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82ND QUARTERLY MEETING

28th September 2022
Hotel Maurya, Patna

**MINUTES
& ACTION POINTS**

STATE LEVEL BANKERS' COMMITTEE, BIHAR

82nd QUARTERLY MEETING DATED 28TH SEPTEMBER 2022

The 82nd quarterly meeting of SLBC Bihar was held on 28th September 2022 at Hotel Maurya, Patna. Hon'ble Finance Minister, Govt. of Bihar Shri Vijay Kumar Choudhary presided over the meeting. It was attended by Hon'ble Minister , Rural Development , Shri Shravan Kumar, Hon'ble Minister , Industry Shri Sameer Kumar Mahaseth, Hon'ble Minister , Agriculture Shri Sudhakar Singh and top officials from DFS, State Government Departments, RBI, NABARD, SBI, SIDBI, PFRDA, KVIC, DI-MSME, Police, Department of Posts, SLBC member banks, Industry Associations, District Magistrates and Lead District Managers. The list of participants is placed as *Annexure-I*.

2. Shri Surender Rana, Chief General Manager, SBI delivered the welcome speech. He gave a brief overview of the banking developments in the State during the quarter ended June 2022 of the current FY 2022-23 (Q1FY23). The summary of views expressed by him is as under:

(i) As on 30th June 2022 , the total deposits of banks in Bihar was Rs 4,22,400 crore and their total advances stood at Rs 2,13,700 crore. If we compare YoY, we find that the advances have increased by 22.28% and deposits by 5.32% between June 2021 to June 2022. CD Ratio of the State, as on 30 June 2022, was 52.83%.

(ii) The Annual Credit Plan (ACP) target for 2022-23 is Rs 2,04,145 crore and the achievement in June quarter has been Rs 52,548 crore i.e. about 26%. . If seen sector-wise, this achievement is about 17% in agriculture, 24% in MSME, 24% in other priority sector and 40% in non-priority sector.

(iii) As on 30 June 2022, the NPA of the banks was Rs 24,075 crore which was 11.50% of their total loan book. If we look sector-wise, the NPA in Agriculture Sector was about 27%, MSME 13%, Other Priority Sector 5% and Non-Priority Sector was about 1% NPA.

(iii) The banking infrastructure of the State consists of 7,721 bank branches, 6,733 ATMs and 40,534 Customer Service Centers (CSPs) as on June 30, 2022. Between June 2021 to June 2022, 68 new bank branches, 86 ATMs and 11,000 new CSPs have been opened in the State.

(iv) Utilizing this robust banking infrastructure, Banks have strengthened the financial inclusion in the State and have opened about 6 lakh new PMJDY accounts in Q1FY23 and have sanctioned overdraft worth Rs 13 crore to around 15,000 PMJDY Savings Bank Account holders.

(v) During the Q1FY23 period, banks have insured 4,49,000 people under the Pradhan Mantri Jeevan Jyoti Bima Yojana and 7,31,000 people under the Pradhan Mantri Suraksha Bima Yojana. About 2,73,000 people have also been registered by banks under Atal Pension Yojana (APY) during this quarter.

(vi) During the FY 2022-23 till 30th June, 43,800 SHGs of JEEVIKA have been credit linked by banks and loans worth Rs.839 crore have been given to them. Loan assistance has been provided to 1,373 people under PMEGP and 4,38,000 people under Pradhan Mantri Mudra Yojana.

(vii) If we look at the trend of banking, we find that the first quarter of the year is generally slack in terms of banking business. Despite this, banks have performed well under ACP in the first quarter of this financial year. We are confident that the performance of banks will be even better in the current and coming quarters and we will definitely be able to achieve our annual targets with the cooperation of the State Government.

3. In his maiden address as Chairperson of SLBC Bihar, Hon'ble Finance Minister, Govt. of Bihar, Shri Vijay Kumar Choudhary made his opening remarks as under:

(i) SLBC is a very important, useful, effective and apex level state forum to facilitate coordination and cooperation among all the stakeholders working towards development of the State, more particularly the banks and the various departments / agencies of the State Govt. Govt. of Bihar is working sincerely for the progress of the State and its people and the banks have a very crucial and supportive role to play as premier agency of financial development.

