के बैंकिंग साक्षरता अभियान निश्चित रूप से सभी के लिए फायदेमंद रहेंगे।

श्री गर्ग ने कहाँ कि वे आश्चस्त हैं कि सभी सदस्यों के सहयोग से प्रदेश के आर्थिक परिदृश्य में परिवर्तन परिलक्षित होगा। उन्होंने ने विश्वास व्यक्त किया की मंचासीन महानुभवो के मार्गनिर्देशन मे आज की सभा मे प्रदेश के उत्थान् के लिये प्रभावी चर्चा की जायेगी। इन्ही शब्दो के साथ उनके द्वारा सभी सहभागीयो का पुनः स्वागत करते हुए अध्यक्ष महोदय से उदबोधन देने हेतु आग्रह किया गया।

Chairman of the meeting Shri N.S.Srinath, Executive Director, Bank of Baroda, welcomed the dignitaries on the dias and the participants to the SLBC meeting. He said SLBC Rajasthan and the performance of the Banks is quite good and encouraging and it is a pleasure to be a part of it. Taking a brief review of the economic scenario in the country, he said that:

- As per the annual report of the RBI, as India avoided a financial crisis at home, the risk of a potential output shock is remote. With fiscal consolidation, favourable demography and further structural reforms, the potential growth could be raised to double-digit level.
- The impact of deficient monsoon of FY10 on growth is weakening, whereas the impact on inflation continues to be significant.
- Since November 2009, the relative price variability has declined, despite inflation remaining high, indicating that the inflation has become increasingly generalized, and hence, requiring appropriate monetary policy actions to anchor inflation expectations.
- A greater pace of rise in asset prices continued to remain a concern in India from the point of macroeconomic management, notwithstanding some moderation in Q4, FY10. However, its implication for inflation remained contained.
- Despite lower trade deficit, the decline in invisibles surplus led to a higher current account deficit of 2.9% of GDP during FY10 as compared with 2.4% of

GDP a year ago. A higher current account deficit led to stronger absorption of foreign capital.

- Capital flows in the initial months of FY11 moderated somewhat, reflecting the drop in risk appetite of global investors in response to the sovereign risk concerns in the Euro zone. Given the stronger growth outlook of India and the probability of monetary exit being delayed by the advanced economies, capital inflows could be expected to accelerate, which will have to be managed, as in the past.
- During FY10, several steps were taken by the RBI to further strengthen the financial stability framework. Critical financial soundness indicators (FSIs) and stress test results suggested that the Indian financial system remains sound and resilient.

He said that in its mid term review of monetary policy released on 16th Sep, 2010 RBI has increased repo rate by 25 bps to 6% and reverse repo by 50 bps to 5%. According to Indian Government sources, kharif crops have been sown in 950.22 lakh ha area till Aug 26th 2010 versus 871.29 lakh ha a year ago. The sowing of all major crops this year is more than that in the last kharif season. As per data received from States, on year on year basis, the acreage sown under paddy is up 6.5%, coarse cereals up 10.6%, oilseeds up 3.6%, pulses up 22.1%, sugarcane up 14.1%, jute up 9.5% and cotton up 8.6%.

The increase in farm output is crucial to meet the target of 8.5 percent growth. Looking to the good monsoon this year a bumper grain harvest is envisaged with higher production of pulses & cereals. The increase in interest subvention for timely repayment of loans to 2 percent will help in improving the recovery climate and will give the much needed relief to the regular repaying farmers.

He noted that for the State the annual target for agriculture under ACP 2010-11 is Rs.20000 crs. and I am happy to share that 31 % of the annual targets have been achieved in first quarter itself, which is appreciable and we should aim for surpassing the annual target this year also.

Central and the State Governments are coming with various schemes to promote agriculture and other economically important sectors like MSME, exports, infrastructure at an affordable rate, which provides enormous opportunities as well as challenges to the lending institutes specially banks operating in the country. It is up to the banks to leverage the opportunities to meet the challenges to the best of their abilities. In addition to that, providing banking services to unbanked villages / weaker sections of the society through financial inclusion drive by adopting appropriate business model and using appropriate technology can also be seen as an opportunity to tap huge future customer base.

He said that growth with equity has been the central objective right from the inception of the planning process in India. Initiatives have been taken continuously by the Government and the Reserve Bank to address the issue of inclusive growth. It is commendable that the State of Rajasthan has been flag bearer in the preparation of Road map and then providing the roll out plan for financial inclusion in the identified 3911 unbanked villages with population over 2000. Under the roll out plan 65 villages have been covered as of June-2010. I am confident that Rajasthan would be amongst the first few States to achieve the mandate of MoF, GOI, and RBI by rolling out the plan well before the stipulated time. A vigorous follow up for conclusion of various processes involved in the matter is needed so that a good percentage of unbanked villages are covered by 31st March, 2011.

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

- -57- New branches opened during first quarter of FY 2010-11, with this the total Bank branches in the State has increased to 4712. The rural and semi urban branches account for 72% of total bank branches
- CD ratio in the State is 86.86 %
- Outstanding Priority Sector Advances are Rs.47924 Crores, which is 46.40% of total advances.
- Outstanding Agriculture Advances are Rs.26911 Crores, which is 26.05% of total advances.

- Advances to weaker sections are Rs.14385, which is 13.93% of total advance.
- Under ACP the disbursements to priority sector during the first quarter have been at Rs.8623, indicating 29% achievement of annual target of Rs 29580 crore
- R-SETI have been set up in the State in 30 districts, out of a total of 33 districts
- Financial Literacy and Credit Counseling Centre (FLCC) have been set up in 5 districts.

Keeping in view the contribution of Micro, Small and Medium Scale industries in the development of the State, high priority to cluster based development of MSMEs is given by the State Government as well as the Banking Sector.

The State is a paradigm for the collaboration amongst Government Departments, RBI, NABARD and all the Banking Sector and meeting of SLBC, Rajasthan has always provided a forum to resolve the developmental ISSUES and bring new ideas / initiatives for overall economic growth of the State. He said that we will also be taking review of the progress under various Government Sponsored schemes and other developmental ISSUES of the state during the course of the discussions on Agenda items. Concluding his address he said that he look forward for active and fruitful deliberations by all the members on the agenda items.

Regional Director, RBI, said that the Rajasthan State has achieved its targets under agriculture, priority sector, CD ratio and under all the parameters. Being the first quarter the achievement may have remained a little low, but we are hopeful to achieve the target in the remaining three quarter.

