

**MINUTES OF THE 53RD REVIEW MEETING OF
THE STATE LEVEL BANKERS' COMMITTEE,
BIHAR HELD ON 21ST AUGUST, 2015 FOR THE
QUARTER ENDED JUNE 2015**



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MINUTES OF
THE 53rd REVIEW MEETING OF THE STATE LEVEL
BANKERS' COMMITTEE, BIHAR FOR THE 1ST QTR OF FY
2015-16 ENDED JUNE 2015, HELD ON 21ST AUGUST, 2015

The 53rd review meeting of State Level Bankers' Committee, Bihar was held on 21st August, 2015 at Hotel Chanakya, Patna under the chairmanship of Shri Bijendra Prasad Yadav, Finance Minister, Govt. of Bihar. The meeting was also attended by Shri P.K. Shahi, Education Minister, Govt. of Bihar, Shri Shyam Rajak, Minister for Industries, GOB, Shri Baidyanath Sahni, Animal Husbandary & Fisheries Minister, Govt. of Bihar, Shri Anjani Kumar Singh, Chief Secretary, GOB and other senior officials of State and Central Government, RBI, NABARD, Banks, Insurance company and other agencies. The list of participants is enclosed as Annexure-I.

Shri Abhijit Dutta, General Manager, SBI & Convenor, SLBC Bihar, welcomed the Hon'ble Finance Minister, GOB, others Ministers present, senior functionaries of Central & State Govt, Banks and all other participants.

Sri Dutta briefly outlined the achievements of Banks operating in the State under ACP during the first quarter of FY 2015-16. He highlighted that during the period under review, against the annual ACP target of Rs. 84000 Crores, the achievements of banks was at Rs. 20669 Crores, which is around 25% of the annual target and 35% Y-O-Y growth over last year corresponding period under review. In agriculture sector also, the growth over last year's performance is 42%.

GM, SBI expressed that there is a huge scope for dairy and fishery in the state, but achievement is far from satisfactory. He advised the banks and all concerned departments of state Govt to work together in making the process simple so as to benefit the target groups. On SHG, he requested the Bankers to play their role effectively in achieving the challenging

target of opening 10 lac SHG accounts by 2017 as desired by the Hon'ble Chief Minister during his deliberations during the 52nd SLBC meeting.

On PMEGP, Shri Dutta said that although during the last quarter of financial year 2014-15, there was a good progress in sanction/disbursement under the scheme, the performance of banks needs more improvement and focussed attention.

On extending banking facilities to villages having population below 2000 by 14th August 2015, Shri Dutta expressed that up till 30.06.2015, 27150 villages out of 27343 were covered either by BCA or by fixed branch location and hoped that rest would have been covered by 14th August 2015.

On CD ratio, Shri Dutta expressed that Banks in the state have achieved 44.59 %, which shows an increase of 193 basis points as compared to last Financial Year. He said that the CD ratio of the State is on an increasing trend but it was still much below the national average.

GM, SBI said that the rising NPAs was a major concern of the Banks, which stood at 5.28 % at the end of June 2015. He requested the State Govt. to help the Banks in disposal of pending certificate cases, so that the NPA level could be kept in check and the credit flow in the state remained at the expected level. In this connection, he advised that list of top 10 certificate cases have been listed in the Agenda book and also provided to the SDC-Banking of the respective district for effecting recovery in these cases.

GM, SBI, thereafter highlighted the launching of three schemes of Jan Suraksha Yojana by the Hon'ble Prime Minister on 09.05.2015. He said that as on date more than 60 lacs applications has been enrolled under Prime Minister Jeevan Jyoti Bima Yojana(PMJJB) and Prime Minister Suraksha Bima Yojana(PMSBY).

Sri Dutta also highlighted the performance of RSETI and Financial Literacy Centres maintained by the Banks in each district of the state and their

role in entrepreneurship development and financial awareness in the state. He requested the Bankers to give priority on extending credit support to RSETI trained candidates to improve the settlement ratio of RSETIs.

