

MINUTES OF
THE 58TH REVIEW MEETING OF THE STATE LEVEL
BANKERS' COMMITTEE, BIHAR FOR THE 2ND
QTR OF FY 2016-17 ENDED SEPTEMBER, 2016, HELD ON
16TH NOVEMBER, 2016

The 58th review meeting of State Level Bankers' Committee, Bihar was held on 16th November, 2016 at Hotel Chanakya, Patna under the chairmanship of Shri Abdul Bari Siddique, Hon'ble Finance Minister, Govt. of Bihar. The meeting was also attended by Sri Shraavan Kumar, Rural Development Minister, GOB, Sri Awadesh Kumar Singh, Minister for Animal Husbandry & Fisheries, GOB, Ravi Mittal, Principal Secretary (Finance) of the State, other senior officials of State & Central Government, RBI, NABARD, Banks and other agencies. The list of participants is enclosed as Annexure-I.

Shri Ajit Sood, Chief General Manager, SBI & Convenor, SLBC Bihar, welcomed all the participants during the 2nd meeting of the current financial year and briefly outlined the achievements of Banks operating in the State under ACP during the first six months of FY 2016-17. He said ACP of the State for financial year 2016-17 is enhanced to Rs.1.00 lac crore. Highlighting on the issue of ACP, he said that during the period April to September 2016, the banks disbursed Rs. 41499 Crores, i.e approx.42% of the annual target. In agriculture sector, against the annual target of Rs. 48000 Crores, Banks have disbursed Rs. 19277 Crores during the period under review, which was approx 40% of the target. He said that during the period under review 2.92 lac new KCC have been sanctioned and 11.46 lac have been renewed. Under MSME sector, the performance of the Banks can be termed as good, as the banks have recorded an achievement of 47 % of their annual target. He added that under MSME, Banks have financed Rs. 7099 Crores to 2.41 lac borrowers under MUDRA loan.

On CD ratio, Shri Sood stated that the state had achieved 43.95 %, during the period under review and the Banks and State Govt are trying their best to increase the CD ratio further. He also stated that the movement of large amount of money into banking channel due to demonetisation may further reduce the CD ratio of Banks.

CGM, SBI said that launching of "Bihar Student Credit Card Scheme " has been one of the agenda among the "**SAAT NISCHAY**" of Govt of Bihar and most of the bank has signed MOU with GOB. He advised the remaining banks to get it completed at the earliest. He requested the concerned Govt. departments to send the loan application complete in all respect so that Banks can start disposing off them at the earliest. He assured to the GOB that all banks will make it a grand success.

CGM, SBI said that in view of the demonetisation of currency by GOI administrative support to all the Banks in the state has become a prime concern due to heavy rush in the banks. He sought all types of support from the Chief Secretary of GOB.

At the end, Sri Sood thanked the State Govt. for extending the unhindered support provided to Banks in the state.

Minutes of the last SLBC meeting were then confirmed and Action Taken Report on the action points of 57th SLBC meeting was adopted by the House.

Presentation was, thereafter, made by Sri R K Das, AGM, SLBC, Bihar on major agenda items. After discussion on the agenda items during the meeting, the following points emerged.

A. AGRICULTURE RELATED ISSUES:

(I) Sub-Committee meeting of SLBC on Agriculture:

a. Agri ACP:

The achievement under Agri ACP during the 1st half year of Financial Year 2016-17 was 40.16% of the annual target. However, the achievement of

RRBs during the period remained only 30.78%. The Govt. expressed displeasure over the low performance of RRBs. All banks were requested to give due attention to Agri lending, especially in allied activities to all deserving farmers.

b. Dairy, Fishery & Poultry:-

The performance under Dairy, Fishery and Poultry sector of the banks was described as very poor. Shri Awadhesh Prasad Singh, Minister for Animal Husbandry and fisheries, GOB expressed his displeasure over the performance of banks in this area. Bihar being a consumer state of dairy, fishery & poultry, the financial support to these sectors is very essential for overall development of the state. The Hon'ble Minister also said that despite huge subsidies available under the schemes for financing to Dairy, Fishery & Poultry, the sanction of loan so far is not at all upto mark. He also said that it must improve up to acceptable level by the next SLBC review meeting as Bihar has great potential for these activities. Banks raised that there was some problem perceived in release of subsidy for the loan sanctioned. The Hon. Minister said to the bankers that adequate amount of subsidy is lying in each district and in case there was any difficulty in claiming payment of subsidy, it should have been brought to his notice.