Financial inclusion is on the top of the policy agenda and is being monitored at various levels. Two Sub-committee meetings have been held to review the progress under Financial Inclusion. He exhorted the member banks to aim for accomplishing the task much before the deadline. He requested the banks for submission of reporting format for implementation of various recommendation of the high level committee on Lead Bank Scheme in time.

He informed that Rajasthan is in the forefront, in the establishment of the RSETIs. Recently one R-SETI and FLCC in Sawai Madhopur has been opened by Bank of Baroda, which was inaugurated by the Hon'ble Minister of State Finance, GoI, Shri Namo Narain Meena. There are -32- R-SETIs established in 30 District of the State. Further, the total -5- FLCCs have been opened in -5- districts. He said that it is expected that the lead banks will take the lead and atleast one FLCC each will be set up by them in their lead District.

He informed that the Chief Secretary, GoR, has been requested to include social and financial topics in the school curriculum. The respective department and their office at Bikaner is seized of the matter. It has been requested to include the same in the school Syllabus from next year onwards.

He said that the representative from the **College of Agriculture Banking Pune (CAB)**, Mr. R.R.Kulkarni is attending this SLBC meeting. The college is undertaking a project to collect the best practices of various SLBCs. It is envisaged that information for the best practices followed will be forwarded to all the SLBCs for implementation. In the State we have already been doing that at our level, by replicating initiatives taken else where in a much bigger way. The SLBC meetings are attended by the top level officials of all the banks, and the Principal Secretary level from the government. He requested the Principal Secretary (Plan) and the Convener to take up the issue for having the presence of the Chief Secretary and Chief Minister also in some of the meetings, as this forum will immensely benefit from their presence.

He informed that the Regional Intelligence council, under Income Tax Department has informed that many banks are issuing multiple drafts in the name of one person. He requested the controllers for issuing instructions to their branches that whenever multiple drafts are being issued PAN no. should be obtained and if it is not available then form 60/61 properly filled up be obtained.

Convener requested that the ATR on the Recommendation of the high level committee on lead bank scheme is to be invariably submitted by all the lead banks in

time. He also suggested for arranging a meeting of all the RSETI in-charge to share the best practices being followed.

CGM, NABARD informed that GOI has fixed a target of Rs.20000 crore for Agriculture Credit for the State for the current year. He complimented the convener for disaggregating the figure district-wise and agency-wise. He further put on record his appreciation that the first quarter achievement under agriculture is 13% more than the previous year's corresponding quarter and expressed that this figure is going to jump up in the second quarter, as the rains picked up from July onwards. He informed that the refinance drawl both from the Cooperative sector and the RRB sector is much ahead of their expectations. They are planning to disburse Rs.3000 crores of refinance support for production credit to these institutions which is 35% more than the last year. Given the high base effect the current year performance is very good.

He shared that they have already begun the exercise of preparation of potential linked assessment for the next FY 2011-12. The tentative figures that are available with NABARD suggest that for the next year they may make projection of Rs. 28000 crore for agriculture credit, which is 37% over the current year.

He said some of the districts are posting low CD Ratio. He suggested to tap the available potential by these districts to increase the CD Ratio through aggressive lending with small ticket sized products with emphasis on financing the SHG and JLGs.

Principal Secretary. Planning apprised the house regarding the meeting chaired by the Union Finance Minister in Mumbai where Chief Minister, Rajasthan also participated. The point was raised by the Chief Minister that the central government has come out with several innovative and fundamental schemes like Right to Education, Right to Information and then Right to Employment in the form of NREGA. Therefore, there should now be the turn of a scheme for Right to Home or Shelter.

He conveyed that he has been told by the Chief Minister and the Chief Secretary that they will be more than happy to participate in the meeting. It can happen any time, and the Chief Secretary will definitely be there in one of the meetings.

The major points the State government has also to take up with the banks e.g. credit to MSE, centrally sponsored schemes specially NREGA etc. He said regarding credit to urban poor under different government programmes subsidy of Rs.50000/- is being given which is very less because cost of construction of houses has risen and for meeting the remainder amount loan plays an important part.

He informed that the State is rolling out the Unique Identification Number (**UID**) project, and Alwar district has been chosen as a Pilot district. He informed that the Finance Commission has recommended Rs. 100 per person per BPL family as one time grant to the State under UID. State Government has taken a decision to transfer this entire amount to the BPL family, so that this acts as an incentive for them to come for the biometrics when camps are arranged.

Convener said that in Alwar PNB is the lead Bank but other banks are also having good number of branches in the district, and they should also participate in the UID project to make it successful right from the start.

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

Agenda No. 1

Confirmation of Minutes 104th SLBC Meeting & Action Taken Report

1.1 Confirmation of Minutes of 105th SLBC meeting held on 25.6.2010.

The minutes of 105th SLBC Rajasthan meeting held on June 25nd, 2010 were circulated vide letter No.रा.अं.:एसएलबीसी:एटीआर:41:2010-11:418-527 dated 10.04.2010 to all the members for necessary action and comments. It was informed that no objections/ comments on the Minutes have been received. House was requested to confirm the minutes. The minutes of the meeting were confirmed by the house.

1.2 Action Taken Report

1. State Govt. to follow the district administration their allotment of land to RSETI

Principal Secretary, Rural Development on 23.3.2010 advised Dist. Collectors to allot land to RSETI. The Convener vide letter dt. 2nd August, 2010, has again requested the Principal Secretary to take up the issue of land allotment. Presently land has been allotted in 15 districts and in one district the concerned bank has informed that land is not required by them. As regards remaining 17 districts the issue is placed for discussion under Agenda No. 8.

2. Amendment in PDR act, to include the Banks' dues under Government Sponsored Schemes as State dues under the definition of Financial Assistance for enabling the Banks to recover their dues. Representative of revenue Department, GoR assured the house in 105th SLBC meeting that the issue is under consideration at an advanced stage.

Principal Secretary Planning informed the house that he has been informed by the Principal Secretary, Revenue that the decision on the matter is in its final stage as the recommendation on the issue has been sent to the Chief Minister for approval.

The Convener requested that the SLBC may please be informed as soon the decision on the matter is received.

3. Cooperative Bank to re-look their Key Business data and submit complete key data

Representative of Cooperative Bank has apprised the revised information to SLBC vide letter dated 26.06.2010. The issue stands resolved.

4. DCC Convener banks to open FLCCs in their Lead Districts

-5- FLCCs have so far been established in the State. All DCC convener Banks are in advanced stage to open FLCC.

