



पुदुच्चेरी संघ राज्य क्षेत्र का राज्य स्तरीय बैंकर समिति
State Level Bankers' Committee for UT of Puducherry

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Dated: 30.08.2011

To

All the Members of the SLBC, UT of Puducherry

Sub: Minutes of the SLBC meeting held on 19.08.2011.

The State Level Bankers Committee (SLBC) Meeting for the Union Territory of Puducherry was held on 19.08.2011 at Puducherry under the chairmanship of Shri T M Bhasin, Chairman and Managing Director, Indian Bank, in the august presence of Shri N Rangasamy, Hon'ble Chief Minister of Puducherry, Shri R Gandhi, Executive Director, Reserve Bank of India, Mumbai, Dr. S B Deepak Kumar I. A. S., Secretary (Housing), Shri Mathew Samuel, Special Secretary, Government of Puducherry, Shri N S Viswanathan, Regional Director, Reserve Bank of India, Shri K Vasudevan, General Manager, NABARD, Chennai, Shri M M Majhi General Manager, Reserve Bank of India, Chennai, Shri Selvam Veeraraghavan, General Manager (PS), Indian Bank, Chennai, Shri D A Ulagan, General Manager and Convenor SLBC, Senior Executives/Officials of various banks, Senior Officials of various Government Departments and District Co-ordinators of banks

The list of participants is given in the annexure.

Shri Selvam Veeraraghavan, General Manager (PS) Indian Bank in his welcome address informed the members of the good progress made during the first quarter of 2011-12 in various parameters. He highlighted the growth in advance which was at 7.31% which has resulted in increase in CD ratio to 68% as on June 2011. The banks have made good disbursement under Agriculture so as to maintain the percentage under Agriculture above 18%. Under Annual Credit Plan also the banks have achieved more than 100% and requested the banks to strive hard to maintain the same. With regard to parameters of lending to SC/ST, Minorities and DRI he requested banks to lend more to achieve the targets. Especially he reminded of the achievement of 15% norms under lending to minority communities by March 2012. With regard to educational loan he informed that eventhough the demand for education loan is less during the first quarter banks have lent an amount of Rs.12 Crores to 1700 students and the total outstanding under Education loans as on June 2011 is at Rs.231 Crores.

Shri T M Bhasin, Chairman and Managing Director, Indian Bank in his Presidential address made special mention of presence of Honorable Chief Minister of Union Territory of Puducherry as this will go a long way in finding solutions to various issues and also the presence of Executive Director, Reserve Bank of India, Mumbai.

Current Economic Scenario

He mentioned that the lowering of the US sovereign rating to AA+ from AAA on August 5, was indeed a jolt to the standing of the economic super power. The media reacted sharply on the possible consequences for India. However, our Honorable Finance Minister Shri Pranab Mukherjee has expressed confidence that our economy is strong enough to address any concern arising out of recent developments in USA and Eurozone. The Honorable Finance Minister has said that the Government will fast track the implementation of pending reforms; to focus on encouraging greater domestic consumption and give impetus to drivers of domestic growth. The Honorable Finance Minister has further said that we are in a better position than many other nations to manage this challenge.

The Honorable Finance Minister has reiterated that our economy is having strong fundamentals; therefore, we could notice FII's seeing India as an attractive investment destination even if there is any temporary outflow. We could rather see faster and greater FII inflows, unlike after 2008, in view of the higher returns that global investors could get in India.

He said that our institutions are strong and are prepared to address any concern that may arise on account of the present situation.

According to the Reserve Bank of India's Press release dated 08.08.2011, it is noted that in the worst phase of the recent global financial crisis, the economy grew by 6.8 per cent, suggesting high resilience emerging from domestic factors. While downside risks to growth may have increased in the wake of global developments, they are likely to have limited impact. The Reserve Bank is closely monitoring all key indicators and will continuously assess the impact of global developments on Rupee, Forex liquidity and macroeconomic stability. RBI will respond quickly and appropriately to the evolving situation.

Normal monsoon after a gap of two years helped agriculture to grow at 6.6% in 2010-11 compared to just 0.4% 2009-10. Industry and services grew at 7.8 % and 9.2% in 2010-11 showing consistency. The Economists predict that the high growth in vital sectors in 2010-11 would finally result in GDP growth of about 8% even in this not so conducive global economic scenario. With Indian economy on strong wicket he informed that the banking system would be expected to contribute a lot.

Coming to developmental activities by banks in Union Territory of Puducherry, it is our innate duty to capitalize the present conducive climate in the country to make this UT as the best among all. While contributing to the success of the UT, it is to be ensured that the growth attained is inclusive, people-centric

and translates into overall development. It is also important that this feeling and confidence permeates all sections of society and none is left out of the growth process.

Banking Developments in UT of Puducherry

Then he informed the forum of the commendable performance of Banks in the UT during the first quarter of the year 2011-12.

Average per branch population is 5474 in UT Puducherry which is one of the best in the country, as the national average is around 14,000.

Growth in Deposits and Advances

The higher growth in advances for the first quarter than the growth in deposits has resulted in 2% increase in the CD ratio of the UT which has reached 68% for the first time and congratulated all the Bankers for the attainment of improved CD ratio and appeal to sustain the momentum to reach further heights.

