

**MINUTES OF THE 51ST REVIEW MEETING OF
THE STATE LEVEL BANKERS' COMMITTEE,
BIHAR HELD ON 14TH FEBRUARY 2015 FOR THE
QUARTER ENDED DECEMBER 2014**



**STATE BANK OF INDIA
SLBC DEPARTMENT (5TH FLOOR), LOCAL HEAD OFFICE
WEST GANDHI MAIDAN, PATNA- 800001
PH. NO. 0612 2209076/ FAX NO. 0612 2209075
EMAIL- SLBC.BIHAR@SBI.CO.IN WEBSITE:
[HTTP://SLBCBIHAR.COM](http://SLBCBIHAR.COM)**

MINUTES OF
THE 51ST REVIEW MEETING OF THE STATE LEVEL BANKERS'
COMMITTEE, BIHAR HELD ON 14TH FEB, 2015

The 51st review meeting of State Level Bankers' Committee, Bihar was held on 14th February, 2015 at Hotel Chanakya, Patna under the chairmanship of Shri Bhim Singh, Industries Minister, Govt. of Bihar. The meeting was also attended by senior officials of State Government, Govt. of India, RBI, NABARD, Banks, Insurance Company 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 and described, in brief, some of the achievements of the banks during the nine months of FY 2014-15.

He observed that the Banks' performance may be termed as satisfactory as 70% of the target has been achieved up to Dec'2014, which in absolute terms is 21% more than the last years' achievement up to Dec. In agriculture sector also, the growth over last year's performance is a healthy 21%.

On CD ratio, Shri Sood said that Banks in the state have achieved 42.14%, which shows an increase of 101 basis points as compared to Dec'13. He said that the CD ratio of the State is growing but hoped that the pace of growth would be faster once big industrial units start coming up in the state.

CGM, SBI expressed his concern about the rise in NPAs which stood at 6.74% at the end of Dec'2014. He requested the State Govt. to help in sensitising people about the importance of timely repayment, which besides containing NPAs will also boost the credit flow. In this connection, he advised that the top 10 certificate cases of each district provided in the Agenda book may be taken up on priority basis for disposal so that it has a demonstrative effect and help in creating a repayment culture among borrowers.

CGM, SBI, thereafter highlighted the progress made by the Banks under Pradhan Mantri Jan-dhan Yojana (PMJDY). A total number of 88.99 lacs accounts have been opened by Banks in the State up to 26.01.2015, out of which 62.46 lacs Rupay cards have been delivered to account holders. He requested the bankers to expedite delivery of PIN and sensitise the account holders about the 'Do's and Don'ts' of handling Rupay card. He also advised the banks to counsel the account holders to transact in the account in order to avail the benefits of PMJDY.

At the end, Shri Sood thanked the State Govt. for the unhindered support provided to Banks and assured on behalf of all Banks, their commitment for overall development of the state.

The General Manager, Reserve Bank of India, Shri Swaroop Singh then made a brief address. He observed that the level of advances granted under the DRI scheme was far below the benchmark of 1%. He requested the Banks to improve their performance under this head so as to reach the prescribed benchmark.

Shri Singh expressed satisfaction on providing banking facilities in villages with population below 2000 as 99% of the target for 2014-15 has been achieved till Dec'2014. He requested the Banks to complete the overall target by the stipulated timeline i.e August 2015. He expressed concern over poor number of B&M branches (1.32%) opened by Banks as link Branches for BC operation and requested them to have a minimum 5% B&M branches out of the total no. of villages allotted.

GM, RBI also requested the senior Bank officials to focus on critical areas like education loan and integrated dairy development Project and also advised to hold atleast one Financial Literacy camp by each rural branch every month.

The Development Commissioner, GOB, Sri S.K.Negi in his address expressed satisfaction over the ACP achievement by Banks during the nine months of the current financial year. He exhorted the Banks with less than 50% achievement to improve their performance in the last quarter. He advised the banks to increase finance in KCC, Agri allied activities and Education Loan. He expressed concern over poor achievement in the area of opening of Branches and requested to achieve not only the target of 600 for the current year but also to cover the remaining unbanked Gram Panchayats and villages above 5000.