5. Urban Development & Housing department and Nodal Agency is requested to identify the eligible EWS / LIG beneficiaries where land allotment has already been made & provide the district wise details of such beneficiaries. The Department to allocate district wise targets under the scheme & sponsor applications in line with the targets allotted.

Principal Secretary Urban Development, Housing & LSG Department, GoR vide letter dated 4th Aug, 2010 has informed Convener, SLBC that to promote the scheme the Nodal Agency i.e. Avas Vikas Ltd. has been advised to organize one day workshop to discuss the ISSUES related to the scheme and fix the targets for FY 2010-11,2011-12, and 2012-13 and measures to publicize the scheme.

6. Member Banks are requested to ensure to upload the required data on SLBC web site within 30 days from the close of quarter.

Banks have assured of uploading the data on SLBC website. Presently only 9 out of 56 Banks have uploaded the data.

Agenda No. 2

Social Banking Parameters and Annual Credit Plan

Key Business Parameter:

Convener informed that 57 new branches have been added during the first quarter of FY 2010-11. The total branch net works in the State as on 30.06.2010 is 4712. It was informed that the rural and semi-urban branches constitute 72% of the total branch net work. The performance highlights **as on June-2010** are as under:

- CD Ratio 86.86%.
- CD Ratio of Co-operative Banks has declined during the year by 36% on a Y-0-Y basis, due to lower credit off take and increase in total deposits.
- CD Ratio of all major Banks is above 60%, excepting Mewar Anchalik Gramin Bank and ICICI Bank (after merger with Bank of Rajasthan Ltd i.e. 56.41)
- Total deposits Rs.123918 crores (growth over Mar-10 is 5.57%)
- Total advances Rs. 103295 crores (growth over Mar-10 is 1.45%)
- All social banking parameters are above the RBI bench Mark.
- Advances to sub-sectors as a percentage to total advances is Priority sector 46.60%, Agriculture advances 26.05%, and weaker sections 13.93%.
- Growth under total advances to minor community is 7.60% over March-10. However, it is below the mandate level of 15% of total Priority Sector.
- Mewar Anchalik Gramin Bank and ICICI Bank were requested to make suitable strategies for improving the C:D ratio . Lead District Managers were requested to monitor CD Ratio in the district through DCC as per the RBI guidelines.

The Chairman observed that we are lagging behind in advances to minority community, though there is an improvement vis-à-vis March. The related issues are proper classification and increased lending to minority community.

The Convener requested the DCC convener Banks that in the districts where CD ratio is low they should issue necessary instructions to their LDMs for taking up the

issue in the DCC meetings for drawing suitable strategies to improve the CD ratio to the bench mark level atleast.

Annual Credit Plan 2010-11 – Performance upto June-10

The house was informed that the achievement under ACP as on June -10 is 29% of annual targets. Major contributions are from Agriculture and MSE sector. The ACP achievement in agriculture sector is 3% lower over the corresponding period of June 09, due to the fact that from 1.04.2010, advances to electricity board has been withdrawn from being included under indirect agriculture.

In Ajmer, Bharatpur, Dungarpur, Dholpur, Pali, Sirohi, Udaipur Districts achievement under ACP is less than 20% and in Churu, Dausa, Jodhpur and Rajasamand achievement is between 20-25%. The Controlling heads of DCC Convener Banks were requested to take up the matter with their lead districts to monitor & follow up the progress under various sectors under ACP, and ensure 100% achievement.

Principal Secretray (Agriculture) informed that Ministry of Agriculture is promoting horticulture in a big way. The project of water conservation is also being undertaken in a large scale and 5000 diggies are proposed to be constructed during current year. Subsidy of Rs 2 lacs is being given by the state government. For next year it will be scaled up to 20000 diggies. Under Farm pond scheme, State Government is providing subsidy up to Rs. 50000/-. The member banks were requested to promote these schemes. Convener requested Principal Secretary (Agriculture) for organizing sensitization workshop for the horticulture scheme.

Agenda No. 3

Financial Inclusion, Under banked/ Unbanked –District/ Block, Adoption of Electronic Benefit Transfer, FLCC & Debt swap

3.1 Financial Inclusion:

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

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

House has discussed the issue of financial inclusion very actively since 100th SLBC meeting. 3911 un-banked villages having population over 2000 have been identified for providing banking services by Mar-2012, which have been allotted to 24 banks (23 now after merger of BoR with ICICI). Roll out plan has been received from all banks, except Punjab & Sind Bank. The Road map and roll out plan for the State is uploaded on SLBC website. Sub-committee of SLBC has been constituted for implementation and regular monitoring of roll out plan. Two sub-committee meetings have so far been held on 11.06.10 and 27.08.10.

Developments - subsequent to 105th SLBC meeting::

- Out of new branches opened during first quarter, 12 Branches have been opened in under- banked districts.
- As per roll out plan submitted by banks, 72 villages were proposed to be covered by June-10, against which 65 villages have been covered.
- The second meeting of sub-committee of SLBC (FI) was held on 27.08.2010 to review the progress of roll out plan.

Summary for immediate reference of implementation of Roll out plan::

Bank	Target June, 10	Progress as on Jun, 2010				Variance
		Branch	Satellite Branch	BC Model	Total	
BOB	3	-	-	11	11	+8
BOI	7	-	-	-	-	-7
BOM	1	-	-	-	-	-1
MGB	9	9	-	-	9	-
OBC	26	5	-	14	19	-7
PNB	11	-	-	11	11	-
SBI	2	2	-	-	2	-
SBBJ	6	6	-	-	6	-
UBI	7	1	1	-	2	-5
CBI	-	-	-	5	5	+5
Total	72	23	1	41	65	(-7)

ISSUE:

- It was requested that the roll out of road map is to be as per plan submitted by individual banks. The issue of reallocation of villages may be taken in the respective DCC sub-committee.
- Need for creating awareness at the grass root level was discussed.
- DCC convener Banks were requested for ensuring monthly meeting to review the progress of roll out plan in their lead districts.
- Active participation of State Govt officials, LDO-RBI, DDM-NABARD, and banks is to be ensured
- Financial Inclusion should include, apart from no frill accounts, provision of credit facilities through KCC / GCC/ ACC etc.