(ii) It is a matter of great satisfaction that banks have fared well during last FY 2021-22 as they achieved 100% of their ACP targets and took the CD Ratio to its all time high of 52.96%. It is really a remarkable and commendable performance.

(iii) The start of FY23 also has received a good tailwind with ACP achievement being more than 25% during Q1. But, the CD Ratio has slipped to 50.60% compared to March 2022. It is utmost important to keep the movement of CD Ratio always on our radar and put in result oriented efforts for its stable and steady increase.

(iv) Bihar is basically an agrarian economy as majority of its population depends on agriculture and allied activities for their bread and butter. Hence, it is important for us to finance the Agriculture sector despite all its inherent oddities and inconveniences.

(v) We should be transparent and time bound in our dealing with the loan applications. The receipt, return, rejection or sanction of loan applications, all should be carried out within the stipulated time frame with proper acknowledgement and specifying reasons. Communications be made to the applicants without compromising the due diligence processes of prudent screening and viability & feasibility checks. The culture of transparency and timeliness is a win-win proposition and practice for all concerned.

(vi) State Govt. is aware of the fact that rising NPAs do cause credit extension averseness among banks and adversely impact the effectiveness of the overall banking system. So, the State Govt. is ever ready to extend all support needed by banks in recovery of their NPAs.

4. Shri S.P. Jha, Assistant General Manager, SLBC told that the minutes and action points of the 82nd SLBC, incorporating modifications suggested by Finance Deptt., GoB, have been shared with

Minutes & Action Points : 82nd Quarterly Meeting Dated 28th September 2022 SLBC Bihar : Convenor :

all the stake holders. As no other representation has been received, these minutes and action points be adopted and approved by the house. Similarly, the minutes and actions points of SLBC Sub-Committees be adopted and approved. The proposal was approved by the house unanimously.

Thereafter, agenda items were taken up one by one for discussion and Shri Jha made a power point presentation in this regard. The deliberations started with the positive news that Bihar was the 3rd top state, next to Andhra Pradesh and Rajasthan, among the states which achieved the highest economic growth during FY22 pan India. And, Patna stood 2nd, next to Bhuvaneshwar (Odisha), in the warehousing availability among all the cities pan India. The summary of discussions on agenda points is placed below :

(I) Highlights : As on 30.06.2022, the total priority sector advances stood at 56.08% (benchmark-40%), agri sector advances at 27.11% (benchmark-18%), advances to weaker sections in priority sector advances at 25.37% (benchmark-25%) and advances to women at 6.25% (benchmark-5%).

(II) Action Taken Report :

(a) RSETIs : Issues related to RSETIs have been discussed in detail in the related Sub-Committee of SLBC. PNB has to meet district authorities for land allotment at Patna. Where construction of RSETI buildings is yet to start / is underway, the related banks are to furnish expected date of completion of construction. Bank of Baroda representative told that work is going on at Sheohar and is likely to be completed by October 2023. The tenders received for RSETI Sitamarhi are being processed and work will be allotted by October 2022. UCO Bank representative told that revised estimates are lying with Zila Parishad and he has met the DM and response is awaited.

(b) BLBC Meetings : Lead Banks and LDMs have been advised to ensure holding of meetings of BLBCs and DCCs at stipulated interval. A new functionality has been provided on SBI Online Application Monitoring Portal for reporting dates of meetings and uploading their minutes. **The Additional Chief Secretary, Finance** (ACS, Finance) said that the non-holding of BLBC meetings has an adverse impact on the performance of districts which is evident from the non-holding of regular meetings in perennially lagging districts like Munger, East Champaran, Nalanda, Bhojpur, Samastipur etc. **The Joint Secretary, DFS** told that the LDMs should ensure availability of BDOs, their dates and BLBC meetings be held positively. This should be monitored by SLBC. **Hon'ble Finance Minister** told that DMs should also ensure that BLBC meetings are held regularly in all blocks of their districts and a report is put in DCC meeting in this regard.