The Hon'ble Minister of Industry, Government of Bihar, Shri Bhim Singh in his address called for greater participation of Banks for economic development of the state. He urged upon Banks to give focussed attention to Industries, Agriculture and allied activities to improve the CD ratio of the state. He expressed his concern over the Banks achievements under PMEGP scheme and advised to take all necessary steps to improve the position.

Expressing concern at high NPA of banks in the state, the hon'ble Industry Minister assured of full cooperation in recovery efforts. He also advised the Banks to continue the good work done under PMJDY scheme and open accounts of all beneficiaries of State Govt. schemes in order to route the benefits through their accounts.

The Chief General Manager, NABARD Shri R.K.Das complimented the Banks on good performance under ACP. He expressed serious concern at high NPA level in the state which had an adverse impact on fresh lending by the Banks. He requested the Bankers to increase the recovery percentage from 65% to 80-90% for recycling the fund to the needy persons, which will also increase the CD ratio of the state.

DGM, PFRDA, Govt of India, Shri K. Mohan Gandhi thereafter made a presentation on Swavalamban, a New Pension Scheme (NPS) launched by Govt of India. He explained that the role of PFRDA is to develop and regulate the NPS and other pension schemes, education and training, register and regulate intermediaries and redressal of grievances for subscribers' interest protection. He said that the target group of the Swavalamban scheme is people with limited earning, who may contribute Rs 1000-12000 per annum. GOI also contributes Rs 1000 per annum to the subscriber's account. He requested the State Govt and the Banks to target low value salary account customers to popularise the scheme.

Thereafter, a presentation was made by Department of Agriculture, Govt of Bihar on unique ID for farmers all over the state. E-Agriculture Scheme Monitoring Information system (e-ASMIS) popularly known as **Krishi MIS** is an innovative step taken by Department of Agriculture, Bihar to create a centralized platform for schemes and services provided by the Department and giving access to information and updates for all. The highlights of the scheme are:-

- It is an online system for the farmers to register themselves and get a unique registration number called as **Beneficiary ID**.
- At the time of registration the system will capture all the relevant details of farmers and at the same time enroll them for receiving all types of benefits provided by the department as per their need and eligibility criteria decided by the department, by way of SMS/e-mail.

Minutes of the last SLBC meeting was then confirmed and Action Taken Report on the action points of 50th 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 (2014-15):

The achievement of banks under ACP up to 3rd quarter of the current financial year was 70% of the annual target and 21% more than the disbursement made during the corresponding period of last year. The performance of commercial

banks and RRBs have recorded impressive growth in their loan disbursement vis-à-vis their performance over the same period last year. All banks were requested to speed up the pace of disbursement keeping an eye on the annual target and ensure achievement of the year end target by March 2015.

B. AGRICULTURE RELATED ISSUES:

1. Sub-Committee meeting of SLBC on Agriculture:

The Agriculture Production Commissioner (APC), Sri Vijoy Prakash raised some critical issues and suggested that Banks should start inviting online application in Agri segment also and arrange for issuing acknowledgement on receipt of application. He also suggested Banks to have complete check list of documents required to process the application so that complete application is submitted by the borrowers. Sri Vijoy Prakash also requested the Banks to consider to adopt a slab based fee for valuers as being done by SBI in Kerala. CGM SBI, assured him to look into the matter after consulting Kerala circle.

2. Agri ACP:

The achievement under Agri ACP up to Dec 2014 in the current year was 71% of the annual target and in absolute terms, 21% more than the corresponding period of last FY. All banks were requested to give due attention to Agri lending, especially in allied activities, in order to achieve the ACP target.

3. KCC:

The achievement of only 51% of annual target up to third quarter of the current Financial Year was viewed as unsatisfactory. The banks were advised to give due attention to increase financing under KCC.