It was decided that details of application sent to various banks /branches should be made available to banks so that effective follow up could be done for better performance. It was also decided to discuss the matter pertaining to low achievement in next Agl. Sub Committee meeting.

B. ISSUES RELATED TO 'INDUSTRIES'

(I). Achievement under MSME ACP:

During the Financial 1st half year of FY 2016-17, against the annual target of Rs. 15000 crores, Banks under MSME have disbursed Rs 7099 crores, which was 47 % of their annual target.

The Director (Industry) raised the question of classification of Micro/Small units particularly having limit more than 5 crore. AGM (SLBC) clarified that it is the investment in plant & Machinery /equipment which determines the status of MSME, not the limit. Regional Director, RBI clarified that there is no difference in definition of MSME. It is as per GOI guideline.

(II). Achievement under PMEGP:

The achievement under PMEGP during 1st half year of FY 2016-17 was viewed by the house as not at all satisfactory. Against the physical target of 3455 projects for 2016-17, Banks have sanctioned only 914 projects amounting to Rs. 18 Cr during the period under review.

Shri R K Das, AGM, SLBC expressed that the position will now improve as PMEGP loan sanction process has become online. The Principal Secretary (Finance) said that up till now 4262 applications has since been sent to banks and these should be disposed off on priority by Dec2016. As industrial sector is a national priority area and has the potential to provide large numbers of jobs to people, Banks are requested to give adequate attention towards financing under the scheme.

(IV) MUDRA LOAN AND STAND UP INDIA, :

AGM (SLBC) said that the achievement of banks in MUDRA and Stand Up India scheme were very low. He requested all the bank heads to instruct their branches for achieving the target.

C. OTHERS:-

(I). OPENING OF BRANCHES:

The Banks in the State had opened only 78 branches during the current FY against the RBI stipulated annual target of 1640. Hon'ble Finance Minister said that non opening of sufficient branches of banks in rural areas has now been realised as a root cause of problem of rural area

people in the wake of demonetisation of notes. He expressed his displeasure over very low achievement of target in branch opening in rural area

Principal Secretary (finance) said that they will arrange for a special meeting on branch opening very soon to review the bank wise position.

RD, RBI clarified that Banks have already given a target to open 1640 branches by 31st March 2017 and for this SLBC has to review the performance of opening of branches periodically and advise RBI accordingly.

(II). HOUSING LOAN:

During the 1st half year of FY 2016-17, the achievement of Banks under Housing loan was 47% of the target, i.e 11280 against 24000.

AGM, SLBC stated that certain issues like master plan, title deed, map approval, agriculture land in rural areas were coming in the way of sanctioning housing loan. He requested for the state govt's intervention to facilitate the sanctioning process. He also said that implementation of "Pradhan Mantri Awaas yojna "was very poor. The details of this scheme have already been placed with agenda book of SLBC for the ready reference to banks.

III. DEMONETISATION OF CURRENCY NOTES:

Due to demonetisation of currency notes of Rs500/- & 1000/- denomination w.e.f. midnight of 08.11.2016, there was heavy rush of public in the banks and ATMs. This issue was discussed at length in the SLBC meeting.

Shri Ajit Sood , CGM, SBI requested the Chief Secretary , GOB to extend all sort of administrative help to branches of banks in the state to avoid any law & order related problem on this count. He said that instruction had been issued to branches for separate queue for senior citizen/ladies

in addition to separate queue for note exchange and note deposit. He also said that the time line for depositing the old currency was 30.12.2016 and therefore it was better to educate the people to deposit in a/c rather than exchanging the amount and to withdraw as and when required.