At the end, Shri Dutta thanked the State Govt. for the unhindered support

The General Manager, Reserve Bank of India, Shri Swaroop Singh in his brief address expressed satisfaction over coverage of all unbanked villages with less than 2000 population. He said that out of the 27,343 villages allocated to various banks, 27150 villages have been covered by banks as on 30th June 2015 and hoped for coverage of the rest by 14th August 2015. However, he expressed concern over coverage of these villages through Brick & Mortar branches which is 1.37% for PSBs and 2.37% for RRBs against the stipulated target of 5% of covered villages.

Shri Singh also expressed his views on the Agenda of Negotiable Warehouse Receipt and advised the Banks to provide the required data to SLBC for compilation and send a Quarterly progress report to RBI thereafter.

GM, RBI also expressed his views on distribution of Currency Notes and coins and requested the Banks to streamline the distribution system so as to avoid artificial deficit in the market. Sri Singh also raised the issue of clean note policy and advised all Banks to deal with sorting of soiled Notes as per RBI guidelines.

On Education loan, GM RBI informed the house that a new portal with 22 schemes has been created by Govt of India which also facilitates receiving of online application from the needy persons. He requested all Banks to join the portal to pass the benefit to consumers.

The Chief General Manager, NABARD Shri R.K.Das in his address gave a presentation on Monitoring and Information system for activity wise Credit Planning and monitoring.

The Chief Secretary, GOB in his address expressed dissatisfaction over the performance of Banks during the 1st Quarter of FY 2015-16. He said that meeting should not be held in a routine manner, but it should be result oriented. He advised the banks to increase finance in KCC, MSME and Education loans. The Chief Secretary, GOB was also critical regarding delay in RTGS transfer of Govt fund under DBT to needy persons all across the state and advised Banks to streamline functioning of the system. The Chief Secretary also advised the banks to prepare themselves for restructuring of loans in case of drought due to deficiency in rainfall.

The Minister of Industry, Government of Bihar, Shri Shyam Rajak in his address called for greater participation of Banks in financing to industrial sector in the state. He expressed his dissatisfaction over the Banks performance under PMEGP loans. He urged upon the banks to give focussed attention to financing under PMEGP and achieve their yearly target within the stipulated time frame.

Sri Prashant Kumar Shahi, Education Minister, Government of Bihar, in his address expressed dissatisfaction over the low performance of Banks in the area of education loan. He advised the banks to achieve the target under education loan to encourage more and more youths in the state to acquire higher studies. He also expressed concern over some banks achievements to below 50% and advised them to increase their performance. Under Financial inclusion, he urged the Bankers to connect the remaining unbanked Gram Panchayats and villages with banking facilities.

Sri Baidyanath Sahni, Minister for Animal Husbandry & Fisheries, Govt of Bihar in his address expressed dissatisfaction at the poor performance of banks during the 1st quarter of financial year 2015-16. He advised the bankers to be more sensitive towards the feelings of the people and provide adequate financial assistance to the needy people. He advised

that loan proposals sent to banks should be disposed off within the stipulated time frame.

Minutes of the last SLBC meeting was then confirmed and Action Taken Report on the action points of 52nd SLBC meeting was adopted by the House.

Presentation was, thereafter, made by AGM, SLBC on all the agenda items. After discussion on the agenda items during the meeting, the following points emerged.

A. ANNUAL CREDIT PLAN (2015-16):

The achievement of banks under ACP during the 1st quarter of financial year 2015-16 was 25% of the annual target and 35 % more than the disbursement made during the corresponding period of last year. Commercial banks and RRBs have recorded 30% and 59% growth in their loan disbursement vis-à-vis their performance over the last year corresponding period under review.

B. AGRICULTURE RELATED ISSUES:

1. Sub-Committee meeting of SLBC on Agriculture:

2. Agri ACP:

The achievement under Agri ACP during the 1st Quarter of Financial Year 2015-16 was 24% of the annual target and in absolute terms, 42% more than the last FY corresponding period. All banks were requested to give due attention to Agri lending, especially in allied activities to all deserving farmers.

3. KCC:

The achievement of only 13% of annual target of last Financial Year was viewed as unsatisfactory. The banks were advised to give due attention to increase financing under KCC.