Performance under Annual Credit Plan (ACP) 2011-12

The banks in UT have always been achieving the credit disbursement target under Priority sector under ACP every year. During the first quarter of 2011-12 also, all banks have disbursed a total amount of Rs 223.78 crore registering an achievement of 103 % of the target.

Another noteworthy performance is credit to Agriculture sector which is more than stipulated level of 18% in Puducherry despite large scale urbanization and industrialization. We shall analyze the performance in each sector during the course of the meeting.

Financial Inclusion:

Indian Bank has been spearheading the Inclusive growth demands of all social groups providing access to the financial services for their economic and social emancipation. To achieve this, banking services at their doorsteps become necessary. Technology has made this task a possible one.

The aspect of providing banking services to unbanked villages is a massive task and Banks in UT have successfully provided banking services to all 43 unbanked villages with population above 2000 in March 2011 and eight out of 25 villages of population below 2000 identified. He requested the other banks to complete the task of providing banking services to the remaining 17 villages before September 2011.

It is true, mere provision of banking services is not the end. It is only a beginning for expanding affordable credit to wider section of the society and other banking services resulting in Inclusive Growth. He requested the bankers to ensure that the Financial Inclusion to be a living scheme. He asked all concerned to use

electronic benefit transfer for payment of various benefits of the government like NREGA and also utilise the UIDAI for Financial Inclusion.

Government Sponsored Programmes

He reiterated that the poverty eradication programmes such as SGSY, SJSRY and PMEGP catering to the targeted deprived sections of the society are to be implemented effectively in Union Territory, thanks to the mutual cooperation between Government agencies and Banks. Banks should continue to actively and adequately participate in such programmes to achieve the targets for the year 2011-12.

Few Suggestions

He informed the august forum that a new concept of issue of **Loan Eligibility Cards** to tenant farmers has been recently introduced in Andhra Pradesh. This is poised to increase institutional credit to large section of tenant farmers.

Government of Andhra Pradesh has promulgated 'Andhra Pradesh Land Licensed Cultivators Ordinance 2011' on 08.06.2011 As per this ordinance, loan and other benefits eligibility card will be provided to the farmers, who raise crops with express or implied permission of owner or Pattadar of land, but have no record for such enjoyment without affecting the rights of owners, enabling them to access credit from the Public Financial Institutions and to claim benefits of input subsidy, crop insurance, compensation for damage of crop and for matters connected therewith and incidental thereto.

The details of the Scheme have found a place in the agenda which has been circulated to everyone. The forum may deliberate in detail and if necessary form a committee to suggest the Government of Puducherry to emulate the same with modifications best suited to the State.

He requested the Honorable Chief Minister of Puducherry and UT administration again to extend the relief to borrowers who availed loans under **Rajiv Gandhi Tsunami Rehabilitation package** so that the affected fishermen can heave a sigh of relief as their fellow fishermen in neighboring State of Tamilnadu

Another long felt need of the bankers is the **allotment of land to INDSETI** to build necessary infrastructure to provide skills to the unemployed rural youth and achieve the fullest objective. He requested the State Government to consider the request of SLBC with regard to land allotment to Rural Self Employment Training Institute (RSETI).

Before concluding, he conveyed that for successful implementation of any scheme it requires fullest commitment and co-operation of all persons concerned. UT of Puducherry is a very good example of close co-ordination of State Government, various developmental agencies and Bankers which would go a long way in noteworthy performance of banking parameters and poverty alleviation programmes during the years to come and requested all concerned to continue the same for development of UT of Puducherry.

Shri N Rangasamy, Hon'ble Chief Minister of Puducherry informed the forum of the important role played by the Banks in upliftment of the society. As Puducherry is a calm and peaceful State there are lot of investment opportunities. The expectation is to excel in all the fields viz. Agriculture, Industry and Education. Conducive atmosphere is prevailing in relationship of banks and the Government. The faster servicing of customers would go a long-way in easy delivery of services. The credit facility is to be provided faster without making the entrepreneur to visit more number of times then this will act as an encouragement for social upliftment. He requested the banks to prepare a check-list of requirements for every credit facility. This would help the customers and also banks for easy and early sanction of loans.

He informed the forum that his repeated request to the banks is to sanction education loans faster as this will help in welfare of future generation and encourage the students. Even though the Government is providing subsidy to education, the students need education loans to take care of other related requirements. He requested the banks to come up with a scheme to provide education loans to students called for counselling to pay the initial fees. With regard to servicing of interest for education loans the banks should not insist on the same during the study period, the principal and interest has to be collected only after completion of the studies and securing gainful employment. He requested banks not to strictly follow the service area for educational loan and requested all banks especially private banks to fully participate by providing more educational loans.

He requested banks to encourage more youngsters by providing credit facilities to start self-employment ventures and small business as this would help in more employment generation. The support provided by banks to students and young entrepreneurs would help in development of the Union Territory as an education and industries hub. He requested the banks to extend loans to farmers attached to Pondicherry Co-operative Sugar Mills (PCSM) to tide over the present situation and assured that all possible help from the Government would be available to the banks for the development activities of the Union Territory.