AGM, SLBC raised the issue of non issuance of rent receipt and fake LPC to be one of the bottlenecks for low achievement under KCC. Agriculture production Commissioner (APC), Shri Vijoy Prakash said that the Agriculture department is preparing a portal, where all LPC issued by the Govt. office can be viewed and then the issue of fake LPC or verification of LPC will automatically resolved. He also stressed that at the time of providing new KCCs and also on its renewal, issuance of Rupay card was to be ensured to all the eligible farmers. Banks were asked to sensitize the farmers for using the Rupay card.

The Agriculture production Commissioner also stressed the need to streamline the recovery process in KCC and advised the Banks to organise recovery camps. CGM, SBI recalled the discussion during the 50th SLBC meeting highlighting the

recovery mechanism adopted by UP Govt, which has been very successful. The Agriculture Production Commissioner (APC) advised to collect the details of KCC recovery adopted by UP Govt. and put up before the State Govt.

AGM, SLBC also raised the issue of pending crop insurance claims since FY 2010-11. The APC assured to look into the matter. The APC also asked SLBC to put up all such issues which require State Govt. intervention. The Regional Manager, Agriculture Insurance Corporation of India (AIC) raised the issue of low premium generation under crop loan insurance. He said that during the current season, crop loan of Rs. 6258 Crs have been disbursed, but insurance is done for Rs. 300 Crs (approx) only. CGM, NABARD was requested by the APC to get a study done about the reasons for low insurance premium.

5. Dairy, Fishery& Poultry:-

The performance of the Banks under Dairy, Fishery and Poultry sector was described as very poor. The APC said 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. He also advocated for sanction of loans through processing cells to speed up the process. CGM, NABARD said that under National livestock Mission, back ended subsidy is available under Poultry schemes. The APC also remarked that 1600 entrepreneurs with support from Banks can make the state self-sufficient for eggs. He also requested GM Central Bank to look into the long-pending 4-5 poultry proposals in Siwan &Gopalganj district.

6. SHG& FLC:

Following issues were highlighted with regard to financing to SHGs/ JLGs and the functioning of RSETIs/ FLCs:

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

a) Banks have opened savings account of 73624 SHGs and have credit linked 35111 SHGs with total bank finance of Rs. 192.74 Cr during the nine months of financial year 2014-15 against an annual target of 150000 for account opening and 100000 for credit linkage.

b) SHG Camps were organised on 21st Jan.2015in all districts of the state wherein approx 10,000 groups were credit linked. Two more such camps will be organised on 21st Feb.2015 and 11th Mar'2015 in all the districts for financing SHGs promoted and managed by JEEVIKA.

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

d) Notification of the State Govt. to be issued with regard to implementation of Interest Subvention Scheme for SHGs in the 27 non-IAP districts on the same lines as being provided by GOI in the 11 IAP districts.

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

f) Against the annual target of 50000, 39534 JLGs were financed by Banks up to Dec '2014 and out of this 23190 were done by the 3 RRBs of the state.

g) The House appreciated the work done by IDBI Bank in promotion of JLG in Siwan, Gopalganj, Bhabua and Sasaram District.

h) AGM, SLBC requested the State Govt. for waiver of stamp duty for loan agreement of JLG accounts.

C. INDUSTRY RELATED ISSUES

1. Sub-Committee meeting of SLBC on Industries:

It was apprised to the house that the 6th meeting of Sub-Committee of SLBC on Industries was held on 04th Feb 2015 and all related issues were discussed in it.

2. Achievement under MSME ACP:

Till Dec 2014 the Banks under MSME have disbursed Rs. 6869 Crores, which is 81% of annual target. In absolute terms it is approximately Rs.2300 Crores more than the disbursement made by the Banks during the corresponding period last year.

3. Review of achievement under PMEGP:

The achievement under PMEGP till Dec.2014 was viewed by the house as very poor. Against the physical target of 7648 projects for 2014-15, Banks have sanctioned only 638 projects amounting to Rs. 16.25 Cr during the period under review. It was also felt that the utilization of margin money by Banks was unusually delayed even after disbursement of loan, which needs to be expedited .The House was apprised by the representative of KVIC that out of the subsidy amount of Rs. 24.00 Crores, only Rs. 6.68 Crores have been utilized. As this sector has the potential to provide large number of jobs to people, banks were requested to give adequate attention towards financing under the scheme.