4. **Farm Mechanisation**:-

Dissatisfaction was expressed over poor performance under Farm Mechanisation as Banks had achieved only 30% during the Financial 2014-15. Bankers were requested to give priority to this area.

5. **Dairy, Fishery & Poultry**:-

The performance under Dairy, Fishery and Poultry sector of the banks was described as very poor. The house agreed that for overall development of the state, these three sectors should be given top priority and urged the bankers to increase the lending in these sectors. The Chief secretary commented that the state has good number of water resources available, but still large quantity of fish is imported from other states. He advised the bankers to give due weightage in sanctioning of proposals in these sectors to make the state self sufficient in dairy, poultry and fisheries. It was also advocated for sanction of loans under Dairy, Fishery and Poultry through processing cell of the banks to speed up the process.

6. **SHG/JLG**:

Following issues were highlighted with regard to financing to SHGs/ JLGs :

(I) Self Help Group (SHG)/Joint Liability Group (JLG)

a) Banks have opened savings account of 23180 SHGs and have credit linked 9117 SHGs with total bank finance of Rs. 51.24 Cr during the first quarter of financial year 2015-16 against an annual target of 150000 for account opening and 100000 for credit linkage.

b) Notification of the State Govt. had to be issued with regard to implementation of Interest Subvention scheme in the 27 non-IAP districts on the same line as in the 11 IAP districts. This is still awaited.

c) Banks to ensure use of common format for account opening & 1st dose credit linkage of SHGs.

d) Commercial Banks were asked to focus on JLG financing.

e) Against the annual target of 75000,7406 JLGs were financed by Banks up to during the 1st quarter of FY 2015-16.

C. INDUSTRY RELATED ISSUES

1. Sub-Committee meeting of SLBC on Industries:

It was apprised to the house that the 7th meeting of Sub-Committee of SLBC on Industries was held on 12th May 2015 and all related issues were discussed in it.

2. Achievement under MSME ACP:

During the 1st quarter of Financial Year 2015-16, against the annual target of Rs. 12000 crores, Banks under MSME have disbursed Rs 3412 crores, which is 28% of their annual target. In absolute terms it is approximately 51% more than the disbursement made by the Banks during the corresponding period of last Financial year.

3. Review of achievement under PMEGP:

The achievement under PMEGP during the 1st quarter of FY 2015-16 was viewed by the house as very poor. Against the physical target of 4245 projects for 2015-16, Banks have sanctioned only 76 projects amounting to Rs.6.28 Cr during the period under review. The major reason for poor performance during the period was stated to be delay in receipt of loan applications. As industrial sector was national priority area and had potential to provide large number of jobs to people, banks were requested to give adequate attention towards financing under the scheme. The Principal Secretary, Industries expressed that the applications are selected on the basis of task force recommendations, which is also represented by Bankers. He requested the Banks to adopt a positive approach in sanctioning of PMEGP loans and achieve the annual target during the third Quarter of the Financial year.

D. OTHERS:-

1. OPENING OF BRANCHES:

The performance of banks during the period under review was not as per the target. The banks in the state had targeted opening of 527 branches during the FY 2015-16, out of which only 107 branches had been opened during the period under review. He also said that there are 294 unbanked villages having population above 10000 in the state which has been targeted for opening of branches during the FY 2015-16. The Principal Secretary (Finance), GOB advised to Reserve Bank of India to arrange a review meeting with banks who had not opened any new branch during first quarter of FY of 2015-16.

2. EDUCATION LOAN:

The performance of Banks under Education loan was not encouraging during the period under review. During the 1st Quarter of FY 2015-16, against the annual target of 50000, the achievement of Banks under Education loan was only 5628, which is 11% of the target. The Chief Secretary stressed that bottlenecks in sanctioning/disbursing of Education Loan should be removed as there is a lot of scope for increasing finance under the scheme.

The performance of major Private Banks, whose achievement is less than 5% in education loan, was viewed seriously by the house. All the private banks were advised to increase their performance in education loan and ensure achievement of their allotted yearly target.

The Chief Secretary, GOB advised Principal Secretary (Finance) to consider rewarding the best performing bank for financing under Education Loan.