In response to the above, chairman informed that the banks are extending credit strictly following Reserve Bank of India guidelines and he assured that all the points of Hon'ble Chief Minister would be taken into account especially preparation of check list for hassle free disposal of applications. With regard to Educational Loan recently a committee under his Chairmanship has submitted its recommendation to increase the maximum repayment period to 15 years and also if the student is pursuing Post Graduate or other higher education to extend repayment period till completion of such education. The details would be circulated shortly. As granting of education loans is a social responsibility banks will certainly do the needful in this regard. The issue of sugar mill has been included in the agenda and discussed in the meeting. The extending of credit to industries will also be discussed during the course of agenda in order to tap the potential available in UT of Puducherry.

General Manager (PS) requested Hon'ble Chief Minister to consider the pending request of SLBC regarding allotment of land to INDSETI, Tsunami loans waiver and routing of all Government benefits to the beneficiaries through banking system.

The SWABHIMAAN campaign was formally launched in UT of Puducherry and the flex poster were distributed to all the 11 participating banks by the Hon'ble Chief Minister of Puducherry.

Shri R Gandhi, Executive Director, Reserve Bank of India, Mumbai in his address highlighted the role played by Reserve Bank of India in formulation of various schemes with the co-operation of the Central Government for economic upliftment of the society and the goals were achieved with the role played by all the banks. The aim of RBI is for inclusive growth where everyone should be included in the growth process resulting in all round development and economic upliftment of individual citizen. This is purpose for which Financial Inclusion programme was devised to cover all villages with above 2000 population. Reserve Bank of India has given target for all the bankers. He congratulated all the bankers in Union Territory of Puducherry for their effort in completing the process by March 2011 itself. He hoped that with the help of State Government FIP can be fully established in all the villages of the country.

He requested the banks to take note of the request of the Hon'ble Chief Minister regarding putting in place a check list for every credit facility for easy credit dispensation as delay of credit would discourage the entrepreneur. He also called on banks to keep educational upliftment in mind while extending educational loans and proceed with social responsibility. With regard to Financial Inclusion mere opening of no-frills accounts will not fulfill the objectives other services also are to be extended to them. He exhorted the importance of Financial Inclusion and operationalising the accounts opened be educating the accounts holders. He advised that the banks in the Union Territory of Puducherry have greater responsibility in this regard as it is here, in the Union Territory of Puducherry, the Financial Inclusion Project took root five years ago as a "National Pilot Project". With regard to Government Sponsored schemes mere achievement of target in numbers will not serve the purpose but the real target has to be economic and social upliftment of society. He called upon bankers in Union Territory to become an example to all bankers in other States and Union Territories. He requested the State Government to formulate guidelines so that all payments such as NREGA etc are routed through banks. He requested everyone concerned to work in tandem for achievement of target and development of the society.

Shri K Vasudevan, General Manager, NABARD in his address informed the forum that the targets for UT of Puducherry has been finalised and would be communicated shortly. He called upon the banks to simplify the procedure for providing credit facility as requested by Hon'ble Chief Minister. NABARD has formulated a new scheme in co-ordination with Pallavan Grama Bank to provide easy credit facility to farmers through mobile KCC where the farmers can easily transact their account without going to the bank branches. With regard to development of industries in the State, NABARD is providing training support under REDP. NABARD is also providing support for rural infrastructure development in co-operation with the State Government.

Discussion on Agenda Items:

AGENDA 1 - Confirmation of the minutes of the SLBC meeting held on 01.06.2011.

The forum confirmed the minutes of the SLBC meeting held on 01.06.2011.

AGENDA 2 - Review of follow up action taken on the decisions of SLBC meeting held on 01.06.2011

2.1. Coverage of unbanked and under banked areas and Road Map for providing banking facility to every village.

The forum requested the banks to provide the latest information and communication technology (ICT) products to these villages and also to provide other products like OD, GCC, KCC, remittances, insurance etc to the account holders of the already completed villages with over 2000 population.

With regard to villages with population below 2000, out of the 25 villages identified as unbanked, 8 villages have since been covered with banking services and the other banks were requested to complete the process before the targeted date of September 2011. General Manager (PS) informed the forum that even though the date of completion of Financial Inclusion process is March 2013 for villages below 2000 population, UT of Puducherry has secured several firsts in the field of Financial Inclusion and also the villages to be covered is also very limited here, banks in Puducherry can complete the process well before time and earn one more first in the country. Executive Director, Reserve Bank of India informed member banks that if there is any operational issues regarding implementation of Financial Inclusion they are ready to help them.

2.2. Financial Inclusion- Awareness Campaign at the Ground Level

The forum was informed follow-up made in launching of Financial Inclusion awareness campaign "Swabimaan" in UT of Puducherry and with the handing over of Flex Posters designed by IBA to all the 11 banks participating in the Financial Inclusion Programme and the campaign was formally launched. All the banks were requested to display the posters in their respective villages to create awareness among general public. Further, the bankers were requested to adopt other publicity channels as suggested by IBA viz. display of Posters, distribution of hand bills, advertisement through print & electronic media, conducting Road show, mobile van etc. in the concerned village to give wide publicity regarding implementation of Financial Inclusion Programme.