(c) Districts with low CD Ratio: A review meeting of 8 lagging districts was held under the Chairmanship of Chief General Manager, SBI on 17.08.2022 at SBI, LHO, Patna. As directed in that meeting, these districts have organized credit camps in which loans of around Rs 660 crores have been sanctioned the impact of which will be reflected in performance of Q2. **Hon'ble Finance Minister** told that the districts which have CD Ratio less than 40% and are required to constitute a Special Sub-Committee on CD Ratio and convene its meetings as per RBI instructions. He said that meetings and outcomes of this Special Sub-Committee be supervised by the District Magistrates to

ensure its effectiveness. This Sub-Committee should also supervise the ACP achievement of such districts.

(d) SLBC Online Application Monitoring Portal : There are more than 60,000 applications pending for acknowledgement. A new functionality of applications returned has since been introduced. Banks need to ensure timely disposal of applications.

(e) Ethanol Financing : As discussed during last SLBC meeting, the rejection letter for Ethanol Finance by Bank of Baroda has been received and submitted to Finance Department.

(f) PM SVANidhi : The data regarding performance of 2nd tranche of loans under PM SVANidhi has been collected and complied for the information of SLBC. **JS (DFS)** told that this scheme is being monitored at DFS level and the deadlines have been fixed for banks as 15 October 2022 and 3 November 2022 for disposal of PM SVANidhi applications for 1st and 2nd tranches respectively.

(g) Certificate Cases of Rs 10 lakh and above : This data is also available now for the consideration of SLBC. We have shared the data with Finance Department, GoB and LDMs for necessary action.

(h) Districts with high and low CD Ratio : Five LDMs from both the categories of districts were present in the SLBC meeting for interaction. **ACS (Finance)** told that Munger is highly industrialized but the CD Ratio there is still low. At least, the banks can act on 1st stage cleared SIPB credit proposal details of which are readily available with Industry Deptt. The Zonal Head of UCO Bank, Munger Zone, told that he is personally meeting the stakeholders and monitoring the performance. The CD Ratio has improved by 2.50% and more improvement will be seen in coming days. **JS (DFS)** told that CD Ratio depends on credit outlay which is demand driven and a credit disbursement of around 4,000 crore is needed for 1% increase of CD Ratio in Bihar. Though banks are doing small ticket conventional loans like Retail, Agri, MSME and Govt. sponsored schemes, big ticket size loans are a must for bringing drastic improvement in CD Ratio. DFS has taken a proactive step in this direction by promptly finalizing the TPA which has paved the way for Ethanol Financing in the State. Regarding SIPB proposals, **Principal Secretary (Industry)** told that only 15% of the 1st stage cleared SIPB proposals are getting financed by banks due to shortcoming at the end of entrepreneurs as well as the banks. However, this is being reviewed regularly by Industry Deptt. in monthly meetings with banks.

(i) Avenues of bigger projects at JEEViKA : JEEViKA has advised that a meeting has been done with Industry Department and soon a brainstorming session will be organized with various banks and NABARD.

(j) Timeline and framework for disposal of Certificate Cases : Action has been initiated by Revenue and Land Reforms Department and a report in this regard will be submitted shortly.

(k) Bunkar Mudra Yojana : It was decided that the banks which have not created ID & Password on Bunkar Mudra Portal will create the same latest by 10th October 2022.

(l) Availability of suitable Panchayat Bhavans for opening of branches : LDMs have been advised to identify at least five suitable Panchayat Bhavans in each district for opening bank branches. **JS (FS)** told that recently banks in each state have been given targets to open brick and mortar branches in villages; the target for Bihar is 11.

(m) Linking stamp duty payable upfront on filing certificate cases to recoveries in the case : A meeting is scheduled between Land Revenue Department and Registration Department for resolving the issue.

5. Agriculture Sector : Secretary (Agriculture) told that :

(a) KCC : The achievement in issuance of new KCCs is 16.09%. KCC had a legacy issue of issuance of LPC which has been resolved to a great extent with the introduction of on line LPC. Moreover, we have shared with banks a data base of 85 lakh farmers and their land holdings who have been extended PM Kisan Samman Nidhi. Banks can use this data base in extending KCC to farmers. Moreover, there is no requirement of LPC for issuing KCC for Animal Husbandry but many bank branches are insisting on LPC for KCC (AH). A KCC saturation drive for Animal Husbandry and Fisheries is running currently in which weekly camps are being organized to source the applications. As per data uploaded on Govt. of India portal, 1,82,809 applications have been received by banks out of which only 44,000 applications have been sanctioned.