3. HOUSING LOAN:

During the 1st quarter of FY 2015-16, the achievement of Banks under Housing loan was 20% of the annual target, i.e 4759 against 24000.

4. OTHERS:-

The Principal Secretary (Finance), GOB advised to Principal Secretary (Co-operative) and Reserve Bank of India to arrange a review meeting to resolve the issues faced by Co-operative bank.

The Finance Minister Shri Bijendra Prasad Yadav in his address expressed unhappiness over the poor performance of the banks during the 1st quarter of current financial year. He advised the bankers to be more sensitive towards the poor and provide adequate financial assistance to the needy people. He also suggested providing more impetus on social security schemes through direct credit to the poor to avoid diversion. Sri Yadav requested the banks to open branches in more than 5500 panchayats in the State, which do not have banking facility. The State Govt is committed to run all its schemes through banks which will decrease state Govt workload and also increase deposit of the bank. Shri Yadav was of the view that though activity and responsibility of the banks have increased but corresponding increase in the accountability of banks has not been observed. The Finance Minister advised the bankers to provide service with responsibility and perform their job in a transparent manner to improve credibility of the banking system. Senior bank officials should understand the problems faced by ground level functionaries and address them suitably. He assured the bankers of full cooperation from the State Government in their pursuit towards good performance

The meeting ended with a vote of thanks to all the participants by Shri R.K. Arora, General Manager, Central Bank of India. He thanked all participants for fruitful discussion on various issues during the SLBC meeting and on behalf of all banks assured the State Government for better performance by Banks during the next Quarter of the current FY on the lines discussed in the meeting.

ACTION POINTS
53rd SLBC MEETING HELD ON 21ST AUGUST 2015

1. Banks should put in concerted efforts to ensure achievement of 100% target set under ACP for 2015-16.

(Action: All Banks)

2. Banks should give focus on issuance of new and renewal of KCC and also increase financing in other Agri. Areas such as Dairy, Fishery and other allied activities in order to achieve the ACP target for Agri. Segment.

(Action: All Banks)

3. Banks to ensure achievement of target under Education loan and Branch opening under FY 2015-16.

(Action: All Banks)

4. The Reserve Bank of India to organise a review meeting with banks who had not opened any new branch during first quarter of FY of 2015-16.

(Action: Reserve Bank of
India)

5. All banks should give desired focus to PMEGP financing and timely utilisation of margin money in order to achieve PMEGP target during 2015-16.

(Action: All Banks)

6. Banks to ensure training to potential PMEGP borrowers in RSETIs. DIC and Bank official to visit RSETI for selection of eligible persons and generating their applications for financing under PMEGP and other relevant schemes.

(Action: State Govt. & Banks)

7. Escalation in the rate of Stamp duty for small value non-Agri loans like DIR, WCC etc. be reviewed.

(Action: State Government)

8. Banks to ensure organising weekly Camp by all agri lending branches on each Wednesday for Agri business loans. Field functionaries of the State Govt to participate in the camp for generating loan applications from the service area of the Branch.

(Action: All Banks & State Govt.)

9. Banks to give more focus on advances under DRI schemes to achieve the benchmark of 1% of total aggregate advances during previous year.

(Action: All Banks)

10. Rupay cards to be issued to all eligible farmers, while issuing and renewal of KCC.

(Action: All Banks)

11. Banks to ensure use of common format for account opening & 1st dose credit linkage of SHGs.

(Action: All Banks)

12. Necessary instruction to be issued to the district authorities for disposal of pending certificate cases already provided to SDC-Banking of each district.

(Action: State Government)

13. The Principal Secretary (Co-operative) and Reserve Bank of India to arrange a review meeting for resolving the issues faced by Co-operative bank.