2.3. Allotment of Land for Indian Bank Self Employment Training Institute (INDSETI).

The forum was briefed of the role played by INDSETI and the need to create necessary infrastructure for the same to fulfill the objectives. The forum has also placed a request to Hon'ble Chief Minister for early allotment of land, the representative from Department of Revenue and Disaster Management informed that they would be placing the matter in the next meeting of Council of Ministers for doing the needful.

2.4. Proposed Waiver of Loans given in UT of Puducherry to Fishermen after Tsunami under Rajiv Gandhi Tsunami Rehabilitation package

The matter of waiver by Government of Puducherry of different loans given to fishermen affected by TSUNAMI is being discussed in the earlier meetings and the forum again requested the department to

expedite the matter. The representative of Department of Fisheries and Fishermen Welfare informed that they would be submitting the same to Finance Department, Government of Puducherry for approval shortly for sending to Government of India.

2.5. Functioning of Revenue Recovery Cell and make suitable amendments to Revenue Recovery Act.

The forum was informed of the deliberation in the previous SLBC meetings regarding the utility and effectiveness of Revenue Recovery Cell and the request made to the Government to make suitable amendments in the Puducherry Revenue Recovery Act 1970 to give adequate powers to improve the recovery of outstanding overdues under PMRY and provide adequate staff to Revenue Recovery Cell. The representative from Department of Revenue and Disaster Management informed that the process of amendment of RR Act has been started and they would be send the proposal shortly to the Government General Manager (PS) informed the forum that since the recoveries made were very much less than the share of salary to staff, banks were very apprehensive of having such a cell and if adequate recovery powers are vested with the cell than the RR Cell can be made workable and recovery would also increase. He requested the Government for early amendment to RR Act. The forum was also informed that share of the salary expenses is to be paid only upto the period when the full strength were available. With regard to posting of staff the DIC informed that once the amendment is made in the Act then it would be taken up.

2.6. Ground Level Credit-2011-12-Agriculture- Allocation of agency wise targets.

The forum was informed of the follow-up action by Lead Bank based on the deliberations in the earlier meeting and taking up of the matter with NABARD for confirming the allocation Rs.452 crore , originally made in the ACP 2011-12, in view of available potential under agriculture sector in UT of Puducherry. Whereas, NABARD, Chennai has informed that the targets are fixed by Government of India based on budget announcement and hence the target is to be revised to Rs.612 crore. The forum was also of the opinion that the target can be revised to the level as prescribed by Government of India. The banks will be informed of the revised target as informed by NABARD shortly.

2.7. Study by Bankers regarding Agricultural Jewel Loan.

As per the discussion in the SLBC meeting held on 01.06.2011, Lead Bank has requested the controlling offices of all the banks to conduct a study of their branches in UT of Puducherry so as to ascertain real agriculturists are benefited by disbursement of Agricultural Jewel Loan by banks. As the report has not been received in full form only preliminary findings were informed to the forum. Regional Manager of State Bank of India informed that they have introduced a new product for JL for Agricultural purpose and all the regions have been given specific targets. Regional Director, RBI informed banks are to ensure that the loan is utilised for agricultural and related purpose by the agriculturist. Executive Director, RBI clarified that the classification of the advance is based on the purpose/activity for which the advance is being sanctioned. General Manager, NABARD informed that crop loan is not sufficient to meet the overheads of crop cultivation hence Agri. Jewel Loan is helping the farming community so before giving the loans the branch

has to verify the documents, end use and cover the crops also under NAIS. General Manager (PS) informed that the loan has to be based on scale of finance and repayment period is to be based on the duration and harvest of the crop. General Manager, PSCB informed that they are following the scale of finance and fixing the repayment as bullet payment on harvest of the crop. Concluding the discussion Regional Director, RBI requested all the banks to conduct a through study on all the aspect of Jewel Loan to agriculture purpose and submit the report to SLBC. He requested banks to ensure that loan is given to real agriculturist and for genuine crop related purpose as per the extant guidelines.

2.8. Study by line departments regarding Government Sponsored Schemes.

The forum was informed of the request made by Lead Bank to the concerned line departments of SGSY, SJSRY, PMEGP viz. DRDA, PUDA, PKVIB and DIC to conduct a study based on the study report by NIRD in various parts of the country regarding end-use of funds by beneficiaries of Government Sponsored Schemes and creation of assets. They have informed that the preliminary process has already started and would be informing the position in the next meeting. Project Director, DRDA informed that since the SGSY scheme is to end by this year and new scheme with various aspects of end use called NRLM is to be introduced shortly. With regard to PMEGP Scheme as the verification of creation of assets is being already verified by external agency every year the concerned department is requested to send the verification report to Lead Bank periodically. The forum requested PUDA to conduct a study and submit their report regarding SJSRY to SLBC at the earliest.