Regional Director, RBI said that to combat the current situation RBI has taken several measures such as increasing the holding limit of Bank Mitra to 50000/-, uses of MICRO ATM on large scale etc. He urged that time has come to educate the people to use debit / credit card and use the various alternate channels of payment systems.

Principal Secretary (Finance) advised that the administration was fully aware of situation and urged banks to contact Control room immediately in case of any help. He also said that BC & CSP channel should also be utilised for resolving the problem of people in rural areas. He also requested to RBI to ensure sufficient cash availability in branches of banks as it would have an adverse impact on Rabi crop in the state.

Sri Awadhesh Kumar Singh, Minister for Fishery & Animal Husbandry Deptt, Govt of Bihar in his address expressed satisfaction over the Agenda wise discussion during the SLBC meeting. However, he expressed his displeasure over poor performance of banks in dairy & fishery during 1st half year of financial year 2016-17. In fishery, there was almost zero achievement. He advised the bankers to be more sensitive towards the feelings of the people and provide adequate financial assistance to the needy people, especially SC/ST class where 75% subsidy was provided by the State Govt under dairy loans. He advised the Banks to simplify the lending process for better result in Agriculture and allied activities because it has direct impact over the development of Bihar and its GDP.

Sri Shravan Kumar, Minister for Rural Development Deptt. in his address expressed that **Pradhanmantri Awaas Yojna** was a very good scheme and should have been implemented in Bihar. He said that performance of schemes related to financial upliftment of rural women was not

satisfactory. Financial support to SHG in the state requires improvement. The amount of 1st dose and 2nd dose has since been increased from Rs1,50,000/- to Rs3,00,000/- but branches were found unaware about it. A suitable instruction in this regard must be passed on by the bank heads to their branches. There is need to speed up the loan sanction process to the people in rural area in Bihar.

The Finance Minister, Government of Bihar, Sri Abdul Bari Siddique in his address expressed that due to current demonetisation of currency notes, deposit of the banks will see a rise. But if the fund will not be lent, it will affect CD ratio. Hence financing to different sector in the state needs to be speed up.

He also said that Bihar was an agrarian state and sources of livelihood of 89% people were from agriculture and allied agriculture activities. If banks did not open more branches in rural areas, how they would achieve their ACP for agriculture? He expressed his displeasure over the achievement of schemes run by govt. in the name of CM/PM. He said Banks were treating even these schemes in a routine way. Schemes of lending run in the name of CM/PM should be given top priority henceforth.

He said that SLBC has been a very effective forum for discussion. Attending SLBC meeting by Hon. Chief Minister of the state signifies its importance. It was duty of all the stake holders to maintain its sanctity.

Performance of JEEVIKA remained satisfactory in the area of rural financing especially to SHG. 100% repayment of loan has been observed. It can be leveraged for other lending schemes by the Banks.

He concluded his address with his remarks that more efforts were required in all the areas of agenda to make the SLBC meeting a grand success. It should not remain as a customary meeting.

59th Quarterly SLBC Meeting

At the end of the meeting, it was decided by the house to hold the 59th Quarterly SLBC Review Meeting of Bihar on **15.02.2017**.

The meeting ended with a vote of thanks to all the participants by Sri R K Das, AGM, SLBC. He thanked all the dignitaries for fruitful discussion on various issues during the SLBC meeting and on behalf of all banks he assured the State Government for better performance by Banks during current FY on the lines discussed in the meeting.

ACTION POINTS

58th SLBC MEETING HELD ON 16th NOVEMBER 2016

1. Banks should put in concerted efforts to ensure achievement of 100% target set under ACP for 2016-17.

(Action: All Banks)

2. Banks should give focus on financing Dairy, Fishery and Poultry schemes in order to achieve the ACP target under Allied Agl. activities.