Commissioner, NREGA informed that GOR is at an advance stage of finalizing the end to end solution of MGNAREGA. GOI has released the document for end to end solution of NREGA and they have also incorporated the linkage with UIDAI and its complete integration with core banking solution. He said presently the focus is on coverage of 3911 villages having population over 2000. Though the dead line as per guidelines is Mar-12, however, the roll out plan should be expedited with a sense of urgency. It is imperative that all the NREGA accounts in various brick and mortar branches also become fully ICT enabled so that the accounts/ wages may be electronically transferred at the site itself. He said issue of coverage of villages less than 2000 population is also to be looked into, and similar road map should be made for these villages. He requested the banks to inform about the company / agency engaged for BC model, so that they can also coordinate with the collector for having a joint meeting with the agency to firm up the roll out plan.

Commissioner Social justice and Empowerment discussed the issue of problems reported in opening of zero balance SB a/cs, specially regarding centrally sponsored schemes. He requested the banks for issuing directions to branches for opening "o" balance accounts.

The Convener said that taking forward to what Commissioner NREGA has said, a holistic approach is to be taken. He said as per guidelines 3911 villages with

population over 2000 are to be covered by Mar-12, and accordingly the reporting is being done. However, simultaneously contiguous villages are also being covered of population less than 2000, which are not included in the reporting. Banks have floated their individual RFPs and the same are under process. He requested the banks that details of service provider be provided to the State govt, upon finalization. He informed that the provisional data has been collected by the SLBC from the banks for the total list of unbanked villages in the State. Once the data is finalized we will upload the same on SLBC website. As regards opening of "0" balance accounts, the issue is being reiterated by us time to time. The controllers are requested to sensitize the branches in this regard.

The Chairman said UIDAI has appointed Registrar and service provider, for collecting massive biometric data which will not be loaded to the Banks sites. Once the UID No. is provided to the customers that will be loaded on banks server. He said that financial inclusion and UID is to be treated independently. Primary objective is to cover all the villages with population over 2000, and side by side all the peripheral villages will also be covered. At this juncture delivery of services to doors of the balance villages may not happen but they will be accommodated in the villages with business correspondent. The state government officials should also associate in the awareness campaigns.

3.3 Financial Literacy and Credit Counseling Centre (FLCC):

The Model Scheme for "Financial Literacy and Credit Counseling Centres (FLCC)", was placed in 102nd SLBC meeting. One meeting of the sub-committee of SLBC for reviewing the functioning of FLCC in the State was convened on 15.01.10, under the Chairmanship of Regional Director, RBI. As of now Five FLCCs have been set up in the State.

RD RBI suggested that 50% of the districts should have an FLCC by Dec-10 and remaining districts by Mar-11.

ISSUES::

- All the DCC Convener banks were requested to submit progress of setting up of FLCC in their lead districts.

- ICICI bank was requested to set up FLCCs at the center of their choice in the State in tune with their network of 372 branches now after merger of BoR
- Major banks, other than DCC Convener Banks, operating in the State may also come forward to open FLCC at centres of their choice.
- Banks who have setup R-SETI in the State may consider taking initiative for establishing FLCC with existing R-SETIs.

3.4 Debt Swap Review:

As a beginning 50 villages were adopted by Commercial Banks & RRBs and as per information received from Banks all these villages are declared free from private money lenders and completion of process has been confirmed. A request was made by the Convener to the Banker colleagues to keep the campaign alive on an ongoing basis. It was suggested vide SLBC letter dated 16.08.2010 to all DCC convener Banks and Regional Rural Banks to adopt some more villages as per their convenience to make them free from private money lenders. PNB has identified 5 more villages to make them free from private money lenders. Bank of Baroda has adopted 100 more villages to make them free from Private Money Lenders and out of which 37 villages have been declared free from Private Money Lenders as on June 2010.

3.5 Report of High Level Committee to review Lead Bank Scheme (LBS)- Recommendation for State Government:

RBI vide letter dated 14.07.2010 informed SLBC regarding the recommendation of Report of High Level Committee to review Lead Bank Scheme (LBS). A greater role is envisaged from the State Government to support the initiatives of Banks towards greater financial inclusion and ensuring flow of credit to the priority sectors.

Some of the recommendations pertaining to State Governments are:

- State Government may support recovery drives conducted by the banks and ensure adequate due diligence in selection of beneficiaries under Government Sponsored Schemes.
- State governments may lend their supports for sensitization of the bank officials posted as Lead District Managers, to familiarize themselves with the

Government's role and functioning with regards to developmental programmes.

- State Government may assist banks to evolve a suitable tracking mechanism to monitor educational loans granted by the banks so as to ensure proper recovery of such loans.

Agenda No. 4

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

4.1 Agriculture Credit flow- Kisan Credit Card:

During first quarter credit disbursement under Agriculture Sector has been to the tune of Rs.26910 Crore, out of which about 50% is disbursed for short term crop loan under KCC. The revised target for ground level credit for agriculture for the State for FY 2010-11 is of Rs.20000 crores, indicating a growth of 24.29%. It was further informed that NABARD vide letter dated 30.08.2010 has advised SLBC regarding various new schemes i.e. "GoI Credit Linked Subsidy Schemes". Details of the schemes have been circulated to all the members of SLBC.

Centrally sponsored Schemes are as under::

1. Poultry Estate and Mother units for Rural Backyard Poultry
2. Integrated Development of small ruminant & Rabbits
3. Salvaging and Rearing of Male Buffalo
4. Pig Development

CGM NABARD, informed that GOI has during the current year introduced seven new schemes under the animal husbandry sector, all activities under animal husbandry sector will now be eligible for 25% capital subsidy, excepting dairy and venture. The scheme for sheep and goat has been extended to all the districts of the state. The NGOs are also being identified for sponsoring the applications, but it is not mandatory. He said that a target of 1500 JLGs has been given for this year, which will be scaled up next year.

4.2 Crop Insurance:

Department of Agriculture, Ministry of Agriculture, Government of India vide letter dated 3rd March 2010 has conveyed the decision to continue with implementation of Pilot for Weather Based Crop insurance Scheme (WBCIS) during Kharif 2010 season.

In the 105th SLBC meeting issue was deliberated and member banks had requested the State Government to extend the cut off date from 15th Jul, 2010 to 31st Jul, 2010, looking to the delay in the onset of monsoon. Acceding to the request, the Agriculture Department informed that the cutoff date will be 15.07.10 for the farmers who are already Kisan Credit Card holder, and 31st July 2010 for the New Farmers. Amendment was circulated vide SLBC letter on 06.07.10 to all member Banks and LDMs.

ISSUES::

- Banks were requested to give focus on the investment credit under agriculture sector to create capital assets.
- DCC convener banks were requested to advise their Lead District Managers to ensure that KCCs are issued to all eligible & willing Farmers.