AGENDA: 3 – New Issues

3.1. Financial Inclusion Campaign – Resolution of issues regarding allocation of villages under Electronic Benefit Transfer (EBT) scheme and roadmap for providing banking services in villages with population above 2000 under Financial Inclusion Plan (FIP)

The forum was informed of the letter from Reserve Bank of India regarding overlapping of some village due to implementation of ICT based Electronic Benefit Transfer (EBT) for routing social security benefits (MNREGA , NOAPS, etc) to beneficiaries through the banking channel using the 'one district one bank model' and recommendations of the High Level Committee to review the Lead Bank Scheme where banking service is provided by some other bank and the clarification of RBI that the intention of allotting un-banked villages to various banks was to ensure that these villages are provided with atleast one banking out let for extending banking facilities and does not deny the opportunity for any other bank to operate in these areas and extend banking services based on available business potential. General Manager (PS) informed that as per the latest communication received from RBI the one district one bank model has been withdrawn and the beneficiaries have been given the option to open account with any bank operating in the village through ECS credit. Executive Director, RBI informed that one single bank cannot cater to the needs of entire population of a district and so the present system of routing through Lead Bank of the district to other banks would be continued for all schemes being operated in the district.

3.2 Aadhaar and Financial Inclusion

The forum was informed of the letter from Assistant Director General, Planning Commission, Unique Identification Authority of India (UIDAI), Government of India regarding UIDAI, which has been set up by the Government of India to serve as a National Identity and Authentication infrastructure. This infrastructure is expected amongst others to facilitate access to modern banking and payment systems for every resident of the country. UIDAI has partnered with banks through a district wise empanelment process in which 64 banks (Public Sector, Private Sector, Foreign Banks, RRBs, Co-operative Banks) have participated. This partnership aims to provide the residents enrolled for Aadhaar with a choice of choosing a particular bank where he/she would like to open an account.

Deputy Director, Department of Civil Supplies, Government of Puducherry gave a brief overview of the process of enrolment under Aadhaar and the utility of the same.

3.3. Financing of Licensed Cultivators (Tenant farmers)-Loan Eligibility Cards (LECs) proposed to implement by Govt. of Andhra Pradesh.

General Manager informed the forum of the contents of the letter received from Convenor, SLBC, Andhra Pradesh regarding ordinance issued by Government of Andhra Pradesh for Issuing Loan Eligibility Cards (LEC) to the tenant farmers which will help them in availing loans from banks. The details were sent to Department of Agriculture & Department of Revenue, Government of Puducherry by Lead Bank for their information and request to explore the possibility of implementing the same in UT of Puducherry. Representatives from both the departments informed that they would be putting up a detailed note to the Government shortly after studying the scheme. General Manager (PS) highlighted the salient features of the scheme.

3.4. National Horticulture Board (NHB) Guidelines for Hi-tech commercial production of Vegetables in open field under the scheme of NHB.

The forum was informed of the guidelines and model project for commercial production of vegetables in open field with post harvest management received from National Horticulture Board to develop high quality/Hi-tech horticultural farms.

3.5 Financing of tie – up arrangement scheme with The Puducherry Co Operative Sugar Mills (PCSM) – crushing season 2011-12

The forum was informed of the request from Puducherry Co-operative Sugar Mills (PCSM) situated at Lingareddipalayam near Katterikuppam, Puducherry regarding financing for second standing crops for crushing season 2011-12 with the assurance that the crop loan for the first crop will be settled within a maximum period of 45 days. The representative from PCSM informed that they are Government of Puducherry undertaking organization and are in the field of sugar Industry over the last twenty eight years since 1984 with good brand image. They have tie-up arrangement for supply of sugar cane with farmers in UT of Puducherry and adjoining areas of Tamil Nadu. Due to adverse working capital position of the mill

and certain other reason they are not able to fully settle the dues of cane growers who have supplied sugarcane for the crushing season 2010-11. They are making all out efforts to tide over the crisis. To ensure continuous cane supply to the mill and to augment the income of the farmers by increasing the yield on the standing sugarcane crop at this critical time of manuring the crop to meet the cost of inputs, they requested banks to consider the crop loan to second crop. General Manager, PSCB informed that under their share is more in overdue advances to PCSM and all other banks also voiced concern that in view of non-payment of loans under tie-up arrangement the loans already given are becoming overdue and may fall into NPA shortly. General Manager (PS) informed that if an account is classified as NPA then the farmer will be put into great difficulty and he may not be eligible for further loans. The forum requested the Sugar Mill to take up with the State Government for early settlement of the overdues and take up with the financing banks separately for financing second crop. The concerned banks are requested to take their own decision based on extant guidelines.

Agenda 4 - Review of performance of Commercial Banks - Position as at the end of June 2011

The convenor informed that the total number of branches in UT of Puducherry is 178 and as against the national average of around 14000 the average population served per branch is placed at 5474. The CD ratio has touched an all time high of 68% due to increase in advance by 7.31% against increase in deposit by 4.00%. As the salient aspects of banking development has been highlighted in the speeches of dignitaries on the dais the requested the members to take note of the need for achievement of targets under DRI, minorities, SC/ST and requested the banks to make all out efforts to sustain the same and improve upon it.