(b) Dairy, Poultry & Goatary : There is a huge scope in this segment and we have sufficient funds to help these projects. The Govt. assistance for these projects is credit linked but this segment is not receiving due attention of banks. As a result, we are able to assist only self-financed projects of well-to-do applicants and the poor ones are deprived of the benefit for want of bank finance.

(c) SLBC Online Application Monitoring Portal : This is a good initiative taken by Finance Department as it has brought all – the applicants, related Govt. departments and banks on same page. The data of this portal shows that a good number of applications are yet to be acknowledged by banks. Bank Branch functionaries are to be sensitized for prompt acknowledgment and disposal of applications.

(d) AIF : Agri Infra Fund is a good scheme which offers 3% interest subvention to borrowers. However, this scheme is not picking up well in Bihar. Out of 435 applications at different stages, 84 applications have been sanctioned and disbursed loans worth Rs 81 crores and 68 sanctioned projects are awaiting disbursement. The **CGM (SBI)** said that SBI has sanctioned 13 proposals of rural godowns in Munger.

(e) BAIPP : Bihar Agriculture Investment Promotion Policy (BAIPP) promotes post harvest units, agri processing units etc. for value addition to agriculture produce. Assistance under BAIPP is provided in addition to the assistance given by Industry Department's scheme. 38 applications have been in-principally approved by Industry Department. 10 proposals worth Rs 84 crores are in ripe stage with banks which need disposal on priority basis [SBI- 3, PNB-2, and BoI, Indian Bank, IDBI, HDFC and SIDBI- 1 each]. Financing these proposals will go a long way in creating forward and backward linkage and value addition to agri sector.

6. Hon'ble Minister (Agriculture) Sri Sudhakar Singh expressed his views as under :

(a) Farmers are facing problem because our financing models, like KCC, are faulty. In fact KCC is a scheme propelled by the government and being popularized by banks; it is not a need based financing. Nowhere on the globe farmers do farming for incentives. It is the absence of need based financing that has helped the NBFCs to gain ground and finance the poor people and farmers at exorbitant interest rates. Banks are also earning hefty interest income by way of on-lending to NBFCs. In order to stop this exploitation of the poor, the Govt. of India run banks should launch need based products like those of the NBFCs.

(b) Banks are giving production credit and credit for agri implements but they are averse to undertake post harvest financing like cold storages, godowns etc. Post harvest finance adds to the income of farmers and strengthens their repayment capacity. There is 3% interest GoI subsidy under AIF and GoB provides capital subsidy on such projects but funds allocated for subsidy remains unutilized for want of bank finance. Though we are assisting self-financed projects but that is only up to a certain limit and is for small sized projects because we donot have a policy for providing assistance to big sized self-financed projects.

ACS (Finance) said that in GSDP of Bihar the Animal Husbandr and Poultry are the sectors which have the maximum growth but , to the contrary, they have lowest credit linkages and NABARD should look into it. **Dr. Sunil Kumar, Chief General Manager, NABARD** told that the main reason for not picking up of KCC (AH &F) is the high level of NPAs in KCC – 44%. KCC loans - High NPAs, averseness of banks in KCC financing – low sanctions of KCCs ---- this is like a vicious cycle.

JS (DFS) told that banks are doing KCC and as per DFS portal banks have sanctioned 5,62,000 KCC loan applications out of 7,19,000 applications received. For KCC (AH &F) we are running camps since 15 November 2021. We have directed banks to receive the applications after scrutiny as per SOP advised by us. Applications with minor deficiencies are not to be returned / rejected straightway, rather they should be rectified and accepted. For KCC (AH), the pre-requisite is possession of animal and a declaration from the borrower that it will not be disposed off during the currency of the loan. There is no need of LPC for KCC (AH) and this should be adhered to meticulously by all the bank branches. Further, he told that out of 296 proposals related to Bihar received under AIF, 189 have been sanctioned and 25 are pending and out of 6 proposals received under AHDF, 1 has been sanctioned and 5 are pending. Also, banks are doing need based financing, albeit to a limited extent, to PMJDY account holders by way of overdraft.