<p style="text-align: center;">Agenda No. 5 : Education Loan</p>

The Government has stressed the need for giving impetus to providing education loans in general and collateral free loans upto Rs.4.00 lacs in particular. The issue was 1st taken up in 105th SLBC meeting. Following initiatives have been taken after 105th SLBC meeting to propagate scheme of collateral free education loans upto ` 4.00 lacs to the needy:

- Department of Technical Education, GoR has released an advertisement in local news papers regarding education loan scheme.
- Gol, Ministry of Human Resource Development has announced a Central Scheme to provide Interest Subsidy on education loan.

- Convener SLBC requested all member Banks to fix self set targets under education loan for themselves for FY 2010-11.
- A sub-committee Meeting of SLBC on Education Loan was held on 19th August, 2010, co-chaired by the Principal Secretary (Technical Education), GoR and Convener SLBC to discuss the scheme and sensitize the bankers.
- The outstanding education loans of the Banks in the State as on 30.06.2010 are Rs.891.23 crore to 43751 students. Banks responding to the call given by SLBC have set for themselves self set targets for the FY 2010-11 indicating sanction of fresh education loan of about 550 crore
- Contribution of DCC convener banks in education loan is 76% in total accounts and 76% in total out standing.
- Major disbursement under Education loan takes place in 2nd and 3rd Quarter of the financial year.

Major features of the interest subsidy scheme on education loan ::

Interest subsidy will be available for the education loan taken by students from economically weaker sections (parental / family income per annum not exceeding Rs.4.50 lacs):

- For pursuing technical / professional streams from recognized institutes in India.
- Interest subsidy is available for the period of moratorium (course period + one year or 6 months after getting job, which ever is earlier) of the education loan.
- Interest subsidy shall be available to the eligible student only once either for the first under graduate degree or the post graduate degree course.
- The scheme will be applicable from the academic year 2009-2010 starting from 1st April 2009.

The Principal Secretary (Plan) informed that instances have come to notice that branches demand collateral security for education loans for Rs.4.00 lacs and below. He emphasized the need for the controllers of the banks to percolate the guidelines of collateral free loans upto Rs.4.00 to the Branch Managers.

The Convener said that no collateral is required in education loan upto Rs. 4 lac. He highlighted the need to sensitize the branches in this regard, to obviate possibilities of complaint on this behalf. He submitted that any complaint / issue in this regard should be brought to our notice so that the same can be taken up with the respective bank.

Issue::

- (i) Member Banks to ensure achievement of the self set targets for the FY 2010-11
- (i) Banks to percolate awareness of Interest Subsidy Scheme to branches
- (i) Private Sector Banks, RRBs & Co-operative Banks were requested to revisit the self set target and contribute more in dispensation of education loans

Agenda No. 6

Interest Subsidy scheme For Housing the Urban poor (ISHUP)

The details of the scheme were placed in 102nd and subsequent SLBC meetings. State Govt. on 28.12.2009 declared the "Affordable Housing Policy-2009" wherein Avas Vikas Ltd. has been nominated as Nodal Agency. Meeting of SLBC conveners was convened by National Housing Bank on 8.06.2010 at Delhi, which was attended by Convener, SLBC, Rajasthan. Issue emerged in the meeting were placed in 105th SLBC meeting.

Initiatives taken by SLBC to promote the scheme:

- SLBC vide letter dated 26.06.2010 requested the Principal Secretary, Housing and Urban Development, GoR to instruct the designated nodal agency to inform the district wise targets and sponsoring of applications in line with the targets.
- The request was reiterated vide SLBC letter dated 27.07.2010.
- A list has been provided by JDA, however, the response from other departments i.e. Rajasthan Housing Board, Jodhpur Development Authority, Urban Improvement Trusts, and Municipal Bodies is not forthcoming
- Controlling heads of all DCC convener banks and LDMs have been requested vide letter dated 09.08.2010 to contact the respective authorities for obtaining list

of EWS / LIG land allottees and forwarding the same to the nodal agency for sponsoring of applications to the banks, as per guidelines of the scheme.

- Convener SLBC on its own initiative collected some applications and has got these applications sponsored from the nodal agency M/s. Avas Vikas Ltd.
- As a proactive measure, at SLBC a poster of the scheme was prepared to help promote the scheme. Sufficient copies have been made available to all identified banks, Avas Vikas Ltd and other stake holders.
- Principal Secretary, UD Housing & LSG Dept, has informed vide letter dt 04.08.2010 that Avas Vikas Limited is the designated Nodal Agency for ISHUP scheme
- It was informed that a one day workshop will be organized by AVL for ISHUP scheme. The aim and objectives of the workshop would be to fix the target for the FY 2010-11, 2011-12, and 2012-13
- SLBC vide letter dated 09.08.2010 requested Avas Vikas Ltd, Jaipur for an early organizing of the workshop looking to the nil achievement under the scheme.
- It was also requested to review the progress of scheme in the DLCC / DLRC meeting as a regular agenda item.

ISSUES::

1. The nodal agency M/s Avas Vikas Ltd. was requested to:
 - Advise the Bank wise/ District wise targets under the scheme,
 - To identify individual EWS/ LIG beneficiaries
 - To Sponsor applications of eligible EWS/LIG applicants to banks
 - Organize workshop of all stakeholders as mooted
2. Banks were requested to popularize the scheme and take initiatives to identify the eligible beneficiary and forward the applications to the nodal agency for sponsoring the same to the banks for sanction / disbursement of loans.
3. Nodal Agency was requested to apprise the progress of implementation of housing projects, which have already been taken up by various banks for financing, and the likely date by which loan applications under the project/ scheme will be made available to the banks.

The Convener while deliberating on the issue informed that inspite of initiating so many steps and initiatives the proper response from the Government side is missing. He said unless the scheme is taken up with zeal and enthusiasm the same will not take off.

The representative of UDH informed that under affordable housing schemes applications were invited in the month of August, and a total of 13000 applications are received out of which 11000 are from EWS and LIG category. AVL which is Nodal Agency is preparing final figures and addresses as well the full details will be provided to bankers. It was informed that one day workshop will be organized and the date will be finalized shortly. He informed that the Bank of Baroda has taken lead and collected applications and has sent to AVL, which have been sponsored by AVL. He assured to take up with all the agencies like JDA, Jodhpur Development Authority, and other agencies to fulfill the objective the scheme.

Principal Secretary (Plan) observed that Affordable housing is our policy and our Chief Minister is keen for right to shelter, as already discussed. He advised the concerned department for taking effective steps to ensure on ground implementation of scheme.

