

MINUTES OF 6<sup>TH</sup> MEETING OF SLBC SUB-COMMITTEE ON INDUSTRY  
HELD ON 04.02.2015 AT UDHYOG MITRA CONFERENCE HALL, INDIRA  
BHAWAN, PATNA

The 6<sup>th</sup> Meeting of sub-committee of SLBC on Industries under the chairmanship of Shri Ravi Mittal, Principal Secretary, Industries, Government of Bihar was held at the Udyog Mitra Conference Hall, Indira Bhawan Patna on 04.02.2015. The meeting was also attended by Shri R. K. Das, CGM, NABARD, Shri Rahul Singh, MD BIADA, Shri R.Laxmanan, Director, Industries, Shri Shailesh Thakur, Director, Food Processing, Shri Pradeep Kumar, Director, MSME Development Institute, Ministry of MSME, Govt. of India, Shri R.S.Pandey, Director, KVIC and representatives of Govt. of Bihar, RBI, NABARD and Banks. The list of participants is placed as Annexure-I.

AGM, SLBC welcomed the participants and apprised the house about the background of convening SLBC Sub-Committee meeting on Industry (Ref.: Decision of 45<sup>th</sup> SLBC meeting -held on 21.08.2013-Sub-Committee of SLBC on Industry and Agriculture to be formed under the Chairmanship of the Principal Secretary (Industry) and Agriculture Production Commissioner (APC) respectively, to review the performance/ progress at quarterly interval.)

He then advised the house about the overall achievement of Banks under MSME as well as performance under individual schemes upto the 3<sup>rd</sup> quarter of Financial Year 2014-15.

Principal Secretary, Industries Shri Ravi Mittal in his address expressed satisfaction over the overall performance of the banks under MSME Sector. As against the target of 8500 Crores under ACP, Banks have achieved 6869 Crores (81%) upto the quarter ended in Dec' 2014.

However, he expressed his dissatisfaction over the performance of banks under some major programmes like PMEGP and WCC and asked the bankers to explain the reasons for this poor performance. Referring to his review meeting held on 5<sup>th</sup> January'2015,

where the bankers were told to improve lending under PMEGP; Mr. Mittal said that things are not improving even after commitment and assurances of banks. He asked the Bankers to expedite things and show a minimum disbursement of 50% of the PMEGP target before SLBC meeting to be held on 14<sup>th</sup> February 2015. Mr. Mittal especially mentioned the poor no. of SBI disbursement under PMEGP and expressed his hope that the leading Bank in the state will lead in this area as well.

Representative of Punjab National Banks stated that Subsidy Consumption figure is low but sanction & disbursement figures of PMEGP have improved substantially after December. The Representative of Allahabad Bank said that the two main reasons for rejection of PMEGP application by Banks are; application pertaining to other service area and applicants being defaulter of other Banks. Mr. Mittal responded by saying that generalised statements should not be given and specific data should be brought by Banks. Mr. Mittal also advised the banks that if sanction and disbursement under the scheme will not improve, the issue would be raised in the SLBC meeting and may even be taken up with the Corporate offices of the banks.

The MD BIADA said that the applications should be disposed off in chronological order of receipt, and should not be kept pending for the year end as the sanctions at the close of fiscal are done in haste that leads to many complications.

The Director, Industries raised the issue of applications being rejected by the banks, when their own representatives are part of the Task Force Committee (TFC) for selection of PMEGP application.

Shri Das, CGM, NABARD said that issues like viability and service area should be discussed in the TFC meeting, itself.

## 2.WEAVERS CREDIT CARD:

Performance of Banks so far under the scheme is poor as reported achievement is only 25% of the target.

AGM, SLBC stated that banks had to organise camps at Bhagalpur & Gaya for generating applications under the scheme as decided in the previous meeting, but it did not happen. Since the target is small, it can still be achieved if application is generated in camp mode.

### 3. FOOD PROCESSING:

Banks have sanctioned Rs. 488 Crs to 1201 food processing units upto the 3<sup>rd</sup> quarter of FY 2014-15. The Principal Secretary asked the Banks to focus on this area as it has a huge potential in the state.

### MISCELLANEOUS:

The Principal Secretary, Industry advised the house that the department has formulated scheme for setting up Private Industrial Area (PIA) with the aim of accelerating industrial development of the state and sought help of banks for extending credit to the entrepreneurs.

He briefly outlined the highlights of the scheme. Under the scheme individual wishing to set up PIA should have minimum 25 acres of land and they will have to constitute a Special Purpose Vehicle (SPV) registered under the Company/Society Act and transfer the land to the SPV. SPV will develop infrastructure in the area for use of industrial units and allot the same to manufacturing industries and the industries earmarked by the state government as thrust area.