(Action: State Government, Bihar State Co-op Bank & Reserve Bank of India)

14. System of giving reward to best performing bank for financing under Education Loan to be introduced.

(Action: State Government)

53rd SLBC MEETING HELD ON 21.08.2015 AT HOTEL CHANAKYA, PATNA

Annexure-I

Sl. No.	Name of the Participant	Designation/Office
Ministers :-		
1	Shri Bijendra Prasad Yadav	Finance Minister, Govt. of Bihar
2	Shri Vaidyanath Sahni	Animal & Fisheries Resources Minister, Govt. of Bihar
3	Shri Shyam Rajak	Industries Minister, Govt. of Bihar
4	Shri P. K. Shahi	Education Minister, Govt. of Bihar
State Govt.:-		
5	Shri Anjani Kumar Singh	Chief Secretary, Govt. of Bihar
6	Shri S. K. Negi	Development Commissioner, Govt. of Bihar
7	Shri Vijay Prakash	Agriculture Production Commissioner, Govt. of Bihar
8	Shri Tripurari Sharan	Principal Secretary, Industries, Govt. of Bihar
9	Shri Ravi Mittal	Principal Secretary, Finance, Govt. of Bihar
10	Shri Amrit Lal Meena	Principal Secretary, UD&HD
11	Shri Chaitanya Prasad	Principal Secretary, Co-operative
12	Shri Binod Kumar Jha	Jt. Director, Revenue & Land Reforms
13	Shri Shiva Shankar Mishra	Jt. Secretary, Finance Deptt.
14	Shri V.K Choudhary	DIG, CID, Bihar
15	Shri H. R. Srinivasa	Secretary, Finance Deptt.
16	Shri Narmadeshwar Lal	Secretary, Animal & Fisheries Resources, GoB
17	Shri Hare Ram Singh	Director Dairy, GoB
18	Shri N. Ahmed	Director Fisheries, GoB
19	Shri S. K Dubey	Director Incharge, National Commission for SCs
20	Shri Awadhesh Kumar	OSD, Finance
21	Shri M. P. Bhagat	Dy. Director (Banking), Deptt of Finance
22	Dr. Vijay Kumar Singh	L.R.O, Animal Husbandry, Patna
23	Dr. Sunil Kumar Singh	Sr. Investigator, National Commission for SCs
Govt. of India:-		
24	Shri Manish Gupta	Director, Deptt. of Financial Services, GoI
25	Shri N. Srinivas Rao	Director, Deptt. of Financial Services, GoI
26	Shri R. B. Rahate	Asstt. General Manager, MUDRA
27	Shri R. S. Pandey	State Director, KVIC
28	Shri Rajesh Kumar Singh	ADG, UIDAI
29	Shri Ravindra Mehta	State Resource Person, Aadhar

30	Dr. P.K. Gupta	Nodal Officer, KVIC
31	Shri Ramesh Kumar	Asstt. Director, MSMEDI, Patna
32	Shri Gopal Kumar	Auditor, KVIC
RBI & NABARD:-		
33	Shri Swaroop Singh	General Manager, Reserve Bank of India
34	Shri R. K. Das	Chief General Manager, NABARD
35	Shri Brij Raj	Dy. General Manager, Reserve Bank of India
36	Shri D. Padhi	Dy. General Manager, NABARD
37	Shri M.M Ashraf	Asstt. General Manager, NABARD
38	Shri Devendra Bonde	Manager, Reserve Bank of India
Other Bankers		
39	Shri Abhijit Dutta	General Manager, State Bank of India
40	Shri Anil Kumar	General Manager & Circle Head, UCO Bank
41	Shri N. C. Upreti	General Manager, Bank of Baroda
42	Shri M. M. Chiniwar	General Manager, Canara Bank
43	Shri R. K. Arora	General Manager, Central Bank of India
44	Shri S. K. Mallick	General Manager, Punjab National Bank
45	Shri C. Raj	Dy. General Manager (Outreach), State Bank of India
46	Shri N. S. Napalchyal	Dy. General Manager (Agri), State Bank of India
47	Shri K. N. R Verma	DGM & Circle Head, Punjab National Bank
48	Shri M.N. A. Ansari	Dy. General Manager, Bank of India
49	Shri Dhananjay Pratap Singh	DGM & CRM, United Bank of India
50	Shri Subrat Kumar	Dy. General Manager, Vijaya Bank
51	Shri S. K. Mohapatra	Dy. General Manager, Union Bank of India
52	Shri Budh Singh	DGM/ZM, Indian Bank
53	Shri Rajiv Kumar Das	Asstt. General Manager, SLBC, SBI, LHO, Patna
54	Shri B. N. Nagendra	Asstt. General Manager, Corporation Bank
55	Shri S. K. Ghosal	Asstt. General Manager, Allahabad Bank
56	Shri S. K. Sharma	Asstt. General Manager, Oriental Bank of Commerce
57	Shri Anil Kumar	AGM & SRM, Indian Bank
58	Shri Sanjeev Kumar Kaushal	Asstt. General Manager, IDBI Bank
59	Shri Abhishek Parashar	Asstt. General Manager, ICICI Bank
60	Shri Amit Rai	Asstt. General Manager, SIDBI
61	Shri K. Shant Rakshit	Managing Director, Bihar State Co-operative Bank
62	Shri Manish Verma	Cluster Head, HDFC Bank
63	Shri B. S. Harilal	Chairman, Uttar Bihar Gramin Bank