D. OTHERS:-

1. OPENING OF BRANCHES:

The performance of banks during the period under review was far behind the target. Only 261 branches had been opened till Dec. 2014 against a target of 600 for 2014-15. AGM, SLBC expressed that suitable premises are not available at many rural centres for opening of branch. The APC to State Govt. assured full co-operation and advised the Banks to provide centre wise and month-wise branch opening plan for the period up to March 2015.

2. EDUCATION LOAN:

The performance of Banks under Education loan was not encouraging. As on Dec. 2014, against the annual target of 50000, the achievement of Banks under Education loan was only 19237, which is 38% of the target. The APC 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 very seriously by the house. All the private banks were advised to increase their performance in education loan and other priority sector schemes and ensure achievement of their allotted yearly target by Mar'2015.

3. HOUSING LOAN:

As on Dec. 2014, the achievement of Banks under Housing loan was only 46% of the target, i.e 10964 against 24000. CGM, SBI expressed that certain regulatory issues such as master plan, title deed, map approval, agriculture land are coming in the way of sanctioning housing loan in rural areas. NABARD was advised to study the low growth in Housing & Education loan and advise necessary changes to be made by the State Govt.

E. PRADHAN MANTRI JAN-DHAN YOJANA:

AGM, SLBC apprised the house that Banks have covered about 1.77 Crores household and opened more than 88 lacs account under Pradhan Mantri Jan-dhan Yojana.

CGM, SBI appealed to all Bankers to expedite delivery of Rupay Card PIN to account holders and explain its uses to the beneficiaries for getting the benefit under PMJDY scheme. He also stressed the need to increase the Aadhar seeding in PMJDY and other accounts. He advised the bankers to counsel the customers to start transaction in their accounts to get the benefits under PMJDY scheme.

F.Certificate Cases:

AGM, SLBC apprised the House that up to Dec.2014, 405003 certificate cases involving Rs. 1852.49 crores are pending and the number is increasing in every quarter as the rate of disposal of cases is much slower than the rate of filing of cases. He said that list containing details of top 10 certificate cases of each district has been provided in the Agenda book. He requested the State Govt to instruct the district administration of all districts to initiate necessary steps for disposal of these top 10 certificate cases which may help the Banks in recovery of dues from the defaulting borrowers. The Agriculture production commissioner advised to conduct a workshop with Revenue department officials for speedy disposal of such cases.

The APC, GOB in his address expressed satisfaction on the overall performance of Banks during the nine months of the current financial year. However, he advised to increase finance in Agri allied activities, MSME and Education Loans.

Sri S.K. Roy, GM, Central Bank proposed vote of thanks on behalf of all the Banks and especially that the Bankers were benefited by the valuable guidance of Hon'ble Industry Minister, the Development Commissioner and the APC. He assured on behalf of SLBC that the Banks will make all the required efforts for the development of the state.

ACTION POINTS

51st SLBC MEETING HELD ON 14th FEBRUARY 2015

1. Banks should put in concerted efforts to ensure achievement of 100% target set under ACP for 2014-15.

(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 branch opening target under Financial Year 2014-15. Proposed centres for branch opening during March 2015 to be provided to State Govt to sort out premises issues.

(Action: All Banks)

4. Private Banks to focus on education loan and housing loan in order to achieve their current year annual target.

(Action: Concerned Private Sector Banks)

5. Banks to ensure issuance of acknowledgement on receipt of loan application form from borrowers. Checklist of documents required to process the loan should also be enclosed with the application form.

(Action: All Banks)

6. Details of incentive mechanism for KCC recovery adopted by Uttar Pradesh Govt. to be obtained and put up for discussion.