Hon'ble Minister (Industry), Shri Sameer Kumar Mahaseth told that rural banks have taken back the loan sanctioning powers of their branches and the villagers are facing inconvenience. As there is service area approach wherein villages are tagged to certain branches, the villagers of such villages cannot approach other bank branches for loan. **The Chairman (UBGB)** told that the sanctioning power of only 1 or 2 of UBGB branches are seized due to administrative reason but all other branches are free to finance and the minimum loan sanctioning power of any UBGB branch is at least Rs 6 lakh. **The Chairman (DBGB)** told that loan financing at some of their branches has been put on hold because the NPA level of these branches are as high as 100%.

CGM (SBI) told that NPA is high in Agri sector and this has created some sort of disconnect between borrowers and bankers. KCC NPA in SBI is as high as 55% but we cannot afford to ignore the fact that agriculture is the backbone of the economy of the State and it is still the only livelihood for majority of people in Bihar. He told that he is emotionally attached to Agri financing and has instructed all his senior officials , Regional Managers and Branch Managers to go to villages at least 2-3 times a month, organize an evening camp and talk to the borrowers and understand their credit needs. He himself has visited and stayed overnight at Goraul village recently. Such efforts will help in breaking the disconnect, facilitate KCC renewals and sourcing of fresh loan applications.

7. MSME Sector :

(a) PMEGP: The **Chief General Manager, SBI** told that there is remarkable progress in financing under PMEGP in current FY and banks have sanctioned 3,090 loan applications, up to 27.09.2022, which is more than 3,006, the number of applications sanctioned by banks during the entire FY 2021-22. He told that banks have risen well to the call of the PMEGP target increased drastically during FY23 by more than 2.5 times compared to the targets of FY22. He told that 30 days is a reasonably good period to take a decision on PMEGP loan applications and SBI is trying to adhere to this. Out of 23,822 applications received by banks 8,450 are pending out of which 1,222 are pending for more than 45 days. SBI has only 12 applications pending for more than 45 days. Further, he said that applications should not be returned / rejected on flimsy grounds to maintain the TAT. He told that the rejection of PMEGP loan applications in SBI is two layered which requires concurrence of the next higher official above the sanctioning official.

(b) The Principal Secretary (Industry) made a power point presentation on the various schemes related to his department and highlighted the following points :

(i) PMEGP : It is an important scheme aimed at increasing the number of micro industries in the State wherein loans worth Rs 50 lakh and Rs 20 lakh are provided for setting up units under manufacturing and service sectors respectively. Analysis shows that Bihar is lagging vis-à-vis other states in sanction of loan applications under PMEGP. In Bihar, around 22,000 applications have been forwarded to banks out of which 13% have been sanctioned and only 3.60% have been disbursed. Though the progress so far during the current FY is better than last FY, especially of some banks like PNB, SBI, Indian Bank, all banks must gear up the pace of sanction. The arrangement of deciding rejection of application by the next higher authority existing in SBI, PNB and some other banks, has yielded good result and may be replicated by all other banks also. Rightly said by CGM (SBI), banks should be prompt in making disbursements and claiming subsidy after sanctioning the loans. The sanctioning period should not be stretched beyond Q3FY23 and Q4 be utilized for claiming subsidy. If loans are sanctioned in Q4, it is very difficult to lodge claim for subsidy within the year. This goes against the interest of the State as PMEGP subsidy is released by the concerned agency on first come - first served basis. Subsidy allocated to Bihar is diverted to other States if PMEGP loans are not sanctioned and subsidy is not claimed within the FY.

Non-sanction of PMEGP loans in time may be one of the reasons for higher rejections because when follow up pressure mounts on branches in the last quarter, they start disposing off the applications by

way of rejections on not-always-valid grounds. So, banks need to beef up their follow up with branches well before Q4. Let us endeavor to achieve 80% sanctions by 15th October 2022.