64	Shri K. K. Upadhyay	General Manager, Madhya Bihar Gramin Bank
65	Shri J. R. Singh	General Manager, Bihar Gramin Bank
66	Shri T. V Krishna Prasad	Chief Manager, Andhra Bank
67	Shri Arun Srivastava	Chief Manager, Indian Overseas Bank
68	Shri Ranjeet Singh	Chief Manager, UCO Bank
69	Shri M. R. Haider	Chief Manager, Dena Bank
70	Shri Ravi Ranjan Prashun	Chief Manager, Bank of Maharashtra
71	Shri Ashok Vardhan	Chief Manager, Indusind Bank
72	Shri Rajib Lochan Mohanty	Chief Manager, Federal Bank
73	Shri Chandan Kaushik	Chief Manager, Kotak Mahindra Bank
74	Shri Rashid Iqbal	Circle Nodal Manager, Axis Bank
75	Shri Ramesh Kumar Singh	Sr. Manager, Vijaya Bank
76	Shri Ajey Jha	Sr. Manager, United Bank of India
77	Shri Vijay Shankar Kumar	Sr. Manager, Yes Bank Ltd.
78	Shri S. K. Choudhary	Manager, Union Bank of India
79	Shri Lison Jacob Sebastian	Manager, South Indian Bank
80	Shri P. K Jaiswal	Incharge Credit, Bihar Gramin Bank
81	Shri Nishit Chandra	Branch Manager, Bank of Maharashtra
82	Shri Amrit Raj	Branch Manager, State Bank of Patiala
83	Shri Rajesh Ranjan	Branch Manager, State Bank of Hyderabad
84	Shri Lakshman Kumar L.L. V	Branch Manger, Karnataka Bank Ltd.
Others		
85	Ms. Irina Sinha	Thematic Lead Social Development, UDHD
86	Shri Arvind Kumar Pandey	State Project Co-ordinator, NULM
87	Shri A.K. Thakur	Consultant (MF), JEEVIKA
88	Shri M. C. Sharan	PC-FI, JEEVIKA
89	Shri B. K. Mishra	State Mission Manager, NULM
90	Shri Mukesh Kumar	JTO, BSNL
91	Shri D. P. Sharma	RM, New India
92	Shri B. Nippu	Manager, New India Assurance Co. Ltd
93	Shri Agam	AGM , BSNL
94	Shri S.K. Jha	Branch Manager, LIC of India
95	Shri Prashant Sinha	NIACL (AO)
96	Shri Anurag Mishra	RM, NIC, RO, Patna
97	Shri Awneesh Krishna	Dy. Manager, NIC Patna
98	Shri Pushkar Priyadarshi	Regional Manager, Agriculture Ins. Co. Of India

99	Shri Munna Kumar	Asstt. Manager, AIC
100	Shri Binod Kumar Das	Dy. Manager, United India Insurance Co.
101	Shri Dharmveer Prakash	AO, United India Insurance Co.
102	Shri Ashutosh Kumar	Divisional Manager, LIC of India
103	Shri Girish Kumar	Regional Manager, LIC of India
104	Shri R. K. Talwar	CRM, Oriental Insurance Co. Ltd
105	Shri Alope Samayar	Manager Marketing, Oriental Insurance Co. Ltd