(Action: State Government)

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

(Action: All Banks)

8. Banks to achieve target under PMEGP and claim of margin money to be expedited.

(Action: All Banks)

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

(Action: All Banks)

10. Notification on Waiver of Stamp duty on JLG loan Agreement to be issued .

(Action: State Government)

11. Workshop to be organised with Revenue Deptt, Govt of Bihar for speedy disposal of certificate cases in all districts.

(Action: State Government)

12. Banks to ensure updation of register 9 &10 related to certificate cases for faster disposal of certificate cases.

(Action: State Government)

13. Notification to be issued by the State Govt. with regard to implementation of Interest Subvention scheme in the accounts of Self Help Groups, in the 27 non-IAP districts, on the same line as in the 11 IAP districts.

(Action: State Government)

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

(Action: All Banks)

51st SLBC MEETING HELD ON 14.02.2015 AT HOTEL CHANAKYA, PATNA

Annexure-I

Sl. No.	Name of the Participant	Designation/Office
MINISTER		
1.	Shri Bhim Singh	Minister of Industries, Govt of Bihar
State Govt.		
2.	Shri S.K. Negi	Development Commissioner, Govt. of Bihar
3.	Shri Vijay Prakash	Agriculture Production Commissioner, Govt. of Bihar
4.	Shri Ravi Mittal	Principal Secretary, Industries, Govt. of Bihar
5.	Shri H.R. Srinivasa	Secretary, Finance (Resources), Govt. of Bihar
6.	Shri Vinay Kumar	Secretary, Animal & Fisheries, Govt. of Bihar
7.	Shri Vinay Kumar	IG, CID, DGP Office
8.	Shri Awadhesh Kumar	OSD (Finance), Govt. of Bihar
9.	Shri N. Ahmed	Director, Fisheries, Govt. of Bihar
10.	Shri Hare Ram Singh	Director, Dairy , Govt. of Bihar
11.	Shri Shashi Shekhar Sinha	Spl. Officer, Co-operative Deptt., Govt. of Bihar
12.	Shri Shailesh Kumar	Dy. Director, Deptt. of Agriculture, Govt. of Bihar
13.	Shri A. Prasad	Dy. Director (Agri), Govt. of Bihar
14.	Shri Arvind Sharma	Jt. Director (Agri), Govt. of Bihar
15.	Shri M.P. Bhagat	Dy. Director (Banking), Govt. of Bihar
Reserve Bank of India & NABARD		
16.	Shri R.K. Das	Chief General Manager, NABARD
17.	Shri Swaroop Singh	General Manager, Reserve Bank of India
18.	Shri Awadhesh Kumar	General Manager, NABARD
19.	Shri R.S. Prasad	Dy. General Manager, Reserve Bank of India

20.	Ms.Shailaja Singh	Asstt. General Manager, Reserve Bank of India
21.	Shri M.M. Ashraf	Asstt. General Manager, NABARD
Other Banks		
22.	Shri Ajit Sood	Chief General Manager, SBI, LHO, Patna
23.	Shri S. Guha	General Manager, NW-III, SBI, LHO, Patna
24.	Shri Abhijit Dutta	General Manager, NW-I, SBI, LHO, Patna
25.	Shri S.K. Mallick	General Manager, Punjab National Bank
26.	Shri S.K. Rai	General Manager, Central Bank of India
27.	Shri N.C. Upreti	General Manager, Bank of Baroda
28.	Shri N.S. Napalchyal	Dy. General Manager (Outreach), State Bank of India
29.	Shri C. Raj	Dy. General Manager (Agri), State Bank of India
30.	Shri Ram Krishna	Dy. General Manager, Canara Bank
31.	Shri M.N.A. Ansari	Dy. General Manager, Bank of India
32.	Shri A.K. Dargan	Circle Head, Punjab National Bank
33.	Shri Jagannath Mishra	Dy. General Manager, Allahabad Bank
34.	Shri G. Panda	Dy. General Manager, UCO Bank
35.	Shri DevduttPadhi	Chief Regional Manager, India Overseas Bank
36.	Shri M.Paul Kennedy	Dy. General Manager, Corporation Bank
37.	Shri D.P. Singh	DGM & CRM, United Bank of India
38.	Shri Ghazi Islam	Dy. General Manager, IDBI Bank
39.	Shri S.C. Das	Dy. General Manager, Oriental Bank of Commerce
40.	Shri B.S. Harilal	Chairman, Uttar Bihar Gramin Bank
41.	Shri Satish Kumar Singh	Asstt. General Manager, SLBC, SBI, LHO, Patna
42.	Shri Shivanad Prasad	Asstt. General Manager, SBI, LHO, Patna
43.	Shri N. M. Avadhanulu	Zonal Manager, Andhra Bank
44.	Shri Amit Raj	Asstt. General Manager, SIDBI
45.	Shri AbhishekParashar	Asstt. General Manager, ICICI Bank