Agenda 5 - Review of performance under Annual Credit Plan 2011-12

While reviewing the performance under Annual Credit Plan 2011-12, the forum appreciated the banks in achievement of 103% of Priority sector lending target for the first quarter. Under Agriculture even though the achievement is placed at 110.70% at Rs.107.92 Crores due to revised target the achievement will be different. The forum requested the banks to redouble their efforts to achieve the revised target of Rs.612 Crores for the year 2011-12 under Agriculture.

Agenda 6 - National Pilot Project for Financial Inclusion – Puducherry

General Manager informed the status under NPPFI as on June 2011 wherein the total number of No-frills accounts opened reached a level of 229419. Regional Director, Reserve Bank of India expressed that even though the number of households who have expresses their non-willingness have reduced there is more scope of opening of more accounts. He requested the banks to conduct campaigns to ensure 100% coverage of all the households and population as Puducherry is the first place in India where Financial Inclusion has taken shape. General Manager, NABARD informed that they are ready to help Co-operative Banks and Regional Rural Banks in their Financial Inclusion efforts.

Action: All Banks to cover more clients under OD/GCC and doorstep banking.

Agenda 7 - Flow of Credit to Agriculture

The forum was informed of the performance under flow of credit to agriculture for the first quarter of 2011-12 wherein 16890 farmers have been provided with finance of Rs.107.92 Crores. The forum requested the banks to bring in more farmers under banking fold by way of financial inclusion and providing them KCC which have more benefits for farmers and banks. General Manager, NABARD informed that banks with increase in quantum of disbursement more farmers are to be brought to the banking fold. The banks were also requested to provide more assistance to tenant farmers/oral lessees. General Manager (PS) informed that forum that the LEC Scheme can be very helpful in this regard and will result in increase of agricultural production. In some cases Joint Liability Groups can be formed consisting of Tenant farmers and oral lessees. The banks were requested to encourage setting-up of Agri. Clinics and also to cover all the notified crops under NAIS to mitigate their sufferings if any due to natural calamities.

Agenda 8 - Review of Recovery Performance under Government Sponsored Schemes as of June 2011

While reviewing the recovery performance under various Government Sponsored Schemes the convenor informed that recovery under PMRY stood at 29%. The recovery under SJSRY (USEP) the recovery is placed at 48%, under group loans (SJSRY-DWCUA) was at 73% and under SGSY the rate was at 85%. The rate of recovery under priority sector was at 80%. He requested the Government Departments and banks to take all possible steps to improve the recovery rate under various schemes.

Agenda 9 - Review of performance under Government Sponsored Schemes in UT of Puducherry

The forum was informed of the performance under various Government Sponsored Schemes viz. SGSY, PMEGP, PADCO and SJSRY for the year 2011-12. As the sponsoring of applications has started only in the month of July 2011 the level of performance is minimal. The banks and government departments were requested to work in unison to complete the target by December 2011.

Project Director, DRDA informed that SGSY scheme is going to be wound-up by this year end and will be replaced by National Rural Livelihood Mission. He explained to the forum the basic features of NRLM and informed the forum that separate meetings would be arranged shortly for the implementation of the scheme.

Under SGSY-Economic assistance scheme out of 64 applications for which subsidy has been released, banks have sanctioned loans to 36 applicants amounting to Rs.60.30 lakhs against a target of 300 groups. With regard to revolving fund, bank's share has been released to 12 applications out of the 21 applications sent by the department.

Under PMEGP scheme 20 applications have been sanctioned. The representative from DIC & PKVIB requested banks to extend their fullest co-operation in the process of utilization verification by external agency and also provide data for e-tracking of applications under PMEGP.

With regard to SJSRY the task force meetings were held in last week of July and first week of August and the application would be forwarded shortly to the banks. Banks were requested to strictly follow the time norms of RBI for disposal of applications and achieve the targets well before December 2011.

Agenda 10 - Performances under Housing, Educational loan and NFS

The forum was informed that during first quarter Rs.25.54 Crores have been disbursed under Housing loans and Rs.12.23 Crores have been disbursed to 1702 students under Educational Loans. The disbursement under Non-farm sector has been placed at Rs.43.43 crores to 902 accounts. Banks were requested to cover all eligible accounts under Credit Guarantee Cover.

Agenda 11 - Disbursement to Minority Community, SC/ST and Women beneficiaries

General Manager informed the forum that upto June 2011 Rs.27.28 Crores have been disbursed to women beneficiaries and Rs.12.57 Crores to SC/ST beneficiaries. The banks were requested to increase the lending so that the percentage would be in tune with the population of the SC/ST in Union Territory.

The lending to minority community beneficiaries was placed at Rs.16.65 Crores which works out to 9.47% of the priority sector advances. Banks were again reminded of the 15 point programme for welfare of minorities which has stipulated the achievement of 15% of the outstanding advances to minorities of priority sector lending by March 2012. Chairman informed the forum that the same was reviewed by Hon'ble Finance Minister recently and he requested the banks to make all out efforts to reach a level of 12.5% by September 2011 and reach the targeted level of 15 % by March 2012. The banks were requested to ensure correct social attribute is entered in the accounts so that exact data can be extracted from the system.