DGM, NHB gave the update about scheme features and some of the recent developments which has taken place. He complimented the convener bank for taking initiative. He said that he has gone through the agenda items, and observed that earnestly they have made efforts to get the scheme successful. He said that the progress of the scheme is monitored at Ministry of Housing at Secretary level, as also in the Union Finance Ministers meeting with CMD's of public sector banks. The scheme is available in the NHB website. The scheme has been extended to RRBs also. The scheme can be operated through RRBs and Pvt. Sec. Banks also. The steering committee has allowed for engaging the NGOs for generation of applications, and after the approval of the application they can be paid Rs. 100 per application and this facilitation charges are to be reimbursed by the Ministry. This is expected to be raised to Rs. 500 /- per application. NHB has designed the common application form for use of the bank, which has also been put on their website. The

steering committee has also allowed banks to give the Income certifications by themselves through their procedures of appraisal. The role of the state govt. is to sponsor the cases and issue applicants bonafide and verification of income certificate. The nodal agency AVL has to get these cases sponsored and sent to the banks. In case the applicant approaches the bank for housing loans under the scheme, they have to forward it to nodal agency for sponsoring.

Convener requested for providing details of allotments made by JDA, Jodhpur Development Authority, other urban local bodies. It was informed that BOB is handing over sanctions to 11 beneficiaries today. He emphasized that the scheme is operative upto 31.03.2012; therefore, the implementation needs to be expedited.

Agenda No. 7

**Government Sponsored Programmes / Credit Flow to Minority
Community / DRI / IAY / ACC / SCC**

7.1.1 Government Sponsored Schemes:

7.1.1- Swarnjayanti Gram Swarojagar Yojana (SGSY):

The target allotted under the scheme were placed and deliberated in 105th SLBC meeting.

Core Group meeting was held on 20.07.2010. The representative of Nodal Department was requested for submission of the progress of the scheme District wise and Bank wise for better monitoring of the scheme at bank level. The representative of the nodal department was requested for initiating steps for sponsoring of the application from the start of FY so as to aim for achieving the targets by the end of 3rd Quarter. Banks have disbursed Rs.15.36 Crores under the scheme upto June-2010, against the annual target of 158.18 Crores allotted by Ministry of Finance, GOI.

ISSUES::

- Nodal department was requested to furnish district-wise financial targets, in line with targets allotted by Govt. of India, with proper segregation of Bank-wise progress
- To sponsor adequate number of applications in tune with the targets.
- Banks were requested to dispose off the applications within the time limit prescribed.
- Periodical review meetings at Block & District level should be invariably attended by the representatives of Banks & Nodal Department

Commissioner Social justice observed that the achievement under minority community is below the targeted level and for improving the performance.

Convener informed that being the first quarter the progress is slow. He assured that in the following quarters the pace will pick up and banks will be in a position to achieve the targeted level. He also pointed out that the number of applications sponsored is also not in tune with the target, which is one of the major reasons for the lower performance.

7.2.2 Swarnjayanti Shahari Rojgar Yojana (SJSRY)

It was informed that as on June-10, Banks have sanctioned 2193 applications under the scheme, against the annual target of 9000 persons, which is 26 % of the target & have disbursed loan to 546 persons.

Core group meeting was held on 21.07.2010 to review the scheme and to discuss the ISSUES related to MIS. It was informed by the nodal department that the applications relating to FY 2009-10, which remained pending for disposal at the branch level are to be returned to the nodal agency for re-sponsoring.

ISSUES:

- Nodal department was requested to provide Bank wise District wise targets for the FY 2010-11.

7.1.3 Prime Minister Employment Guarantee Scheme (PMEGP):

Against the target of 2471 projects for FY 2010-11, 1235 projects have been sanctioned by the banks, of which 388 projects have been disbursed upto June 2010.

Core group meeting was held on 21.07.2010. The representative of Nodal Agency i.e KVIC could not attend the meeting, however, representatives of DIC informed that applications sanctioned during previous FY, are pending for disbursement. It was informed by DIC representative, that applications which were not sanctioned during the previous year are to be returned to the nodal agency for re-sponsoring through district level task force committee. SLBC has vide its letter dated 27.07.2010 requested all LDMs and Controlling Heads of Banks to instruct the branches :

- To disburse loan in all the sanctioned cases immediately
- Return the application to the sponsoring agency which were not sanctioned during previous financial year.
- To claim margin money in all disbursed cases.
- Nodal branches to settle the margin money claims of branches within the time limits.
- To dispose off applications received under all government sponsored scheme within the time limits.

ISSUES::

- Nodal agency was requested to submit the consolidated monthly progress for all agencies i.e. KVIC, KVIB and DIC, District-wise / Bank-wise duly authenticated by Lead District Manager & Nodal Officers of the District for effective monitoring of the scheme.
- KVIC, Jaipur being State Level nodal agency was requested to consolidate & provide the Bank wise target for the year 2010-11 to SLBC to enable online updating on RBI website.
- Nodal department was requested to nominate the beneficiaries for EDP training to R-SETI.
- It was requested that the initiative is to be taken by the nodal agency for ensuring monthly meeting of DLTFCC for early recommendation of projects

- The representative of the nodal agency was requested to apprise about the further developments to the house.

Representative KVIC informed that cases sanctioned by banks upto date are 1588 applications. The applications have now been sponsored in sufficient number. The disbursements are to be done in the sanctioned cases.

Convener observed that the DLTFC meetings are not being held, in effect, no DLTFC meeting have taken place in Banswara, Bundi Alwar and Jhunjhunu in the current FY.

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

Core group meeting was held on 20.07.2010. The representative of nodal department informed that applications are pending with various banks. It was requested by SLBC to provide the bank wise / district wise status of pending applications so as to take up with the respective Banks for monitoring.

ISSUES:

- DCC convener Banks were requested to instruct the LDMs for ensuring to submit the monthly progress report to SLBC under joint signature of LDM and nodal officer.
- Banks were requested to ensure disposing off all the loan applications within the prescribed time lines and 100% disbursement of loan in all sanctioned cases.
- It was requested that the progress be reported separately for SC & ST.
- Nodal Deptt. Was requested to submit status of pending applications bank wise district wise to facilitate monitoring.
- Banks were requested to ensure lodgment of 5% interest subsidy claim
- Nodal Department was requested to provide Bank-wise District wise progress.
- Nodal Department was requested to provide subsidy in all sanctioned cases timely
- Banks were requested to ensure 5% disabled beneficiaries and 15% women beneficiaries get credit assistance under the scheme.