On analysis, it has transpired that out of the total loan applications rejected, 16% are due to "project not viable", 12.50% due to "out of service area" and 12% due to "applicant not interested". These reasons and figures prompt both the forwarding agencies and the financing banks to introspect and improve.

(ii) PMEGP II : This scheme is for financing those PMEGP borrowers who have successfully run their units in a profitable manner for last three years. These borrowers are also entitled to 15% subsidy and credit guarantee. However, financing under PMEGP-II has not picked up so far in the area readily available with the banks, they themselves may identify and finance those successful units under PMEGP II.

(iii) PMFME : This scheme was with Agriculture Department and has been transferred to Industry Department recently. As Agriculture is the mainstay of livelihood in Bihar, there is a huge scope for formalization of micro food processing enterprises in the State. It is a very attractive scheme as it offers capital subsidy @35% of the eligible project cost and SHGs can also be financed under this scheme. We are exploring to finance SHG groups through JEEViKA and the active participation of banks is solicited.

(iv) Bunkar Mudra Yojana : This scheme has got more relevance for weaver concentrated districts like Bhagalpur, Banka and Gaya. As per report downloaded from portal, 3,964 applications have been sent to banks out of which only 98 applications have been sanctioned. There may be reasons like NPA but only 680 applications have been rejected and rest of the applications are pending with banks.

Hon'ble Finance Minister told that the performance of the schemes presented by Secretary (Industry) is very poor and banks need to gear it up. Also, banks should submit a progress report to SLBC and Finance Department after one month hence.

(v) Hon'ble Minister (Industry), Shri Sameer Kumar Mahaseth said that there are instances that banks in Bihar are financing term loans to units but are shy of financing working capital. This creates hardships for the units at grassroot level and needs to be taken care of. The State Govt. is trying to establish 17,000 entrepreneurs by providing Rs 10 lakh to each of them under Mukhya Mantri Udyami Yojana (MMUY). Thus, the State Govt. is also helping the banks indirectly by creating a ready future market for them in the form of the successful MMUY entrepreneurs.

The high number of rejections under various schemes of Industry Department requires close monitoring and follow up. It is better if these schemes are reviewed once a month at district level also. In order to inculcate a better work environment, the performers should be rewarded and the laggards be brought to books.

8. Branch Expansion : Brick and Mortar Branches are to be opened in 11 villages identified by DFS. As directed by DFS, SLBC has allotted these villages to 11 banks – 1 village to each bank. Banks are requested to open the branches at the earliest as per allocation and advise SLBC accordingly.

9. During his brief address to SLBC, **Shri Prabhat Kumar, General Manager, RBI** told that holding BLBC is a regular and routine affair. BLBC meetings must be held at stipulated intervals and their status be discussed in DCC meetings.

RBI's circular instruction are already in place which stipulates constitution of a Special Sub-Committee on CD Ratio in districts where CD Ratio is below 40%. Though the circular directs that the said Special Sub-Committee is to have the representative of the District Magistrate (DM), it does not deprive the DMs of their personal participation and monitoring of the functioning of the Sub-Committee.

BLBC, DCC and Special Sub-Committees are important tools to feel the nerves of activities and sensitivities prevailing at the ground level. So, it is important to hold their meetings meaningfully and also to apprise the SLBC and the State Govt. of their important findings and feedback.

10. Dr. Sunil Kumar, the Chief General Manager, NABARD addressed the SLBC and mentioned the undernoted points :

(i) The pace of issuance of KCCs has been slow during Kharif season but this is expected to pick up during 3rd and 4th quarters with the onset of Rabi season. Though beset with umpteen numbers of operational issues, KCC is still the instant hope of the farmers for bank-finance and banks, therefore, should always keep KCC on their priority list.

(ii) There is an urgent need to increase credit outlay under term loan to agriculture and allied activities under various Govt. schemes. This will increase the income of the farmers and their repayment capacity, will help control the NPAs and check the migration of rural populace.