Action: All Banks to lend more to SC/ST & Minorities and provide correct data

Agenda 12 - Performance under KCC and SHG credit linkage

The forum was informed of the performance under KCC and SHG Credit linkage during the first quarter of 2011-12. Under KCC 1044 new cards have been issued. 254 new SHG accounts have been opened upto June 2011 and 826 groups have been credit linked amounting to Rs.18.23 Crores of which 493 groups have availed repeat finance to the tune of Rs.12.99 Crores. General Manager, NABARD informed the forum that they have finalised a target of 625 Swarojgar Credit Cards for UT of Puducherry and requested the banks to achieve these targets also.

Agenda 13 - Submission of LBR 2 and LBR 3 Returns

The banks were appreciated for 100% submission of Lead Bank Returns and were requested to maintain the same in the ensuing quarter also so that review of actual performance under various schemes can be done.

Action: All Banks to provide correct and complete data within the stipulated time frame.

Agenda 14 - Stimulus package to MSME Sector

The forum was informed of the steps taken by SLBC in compliance of the directives of Reserve Bank of India regarding the conduct of Special SLBC every month to deliberate on the Credit Delivery to Micro, Small and Medium Enterprise Sector. The report as on 30.06.2011 was placed for information and discussion of the forum. The Convenor requested all the banks to submit correct report in time so that the consolidated report can be sent to Ministry of Finance before 15th of every month.

Agenda : 15 - i. SUCCESS STORIES IN UT OF PUDUCHERRY

Success story of a Women Entrepreneur trained in INDSETI

Mrs. B.Calaiselvi explained to the forum with a series of photographs and exhibits the utility of the training she underwent in INDSETI. She also explained her background, her efforts in the field and her future goals. The forum appreciated the role played by INDSETI and also the talent of women entrepreneur who has benefitted through SHG Movement and INDSETI Training.

ii PRESENTATION OF PAPER BY THE ACADEMICIAN

Dr. K Natchimuthu, Associate Professor, Department of Veterinary and Animal Husbandry Extension, Rajiv Gandhi College of Veterinary and Animal Sciences, Puducherry presented a paper regarding Livestock Situation in Puducherry. As this is need of Union Territory to increase milk production to cater to the need of growing population he highlighted the situation in UT and various avenues for term lending under Agriculture. The appreciated the efforts made by Veterinary college in various research programme which is very helpful to banks to improve their lending.

Smt. V Shanta, Assistant General Manager in her vote of thanks made special mention of the presence of Shri N Rangasamy, Hon'ble Chief Minister of Puducherry in the meeting and Shri R Gandhi, Executive Director, Reserve Bank of India for his informative speech. She also mention the efforts of Shri T M Bhasin, Chairman and Managing Director and Chairman of SLBC in smooth conduct of the meeting and various interventions in the proceedings. She thanked the Secretaries to the Government of Puducherry for their presence and active participation in the discussion. She also thanked Regional Director, RBI, General Manager, NABARD and other dignitaries on the dais for their active participation and various suggestions during the discussions. He thanked the representatives from member banks for their role during the discussion and also thanked the officials of Government Departments for active interactions.

महा प्रबंधक एवं संयोजक – एसएलबीसी
General Manager & Convenor - SLBC

List of participants of the SLBC convened on 19.08.2011

S.No.	Name (Sarvashri)	Designation	Bank
1.	N. Rangasamy	Hon'ble Chief Minister	Government of Puducherry
2.	T M Bhasin	Chairman & Managing Director	Indian Bank, Chennai
5.	R Gandhi	Executive Director	RBI, Mumbai
3.	Dr.S B Deepak Kumar I A S	Secretary (Agriculture),	Government of Puducherry,
4.	P Mathew Samuel	Special Secretary	Government of Puducherry
6.	N S Viswanathan	Regional Director	RBI Chennai
7.	M.M. Majhi	General Manager	RPCD, RBI, Chennai
10.	K Vasudevan	General Manager	NABARD Chennai
11.	Selvam Veeraraghavan	GM (PS)	Indian Bank, Chennai
12.	D A Ulagan	GM, SLBC Convenor	Indian Bank, Puducherry
8.	S. Selvaraj	Deputy General Manager	RPCD, RBI, Chennai
9.	K. Shivaswamy	Assistant General Manager	DEPR, RBI, Chennai
13	S Sreepathy Kalkura	AGM	NABARD

SPECIAL INVITEES

S.No.	Name (Sarvashri)	Organisation
1.	Dr. K. Natchimuthu	Assistant Professor, Rajiv Gandhi College of Veterinary & Animal Sciences
2.	B.Calaiselvi	Women Entrepreneur Trained in INDSETI