7.2 Self Help Group (SHG):

A total of 221318 SHG Savings Bank accounts have been opened in the State, out of which 190034 are women SHGs. 150515 SHGs have been credit linked and loans amounting Rs.827 crores have been extended. Out of the total credit extended 78% has been provided to women SHGs. Women and Child Development Department, GOR vide letter dated 09.07.2010 informed SLBC regarding District wise target for the FY 2010-11 under the State Government's 50% Interest Subsidy Scheme for SHGs- Bank Linkage.

SLBC vide letter dated 17.07.2010 requested Commissioner, Women and Child Development Department, GOR for providing detailed modalities of the scheme such as eligibility criteria of the beneficiaries, mode of lodgment of claim, process of claim settlement, nodal agency etc. On receipt of modalities of the scheme the targets will be circulated to the Lead District Managers.

Core group meeting was held on 21.07.2010. The issue of modalities of the scheme was also discussed. The representative of **Women and Child Development Department (WCD)**, GOR assured to provide the detailed modalities at the earliest.

ISSUES:

- House was informed that the WCD has now provided the detailed guidelines of the scheme, which is being circulated
- It was requested that special campaign may be launched for credit linkage of remaining eligible SHGs.

Secretary, WCD Deptt. Said the state govt. is committed to ensure the promotion of women empowerment by promoting livelihood among the women SHGs. She informed that in the budget announcement, the Chief Minister announced 50% subvention of interest. The scheme has been drafted. A presentation on the scheme was made by the representative of the department.

7.2.2 Joint Liability Group::

The details of JLG scheme was placed and deliberated in 105th SLBC meeting. NABARD vide letter dated 24.05.2010 informed the Convener SLBC in regards to covering 10 lac farmers across the country through promotion of 1.5 lac JLGs. For the State a target has been given for promotion and financing of 1500 JLGs during FY 2010-11

ISSUES:

- Controlling heads of Banks were requested to ensure formation and extending credit facility to the JLGs.

7.3 Credit Flow to Minority Community:

Banks were requested to report the correct position to SLBC, of lending to minority community. The DCC convener Banks were requested to issue instructions to their LDMs for ensuring that suitable steps are taken to facilitate the flow of credit to the minority communities. Further, the progress in this regard is to reviewed in the DLCC / DLRC Meeting. Public Sector Banks were requested to ensure to achieve the target of Minority Community as fixed by the Ministry.

The Chairman sharing the concern of low performance under this sub sector, called for scaling up the financing to Minority Communities, so as to be in line with the mandated level of 15% of priority sector advance. It was also suggested that the correct classification / reporting be done to reflect the true picture.

7.4 Credit Flow to DRI:

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

7.5 Artisan Credit Card (ACC):

Department of Industries, Government of Rajasthan vide letter dated 26.05.2010 has advised target of 8000 ACCs for 2010-11. The achievement as on Jun-10 remained of sanction of loan to 235 persons only. However, as per data received from LDMs as on 31.08.2010 sanctions have been accorded in 836 cases. It was informed that the SLBC vide its letter dated 20.07.2010 has requested Controlling heads of all the member banks and LDMs in regards of the pending application of FY 2009-10 under the scheme and requested to dispose off the pending applications immediately.

ISSUES::

- It was requested that the monthly progress report under ACC should be reconciled & submitted under joint signatures of GM DIC and the LDM.
- Nodal Department was requested to provide quarterly Bank-wise progress & target as compiled on the basis of the information received from the GM DIC & LDM from the districts.
- It was suggested that the Banks who are member of Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) to ensure to cover all eligible Artisans under the scheme and popularize the CGTMSE scheme.
- Controlling heads of member banks were requested to percolate instructions for disposal of applications within the time stipulated by RBI.
- To organize camps particularly in Districts/ Blocks where cluster development activity initiatives have been undertaken by the State Industries Department.
- Banks were requested to ensure to lodge interest subsidy claim for the accounts disbursed & outstanding for the period 2004-05 to 2009-10 as per the detailed guidelines circulated by SLBC vide letter dated 06.01.2010.

Commissioner Industries said that the performance upto date is not satisfactory and requested for pacing up the progress, in order to achieve the target. He requested the Banks to present their position under ACC.

On behalf of Bank of Baroda Shri B.B.Garg, General Manger informed that the target for Bank of Baroda is 1010. As on Aug-10 the applications received are 635,

out of which sanctions have been accorded in 354 cases and 38 cases have been rejected. Disbursements have been made in 333 cases.

General Manager SBBJ informed that the target for their bank is 1028. Applications received are 640, of which 53 have been sanctioned. **Other banks** could not give the current performance figures as it was not readily available with them.

The Chairman observed that this position is not acceptable. He said that it should be ensured that pro-rata performance is achieved, so that ultimately the targets are achieved. He said last year we had done well, and this year also we have to do it. He requested attention of all the heads of the banks for giving a focused attention on the scheme and expected the performance should be around 60-70% by next quarter.

7.6 In 105th SLBC information regarding various Government Sponsored Scheme were placed viz.

- Pradhan Mantri Adarsh Gram Yojana (PMAGY)
- Viswas Yojna, Navjeevan Yojana
- मुख्यमंत्री स्वावलम्बन योजना
- 1% Interest Subvention on housing loan
- Interest Subsidy Scheme on Bank Loan to SHGs (ISS-BLS)-GoR, and
- GRAMIN BHANDARAN YOJANA / Rural Godown Scheme

Additional Commissioner, Excise Department, GoR vide letter dated 23.07.2010 has informed SLBC the details of the Navjeevan Yojana, which has been circulated to all LDMS vide SLBC letter dated 28.07.2010. SLBC has vide its letter dated 28.07.2010 requested Excise Department, GoR to provide District wise targets for the FY 2010-11, as also to authorize R-SETIs for imparting training under the scheme.

Agenda No. 8 Rural Self Employment Training Institutes (RSETI)

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

Total districts in the State of Rajasthan	33
R-SETIs established up to 31.03.2010	32
Districts covered	30
Districts yet to be covered	3
Land allotted for R-SETIs	16
Land Not required for R-SETIs	2
Land Allotment pending for R-SETIs*	17

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

1	Baran	6	Chittorgarh	11	Jaisalmer	16	Sikar
2	Bharatpur	7	Dausa	12	Jhunjhunu	17	S.Madhopur
3	Barmer	8	Dholpur	13	Jodhpur		
4	Bundi	9	Ganganagar	14	Karauli		
5	Tonk	10	Jalore	15	Pali		

Giving the performance figures of all R-SETIs it was informed that so far 47319 candidates have been provided training, of which 17497 are BPL candidates. About 66.87 % candidates have either established their own business or got the wage employment. It was requested that the Director, R-SETIs may ensure that in the training programmes, at least 70% of the beneficiaries shall be from BPL families,

and to organize adequate number of vocational training Programme for BPL & women micro entrepreneurs. DRDA was requested to provide list of BPL candidates to the Banks and to sponsor reasonable number of BPL candidates for training.