(iii) Some banks e.g. SBI, PNB, Indian Bank and DBGB have started financing to FPOs which will benefit the farmers in a big way. The benefit to the financing bank is that loans to FPOs carry zero risk weight as they are backed by sovereign guarantee by way of a Govt. fund administered through Nabsanrakshan, a NABARD subsidiary. There are around 700 FPOs in Bihar out of which 350 have been formed by NABARD. 250 FPOs are registered.

(iv) Bihar has enormous potential for development and deployment of agriculture infrastructure like cold storages, godowns, logistics, pack houses etc. So far, 190 proposals have been sanctioned. The AIF schemes may turn to be a game changer, if exploited properly.

(v) Under RIDF, the allocation for the State is Rs 2,400 crores and proposals worth Rs 1,500 crores have been received so far. State Govt. is requested to submit proposals so that the remaining allocation could be utilized.

(vi) A Govt. of India project for computerization of the PACS is going on which is funded by Central Govt., State Govt. and NABARD in the ratio of 60:30:10 respectively. As having audited accounts for 2021-22 is a pre-condition for inclusion of PACS in this project, State Govt. is requested to take suitable steps so that all the 8,300 PACS get audited and qualify for coverage under the project. This project envisages formation of a number of committees and Cooperative Department is requested to arrange for the same.

(vii) As the capital adequacy of the two RRBs functioning in the State have fallen below 9%, a recapitalization programme has been approved for them and the shares of Govt. of India and the Sponsor Banks have been received accordingly. The State Govt. is requested to release its share of Rs 101 crores at the earliest.

11. CEO JEEViKA, shared with the Committee the undernoted points related to JEEViKA:

(i) During FY22, 2.45 lakh SHGs were credit linked with Rs 5,574 crores of bank loans. The target for FY23 is to credit link 3 lakh SHGs out of which 96,000 SHGs have already been credit linked by August 2022. JEEViKA has planned to credit link 1 lakh SHGs in Q3 and it has submitted sufficient number of loan proposals to bank branches. The cooperation of banks in early disposal of SHGs' loan applications is solicited.

(ii) A total of 4,200 Bank Sakhis have been on-boarded with the cooperation of banks. These Bank Sakhis have done business worth Rs 7,500 crores and have earned commission worth Rs 19-20 crores. **JS (DFS)** told that DFS has already advised banks to engage women SHGs under One Panchayat-One Bank Sakhi programme.

(iii) There are more than 3,000 Bank Mitras which are tagged to various bank branches. Their primary job is to assist the SHG members coming to bank branches for various banking work.

(iv) Under PMFME, the micro enterprises run by SHGs are getting the seed capital easily. For bigger projects, we are arranging trainings of SHG members in convergence with Industry Deptt. We need the cooperation of banks in financing these projects. Keeping our track record of repayment in mind, banks should finance these projects comfortably.

(v) In last SLBC meeting, JEEViKA was advised to explore opportunities for doing larger projects. We have had a meeting with NABARD in this regard and will soon have the another one with SLBC.

(vi) We strongly urge the banks to complete the RSETI buildings at the earliest because the lack of own building is hampering the training needs of entrepreneurs. The settlement ratio of trained candidates settled with bank finance is presently only 20-21% which , as per MoRD guidelines, is required to be stepped up to 80%.

12. Hon'ble Finance Minister, Govt. of Bihar, Shri Vijay Kumar Choudhary made his concluding remarks as summarized below :

(a) SLBC is the apex level committee under Lead Bank structure and its participants are senior most officials of banks and Government Departments. So it is supposed that the take aways emerging out of the deliberations made during this meeting will be carried in heart to office and their implementation will be ensured. The State deserves a responsible dealing from the Committee and its constituents.

(b) The agenda of the Committee is very effective as it reflects what is being done and also what is not getting done. Some districts which were trailing behind in ACP and CD Ratio have tried to buck up by organizing credit camps in order to boost up credit outlay. I wish Godspeed in their efforts.

(c) Broadly speaking, CD Ratio is an important indicator of the socio-economic inclusive development of a district and , therefore, warrants attention not less than any other important work. So, the District Magistrates of those districts where CD Ratio is less than 40% should themselves monitor that Special Sub-committee of DCC for CD Ratio is constituted and works properly on a judiciously charted monitorable action plan for achieving the planned increase in CD Ratio.