(Action: All Banks)

3. Banks to initiate suitable steps to achieve the target of Branch opening for population above 5000 by March 2017. SLBC Department to monitor branch opening with Banks on a regular basis and report to RBI on a Quarterly basis.

(Action: All Banks and SLBC, Bihar)

4. MOU between Banks & Govt. of Bihar to be completed for **Bihar Student credit card scheme** to be completed immediately.

(Action: All such Banks which are yet to sign)

5. State Government to issue suitable guidelines in respect of approval of map in rural areas to increase lending under Housing loan in rural areas.

(Action: State Government)

6. Banks to ensure sanction of at least 2 loans per branch to eligible borrowers under Stand up India.

(Action: All Banks)

7. In the wake of demonetisation and heavy rush at banks /ATMs, sufficient availability of cash to be made in the branches of banks situated in rural areas by RBI/Banks.

(Action: RBI & All Banks)

8. Queue management to be implemented for senior citizen/ladies customers by banks.

(Action: All Banks)

58TH SLBC REVIEW MEETING HELD ON 16.11.2016 AT HOTEL CHANAKYA, PATNA

Annexure-I

Sl. No.	Name of the Participant	Designation/Office
Ministers		
1	Shri Abdul Bari Siddiqui	Finance Minister, Govt. of Bihar
2	Shri Shravan Kumar	Rural Development Minister, Govt. of Bihar
3	Shri Awadhesh Kumar Singh	Animal & Husbandry Minister, Govt. of Bihar
State Govt.		
1	Shri Ravi Mittal	Principal Secretary (Finance), Govt. Of Bihar
2	Shri Rahul Singh	Secretary Finance (Expenditure), Govt. Of Bihar
3	Shri Radhe Shyam	Director, Animal & Fisheries Resources Deptt
4	Shri Sanwar Bharti	Addl. Secretary, Deptt. of Finance
5	Shri P Kumar	Addl. Secretary Industries
6	Shri Awadhesh Kumar	OSD, Finance
7	Shri Rupam	OSD, Finance
8	Shri Nishat Ahmed	Director (Fisheries), Govt. of Bihar
9	Shri A K Jha	Dy. Director (Dairy), Govt. of Bihar
10	Shri Shivanand Tripathi	S.O (Banking), Institutional Finance, GoB
11	Shri P K Jha	Spl. Secretary, revenue and Land Reforms
12	Shri Arun Kumar	Joint Director, Agri Deptt.
13	Shri A R Gokhe	Director, MSME – DI
14	Shri Ramesh Kumar	Asst. Director, MSME - DI
15	Shri Satish Kumar	I E O, Industry Deptt.
16	Shri Shailendra Kr. Singh	D F O, Dairy Deptt.
17	Shri Ram Kumar Jha	P S to Minister AHD
18	Shri Alok Raj	ADG (L & O) Bihar
19	Shri Thomas Antony	Regional Chief, HUDCO
20	Shri Deepak Kr. Jha	DGM, HUDCO
RBI & NABARD		
1	Shri M K Verma	Regional Director, Reserve Bank of India
2	Shri Ranjeet Kumar Das	Chief General Manager, NABARD
3	Shri Ravi Avtar Mishra	Chief General Manager, NABARD (Designate)
4	Shri Brij Raj	General Manager, Reserve Bank of India
5	Shri N.K. Verma	Asstt.General Manager, Reserve Bank of India
6	Shri M.M. Ashraf	Asstt. General Manager, NABARD
7	Shri Pravin Kumar	Manager, Reserve Bank of India
Other Banks:-		
1	Shri Ajit Sood	Chief General Manager, State Bank Of India
2	Shri Abhijit Dutta	General Manager NW-I, State Bank of India
3	Shri V.S. Negi	General Manager NW-III, State Bank of India
4	Shri Rakesh Gupta	General Manager, Punjab National Bank
5	Shri R.K. Arora	General Manager, Central Bank of India
6	Shri C. Raj	Dy. General Manager (Outreach), State Bank of India
7	Shri Amitabh Pandey	Dy. General Manager, ABU, State Bank of India
8	Shri P K Sinha	Dy. General Manager, Allahabad Bank
9	Shri M Reddaiah	Dy. General Manager, Canara Bank
10	Shri Jagmohan Singh	Dy. General Manager, Union Bank of India
11	Shri Dhananjay Pratap Singh	DGM & CRM, United Bank of India