Agenda No. 9

MSME sector and performance under IBA package

Small Enterprises play a very significant role in terms of balanced and sustainable growth of the economy by way of employment generation, development of entrepreneurial skills and contribution to export earnings. RBI vide letter dated June 29, 2010 addressed to the Chairman/ Managing Directors/ Chief Executive Officer of all Scheduled Commercial Banks informed the recommendations of the Prime Minister's High Level Task Force on MSMEs.

Banks were requested to ensure that:

- 40% of total advances to MSE sector should go to micro (manufacturing) enterprises having investment in plant and machinery up to Rs. 5 lakh and micro (service) enterprises having investment in equipment up to Rs. 2 lakh;
- 20% of the total advances to MSE sector should go to micro (manufacturing) enterprises with investment in plant and machinery above Rs. 5 lakh and up to Rs. 25 lakh, and micro (service) enterprises with investment in equipment above Rs. 2 lakh and up to Rs.10 lakh. (Thus, 60 per cent of MSE advances should go to the micro enterprises).
- This information need to be disseminated to the field staff and branches.

In terms of the recommendations of the Prime Minister's Task Force on Micro, Small and Medium Enterprises (MSMEs) (Chairman: Shri T.K.A.Nair) constituted by the GoI, banks are advised as under:

- Achieve a 20 per cent year-on-year growth in credit to micro and small enterprises to ensure enhanced credit flow;
- The allocation of 60% of the MSE advances to the 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 and

- Achieve a 10% annual growth in number of micro enterprise accounts.

ISSUES::

- Banks were requested to achieve 20% Y-O-Y growth in Micro and Small Enterprises and 10% annual growth in number of micro enterprises. The increase in share of Micro Enterprise in MSME should be 60% of total MSME advances by 2013. Banks were are requested to step up their advances to the MSME sector.
- It was informed that the acknowledgement for loan applications received from the MSME borrowers is to be given and the register be maintained at branch level in this regard. Loan applications for MSME be disposed of within the time line, as per guidelines. It was also requested that along with ACC there is need to regularly sensitize the branches in order to have the benefit of CGTMSE scheme.

Agenda No. 10

Miscellaneous

10.1 Recovery under Priority Sector::

- It was informed that the Banks are providing a sizeable portion of their resources as credit facilities to farmers and other weaker sections of the society under various scheme sponsored by the Central and State Government in the State. The provisions of State Govt.'s support in recovering Banks' dues are stipulated in RACO (ROD) Act 1974 under which Revenue Authorities are equipped with adequate powers in respect of agricultural loans. However, no such recovery mechanism / support has been provided for recovery of advances under the Government Sponsored schemes in the State under the Public Demands Recovery Act, 1952.
- The overall recovery under Priority Sector Advances was 72 % last year. The important issue which requires attention is the need to build up a strong legal frame work for speedy recovery.
- The SLBC forum has been requesting the State Government for a long time now to amend the Rajasthan Public Demand Recovery Act, 1952 so as to include the Banks' dues under Govt sponsored programmes as State dues.

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

- The issue of recurrence of frauds in registration of land records has been discussed under 2nd conference of CVOs of PSBs with CBI officials on 25.02.2010. As per the recommendation of IBA the issue of Computerization of land records is to be taken by respective State Government in respective SLBC. The issue was placed in 104th and subsequent SLBC meetings.
- It is informed by the Revenue Department, GoR that three blocks i.e. Phalaudi, Looni and Bilada Blocks of Jodhpur District have been selected for the pilot of linking registration records to Land Record Computerization (LRC) records.

ISSUES:

- State Government was requested for amendment in Public Demand Recovery Act at the earliest, as it is a long pending issue
- It was requested that the Government officials at the district level be advised to accept RACO (RODA) cases without limiting their number and dispose off the cases expeditiously
- Banks were advised to invariably attend the recovery camps organized by the District authorities
- DCC convener banks were requested to advised their LDMS to discuss the agenda of recovery, particularly RACO (RODA) & Lok Adalat, in the DCC/DLRC meetings invariably and ensure timely follow up action
- All member Banks were requested to ensure that branches have submitted the details of cases filed under RACO/ RODA and subsequently have been closed under the ADWDRS to respective revenue authority.

The Convener stated that the Principal Secretary (Plan) has already indicated that PDR Act is going to be amended shortly.

10.2 - Model Legislation on Money Lenders & Accredited Loan Providers Bill, 2007:

Reserve Bank had constituted a Technical Group to review legislations on money lending, the detail thereof was placed and deliberated in 102nd and subsequent SLBC meetings.

ISSUES::

State Government was requested to expedite implementation of model legislation on money lenders and accredited loan providers Bill 2007.

Agenda No. 10.3:: Agriculture Debt Waiver and Debt Relief Scheme (ADWDRS) 2008

As on 31.12.09, 3453 Grievances Received, out of which 3020 disposed off & 24 were pending. Out of 3020 grievances, 27579 cases were allowed. As announced in budget for FY 2010-11, in view of the recent drought in some States and the severe flood in some other parts of the country, Finance Minister proposed to extend by six months the period for repayment of the loan amount by farmers from December 31, 2009 to June 30, 2010

10.4 SLBC Website- Review:

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

It has always been the endeavor of SLBC to keep the status of website updated. Current developments, meeting notice, agenda, minutes of the meetings etc. are regularly being uploaded on the website. Members are requested to visit the site for updates.

ISSUES::

- All member Banks are requested to ensure submission of Key Indicator Data online within 30 days of the close of quarter.
- Only 7 Banks have uploaded data of June Quarter on SLBC website.

Chairman concluded the meeting with a vote of thanks. He said that Banks and the government departments are doing a good job which is reflected in the performance of the March, 2010. Noting that the performance in first five months is not the encouraging, he requested that attention is to be paid to ensure that the work allocated to respective banks is accomplished and targets are achieved without fail, individual parameter / scheme wise. The major programme which has already been flagged is the financial inclusion. He thanked all the members for participating in the meeting.

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