46.	Shri Amitabh Singh	Asstt. General Manager, ICICI Bank
47.	Shri M.P. Sinha	General Manager, Bihar Gramin Bank
48.	Shri K.K. Upadhyay	General Manager, Madhya Bihar Gramin Bank
49.	Shri S.K. Pradhan	Asstt. General Manager, Indian Bank
50.	Shri P.K.Sinha	Managing Director, Bihar State Co-operative Bank
51.	Shri Sandeep Gautam	Vice President, HDFC Bank
52.	Shri Vikash Krishna	Chief Manager, Bank of India
53.	Shri N.K. Sinha	Chief Manager, Union Bank of India
54.	Shri M.A. Karajagi	DZM, Bank of Maharashtra
55.	Shri Rahul Pandey	Dy. Zonal Manager, Dena Bank
56.	Shri Ashok Vardhan	Chief Manager, Indusind Bank
57.	Shri Prabhakar Kumar	Sr. Manager, Bank of Baroda
58.	Shri R.R. Kumar	Sr. Manager, Canara Bank
59.	Shri Ramesh Kumar Singh	Sr. Manager (Agri), Vijaya Bank
60.	Shri Ajey Kumar Jha	Sr. Manager, United Bank of India
61.	Shri VidyaBhushan Shah	Sr. Manager, Indian Bank
62.	Shri Mahesh Prasad	Sr. Manager, Syndicate Bank
63.	Shri Rashid Iqbal	Senior Manager, Axis Bank
64.	Shri Arvind Kumar	Senior Manager, HDFC Bank
65.	Shri Amrendra Kumar	Manager, Dena Bank
66.	Shri Shakti Kr. Singh	Manager, UCO Bank
67.	Ms. Swati	Manager, South Indian Bank
68.	Shri Amrit Raj	Branch Manager, State Bank of Patiala
69.	Shri Lakshman Kumar L.L.V	Branch Manager, Karnataka Bank Ltd.
70.	Shri Amit Kumar Sinha	Branch Manager, Kotak Mahindra Bank
71.	Shri Elby Mathew	Asstt. Manager, South Indian Bank

Govt. of India		
72.	Shri Pradeep Kumar	Director, MSME-DI, Govt. of India
73.	Shri K. Mohan Gandhi	Dy. General Manager, PFRDA
74.	Dr. S.K. Singh	Sr. Investigator, National Commission for SC/ST, Govt. of India
75.	Shri G.K. Sinha	Asstt. Director, MSME-DI, Patna
76.	Shri Arun Kumar Jaiswal	D.C.O, KVIC, Patna
77.	Dr.Pramod Kumar Gupta	Nodal Officer (PMEGP), KVIC, Patna
78.	Shri Ravindra Mehta	SRP, UIDAI
Others		
79.	Shri K.K. Mohapatra	Regional Manager, AIC, Patna
80.	Ms. Irina Sinha	Thematic Lead Social Development, UDHD
81.	Shri Dudheshwar Kumar	Livelihood Expert, NULM, UD&HD
82.	Shri Mukesh Chandra Sharan	PC-FI, Jeevika
83.	Shri A.K. Thakur	Consultant (M.F), Jeevika
84.	Shri Manoj Kumar	SPC, RSETI
85.	Shri SaurabhSahay	Consultant, CSM Technology

..... *****