The units, set up in the Private Industrial Area, shall be entitled to the benefits and incentives as prescribed under Bihar Industrial Incentive Policy, 2011. The State Government will grant incentive @ 30% of project cost for infrastructure development within the Private Industrial Area. Amount of incentive will be disbursed by the State Government in 4 instalments on the basis of matching contribution by the SPV and maximum limit of incentive to be granted will be Rs.50 (Fifty) crores.

The meeting ended with a vote of thanks to the chair.

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ACTION POINTS OF THE 6<sup>th</sup> MEETING OF SLBC SUB-COMMITTEE ON INDUSTRIES HELD ON 04.02.2015 AT UDHYOG MITRA CONFERENCE HALL, INDIRA BHAWAN, PATNA

1. Bankers to expedite disposal of PMEGP applications with minimum disbursement of 50% of the PMEGP target before SLBC meeting to be held on 14<sup>th</sup> February'2015.  
(Action: All Banks)
2. The applications should be disposed off in chronological order of receipt and should not be kept pending for the year- end.  
(Action: All Banks)
3. Banks to organise camps at Bhagalpur & Gaya for generating applications under the scheme as decided in the previous meeting.  
(Action: Lead Bank of the district)

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6<sup>th</sup> SUB-COMMITTEE MEETING OF SLBC ON INDUSTRIES DATED 4<sup>th</sup> FEBRUARY 2015

## LIST OF PARTICIPANTS

S.N.	NAME OF THE PARTICIPANT	DESIGNATION	ORGANISATION
1	Shri Ravi Mittal	Principal Secretary	Dept.of Industries,Govt.of Bihar,Patna
2	Shri Rahul Singh	M.D.BIADA	Govt.of Bihar,Patna
3	Shri R.Laxmanan	Director, Industries	Govt.of Bihar,Patna
4	Shri Sh.Dinesh Kumar	Director,Handloom & Sericulture	Govt.of Bihar,Patna
5	Shri Shailesh Thakur	Director,Food Processing	Govt.of Bihar,Patna
6	Shri Ravindra Kumar	Director, Technical	Govt.of Bihar,Patna
7	Shri Pradeep Kumar	Director,MSMEDI	MoMSME,Govt.of India
8	Shri R.S. Pandey	Director	KVIC, Govt.of India
9	Shri R.K.Das	Chief General Manager	NABARD
10	Shri S.Jha	General Manager	NABARD
11	Shri Awadesh Kumar	OSD,Finance(Institutional),Dept.	Govt.of Bihar,Patna
12	Shri C.Sarangi	Dy.General Manager	FGM Office, Punjab Natioanl Bank
13	Shri Gadadhar Panda	Dy.General Manager	Circle Office,UCO Bank,Patna
14	Shri Tapas Saha	Asstt.General Manager	Reserve Bank of India,Patna
15	Shri Satish Kumar Singh	Asstt.General Manager	SLBC,State Bank of India,Patna
16	Shri Rajeev Khanna	Asstt.General Manager	Allahabad Bank,Z.O.,Patna
17	Shri R.K.Gupta	Asstt.General Manager	Central Bank of India,ZO,Patna
18	Shri Sanjeev Kaushal	Asstt.General Manager	IDBI Bank,Patna
19	Shri Ramesh Kumar Thakur	Dy.Director,Industries	Govt.of Bihar,Patna
20	Shri M.P.Bhagat	Dy.Director (Banking),Finance(Inst.)	Govt.of Bihar,Patna
21	Shri Vikash Krishna	Chief Manager	Bank of India,Zonal Office,Patna
22	Shri S.Haloi	Chief Manager	Central Bank of India,ZO,Patna
23	Shri N.K.Sinha	Chief Manager	Union Bank of India
24	Shri Abhijit Sinha	Chief Manager	Oriental Bank of Commerce
25	Shri Md.Aarif	Divisional Manager	Canara Bank,Circle Office,Patna
26	Shri Praveen Kumar	Manager	Reserve Bank of India,ZO,Patna
27	Shri Pankaj Gupta	Manager	NABARD,Patna
28	Shri Prabhakar Kumar	Sr.Manager	Bank of Baroda,ZO,Patna
29	Ajey Kumar Jha	Sr.Manager(Adv)	United Bank of India,Patna
30	Shri Vikas Kumar	Sr.Manager	Indian Overseas Bank,RO,Patna
31	Shri Kunj Bihari Singh	Sr.Manager	Bank of India,ZO,Patna
32	Shri Raj Kumar Singh	Sr.Manager	HDFC Bank,Patna
33	Shri Amit Kumar	Sr.Manager	UBGB,Muzaffarpur
34	Shri Vinod Kumar Sinha	Sr.manager	Canara Bank,Circle Office,Patna
35	Shri Shakti Kumar Singh	Manager	UCO Bank,Circle Office,Patna
36	Shri Arvind Kumar	Manager	Madhya Bihar Gramin Bank,Patna
37	Shri Ujjwal Priyadarshi	Manager	Bihar Gramin Bank,