12	Shri Subrat Kumar	Dy. General Manager, Vijaya Bank
13	Shri Vijyant Madhav	DGM IDBI Bank Ltd.
14	Shri I.M. Utreja	Chairman, Uttar Bihar Gramin Bank
15	Shri Harsh Chopra	General Manager, Madhya Bihar Gramin Bank
16	Shri P K C Dash	GM, Bihar Gramin Bank
17	Shri S.R. Padhi	Zonal Manager, Bank of India
18	Shri Budh Singh	Zonal Manager, Indian Bank
19	Shri Prabhat Ravi	Asstt. General Manager, GBD, State Bank of India
20	Shri Virendra Singh	Asst. General Manager, Punjab National Bank
21	Shri Rajiv Sharma	Asstt.General Manager, Dena Bank
22	Shri P.K. Rastogi	Asstt. Gen. Manager, Oriental Bank of Commerce
23	Shri Ujjwal Sen	Asst. Gen. Manager Bank Of Baroda
24	Shri Amit Balajee	Asstt. Vice President, HDFC Bank
25	Shri Pankaj Kumar	Associate Vice President, Kotak Mahindra Bank
26	Ms. Niladri Bose	Regional President National Housing Bank
27	Shri Rashid Iqbal	Circle Nodal Manager, Axis Bank
28	Shri N K Yadav	Divisional Manager, Canara Bank
29	Shri R S Sharma	Chief Manager, Central Bank of India
30	Shri Shiv Shankar Singh	Chief Manager, Bank of Baroda
31	Shri Ashok Vardhan	Chief Manager, Indusind Bank
32	Shri M D Verma	Chief Manager Indian Overseas Bank
33	Shri Maneesh Sinha	VP & Cluster Head, HDFC Bank
34	Shri R. K. Pradhan	Zonal Manager, Andhra Bank
35	Shri Hare Ram Kumar	Branch Manager, State Bank of Patiala
36	Md. Nesar Ahmad	BSCB Ltd Patna
37	Shri Ranjan kumar	Sr. Manager, Syndicate Bank
38	Shri Ajey Kumar Jha	Sr. Manager, United Bank of India
39	Shri Abhinav Choubey	Sr. Manager, Bank of Maharashtra
40	Shri Sapan Kumar Choudhary	Manager, Union Bank of India
41	Shri Sukesh Ranjan	Manager, IDBI Bank
42	Shri Shashank Shekhar	Asst. Oriental Bank Of Commerce
Others:-		
1	Shri Shubhendu Dutta	Admn. Officer, Agriculture Insurance co. Of India
2	Shri S. Sharan	Manager, COMFED
3	Shri Ravikant Bharti	VP, SRLM, Bihar
4	Shri Manoj Kumar	State Director, RSETI, NACER, Bengaluru
5	Shri Mukesh Chandra Sharan	PC-FI, Jeevika
6	Shri A.K. Thakur	Consultant (MF), Jeevika
7	Shri Munna Kumar	Asstt. Manager, AIC, Patna
8	Shri Shubhendu Dutte	Admin Officer, AIC, Patna
9	Shri S K Gupta	State Director, KVIC
10	Shri Madan Pathak	State Mission Manager, PMC-NULM
11	Shri Vijay Kumar Jha	S R P, UIDAI
12	Shri D K Roy	Asst. Director, KVIC
13	Shri G N singh	Ilc BFL, KVIC
14	Shri Kaushik Ranjan	Sr. Reporter Prabhat Khabar
15	Shri Shashi Shekhar	Spl. Officer, Co-operative Deptt.