(d) The review of schemes of Industry Department shows that their performance is lagging far behind the targets and, therefore, need close monitoring at top level. Banks should submit their performance reports on these schemes to the SLBC and the Finance Department in a month's time hence.

(e) Some banks have reported that financing at some of their branches has been stopped as their NPA level is 100%. This is a very grave issue and needs to be looked into seriously. The district administration should take suitable steps to help recovery of bank loans from defaulter borrowers. If financing at any branch has been stopped due to some lapses on the part of the Branch Manager, the incumbent should not be continued as BM there because this will hamper the prospective borrowers of that branch with no fault on their part.

(f) We are working together with coordination and sincerity. The only thing that we need right now is to accelerate our pace of performance. Our motive is good and a good motive is always awarded with a good result, let us work together with this faith and hope.

13. The 82nd quarterly meeting of SLBC Bihar ended with a vote of thanks extended by **Shri Manoj Kumar Gupta , General Manager (SBI) and Convenor, SLBC** to all the participants and his assurance to the Chairperson, SLBC, on behalf of all member banks, that no stone will be left unturned to achieve 100% of the ACP target.

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STATE LEVEL BANKERS' COMMITTEE, BIHAR

82nd QUARTERLY MEETING DATED 28TH SEPTEMBER 2022

1. Where the construction of RESETI building has not started / not completed in any district, the concerned lead bank to advise the SLBC the planned date of commencement / completion of construction. **[Action : All Lead Banks]**

2. The meetings of BLBC be conducted quarterly, its minutes be uploaded on the SLBC Online Application Monitoring Portal and a report to this effect is put up in DCC meeting in this regard. **[Action : All Lead Banks, LDMs and DMs]**

3. The districts where CD Ratio is less than 40%, the District Magistrates should monitor that the Special Sub-committee of DCC on CD Ratio is constituted and works properly on a judiciously charted monitorable action plan (MAP) for achieving the planned increase in CD Ratio. **[Action : All DMs]**

4. All the PM SVANidhi loan applications for 1st and 2nd tranches uploaded on portal be disposed off by 15 October 2022 and 3 November 2022 respectively. **[Action : All Banks]**

5. The banks which have not created ID & Password on Bunkar Mudra Portal will create the same latest by 10th October 2022. **[Action : All Banks]**

6. LDMs to identify at least five suitable Panchayat Bhavans in each district for opening bank branches. **[Action : All LDMs]**

7. Loan applications sanctioned under AIF, PMFME and BAIPP be disbursed expeditiously. **[Action : All Banks]**

8. The review of schemes of Industry Department, namely PMEGP, PMFME, Bunkar Mudra Yojana shows that their performance is lagging far behind the targets and, therefore, need close monitoring at top level. Banks should submit their performance report on these schemes to the SLBC and the Finance Department in a month's time hence. **[Action : All Banks]**

9. Some bank branches have stopped financing as their NPA level is around 100%. The district administration should take suitable steps to help recovery of bank loans from defaulter borrower of these branches. **[Action : All Banks]**

10. If financing at any branch has been stopped due to some lapses on the part of the Branch Manager, the incumbent should not be continued as BM there because this will hamper the prospective borrowers of that branch without any fault on their part. **[Action : All Banks]**

Outstanding point of 80th SLBC meeting:

11.Timeline and framework for disposal of certificate cases filed by banks under PDR Act be prescribed and adhered to- Submission of report by Revenue & Land Reforms Department to be completed. **[Action : Revenue Département GoB]**

12.Stamp duty payable upfront by banks while filing certificate cases be linked to recoveries in the certificate cases filed- meeting to be organised between Land Revenue Department and Registration Department for resolving the issue. **[Revenue and Land Reforms Department & Prohibition, Excise and Registration Department.]**

Outstanding point of 81st SLBC meeting:

13. Land for RSETI, Patna be urgently allotted and handed over to PNB for construction of building of RSETI **[Action : Rural Development Department, PNB, DM, Patna]**

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