BANKS/FINANCIAL INSTITUTIONS

S.No.	Name (S/Shree)	Designation	Bank
1.	R. Manimaran	Chairman	PBGB
2.	V Shantha	Assistant General Manager	Indian Bank
3.	L. M. Joshi	Assistant General Manager	UCO Bank
4.	S. Jeyarammoorthy	Assistant General Manager	State Bank of India
5.	R. Devaraju	Assistant General Manager	Canara Bank
6.	R Sanjay	Regional Head	ICICI Bank
7.	T Chanemugam	Managing Director	PSCB
8.	P Shanmuganathan	Chief Manager (LDM)	Indian Bank
9.	A Joyce Mal	Chief Manager	State Bank of India
10.	RM Natarajan	Chief Manager	Bank of India
11.	J.Lakshminarasimhan	Chief Manager	Union Bank of India
12.	K Basheer Ahmed	Chief Manager	Central Bank of India
13.	S H Gaitonde	Chief Manager	Canara Bank
14.	K Basheer Ahmed	Chief Manager	Central Bank of India
15.	P.Sadasivam	General Manager	PSCB
16.	T. Parameswaran	Director	INDSETI
17.	C G Joshy	Chief Manager	South Indian Bank
18.	M. Kaliappan	Senior Manager	Indian Overseas Bank
19.	M Manoharan	Senior Manager	Indian Bank
20.	R Muthumani	Senior Manager	Indian Overseas Bank
21.	G Ramachandran	Senior Manager	UCO Bank
22.	P Sivadass	Senior Manager	Corporation Bank
23.	S. Rengarajan	Senior Manager	Allahabad Bank
24.	R Vaitheeswaran	Senior Manager	Federal Bank
25.	S Chandrasekharan	Counsellor	FLCC, Puducherry
26.	K. Lakshmanan	Credit Relationship Manager	ICICI Bank Ltd
27.	K. Sivakumar	Senior Manager	AXIS Bank
28.	S. Radhakrishnan	Senior Manager	Tamilnad Mercantile Bank
29.	Shailesh C. Joshi	Senior Manager	Oriental Bank of Commerce
30.	P.N. Surenora	Senior Branch Manager	Karnataka Bank
31.	J. Natarajan	Senior Manager	United Bank of India
32.	J. Jayakanthan	Senior Manager	Dena Bank
33.	V. Gopalakrishnan	Branch Manager	HDFC Bank
34.	Shoma Roy	Branch Manager	HDFC Bank

BANKS/FINANCIAL INSTITUTIONS (Contd.)

S.No.	Name (S/Shree)	Designation	Bank
35.	N Perraju	Branch Manager	Andhra Bank
36.	P. Chandran	Assistant General Manager	PSCB
37.	M Kanaka Gopalakrishnan	Deputy Branch Manager	Syndicate Bank
38.	W Christofer Robin	Relationship Manager	National Housing Bank
39.	J C Kumar	Manager	State Bank of Mysore
40.	B. Narayanan	Manager	Central Bank of India
41.	S. Samuel Stephen	Manager	Bank of Baroda
42.	K Venkatakrishnan	Manager	City Union Bank
43.	B Bala Nehru	Manager	Lakshmi Vilas Bank
44.	G Shankar	Manager-Agri	AXIS Bank
45.	T Jayachandran	Manager	PCCLD Bank
46.	M. Gobu	Manager- Agri Business	IDBI Bank
47.	A. S. Nagappan	Deputy Manager	State Bank of Travancore
48.	G. Hariram	Assistant Manager	State Bank of Hyderabad
49.	S. Rajan	Officer	Punjab National Bank
50.	Arulprakash Anandhan	Assistant Manager	Catholic Syrian Bank
51.	K. Jaquiline	Assistant Manager	Vijaya Bank
52.	A. Rajendran	Special Assistant	Bank of Maharashtra

GOVERNMENT DEPARTMENTS/BOARD/CORPORATION

S.No.	Name (S/Shree)	Designation	Department
1.	A S P S Raviprakash	Project Director	DRDA
2.	S Jayasankar	Additional Director	Department of Agriculture
3.	Dr. K. Ganesan	Joint Director	Animal Husbandry Department
4.	M. Vijayakumar	Joint Director	Local Administration Department
5.	V Adhimoulame	Deputy Director	Dept. of Economics & Statistics
6.	R. Asokan	Deputy Director	Dept. of Planning and Research
7.	K. M. Ravi	Managing Director	Puducherry Co-op Sugar Mills
8.	Spurguan Gnanamuthu	Controller	Puducherry Co-op Sugar Mills
9.	S. Ganession	Deputy Director	Civil Suppliers (UIDAI)
10.	M Dinesh	Chief Executive Officer	PKVIB
11.	P Augustin Lucien Diagou	Functional Manager	DIC
12.	P Nicolas	Assistant Director	Dept. of Industries
13.	S Ravi	Assistant Director	Dept. of Fisheries
14.	N. Tamil Selvan	Special Officer	Dept. of Revenue
15.	V. Rajendiran	Economics Officer	KVIC, S O, Chennai
16.	A Mohamed Naina Maricar	Dy. Registrar	O/o R C S Puducherry
17.	A Kuppaswamy	Senior Accts Officer	Social Welfare Department
18.	R Komathi	Manager (Schemes)	PCDWHP
19.	K Theeppanjan	Deputy F M	DIC
20.	K Sadasivam	Technical Officer	DIC
21.	Jeyabal Rajaregaran	State Resource Person	UIDAI
22.	T. Irissane	Assistant Project Officer	Oulgaret Municipality
23.	M. Mohane	Community Organiser	PUDA