

Letter No. : SLBC / CM / 2023-24 / 19  
Date : 12.05.2023

The State Heads (Bihar),  
All SLBC Member Banks.

Dear Sir / Madam,

**Agriculture Advances : Classification of NPAs : Fixation of Crop Season**

Fixation of Crop Season was discussed as an agenda item [agenda no. 7 (vii)] in the 83<sup>rd</sup> & 84<sup>th</sup> joint quarterly meeting of SLBC Bihar held on 4<sup>th</sup> March 2023 in the backdrop of requests of member banks and instructions received from IBA. Crop Season has been approved by SLBC Bihar and the same has been recorded at para 10 of the minutes of the aforesaid SLBC meeting which reads as under :

**Quote – “10. Classification of crops as Short Duration or Long Duration is material for identifying them as NPAs as per RBI’s circular instructions. In light of this, SLBCs have been instructed by Indian Banks’ Association (IBA) to fix Crop Seasons for major crops grown in their respective states. Accordingly, a proposal was put up in the meeting dated 27<sup>th</sup> February 2023 of SLBC Sub-Committee – I on Agriculture and details in this regard is placed on page number 41- 42 of “References to Agenda Booklet” of this (83<sup>rd</sup> & 84<sup>th</sup> Joint) SLBC meeting. The members and stakeholders of SLBC were requested to go through it and to consider approving / disapproving the undernoted fixation of Crop Season :**

Type of Crop	Crop Season
All Short Duration Crops	12 Months
All Long Duration Crops	18 Months

**This fixation of Crop Season was approved unanimously by SLBC Bihar.” – Unquote.**

- The minutes of the aforesaid SLBC meeting has already been circulated among all the stakeholders.
- The copies of Agenda and Minutes of the 83<sup>rd</sup> & 84<sup>th</sup> joint SLBC meeting and copies of page numbers 41,42, 211 & 212 of “References to Agenda Booklet” containing, inter alia, the details of crop duration of main crops grown in the State are attached herewith for your ready reference and necessary action.

Yours faithfully,

(Manoj Kumar Gupta)  
General Manager (SBI) & Convenor (SLBC)  
SLBC Bihar



requested to discuss the e-Stamping of Bank guarantees in SLBC meeting to take up the matter with State Govt. for its implementation.

During past few years, state governments have brought reforms on stamp duty collection on articles under their jurisdiction. Now the duty-paying customer can make payments on-line and collect the e-Stamp Certificate from the designated government offices / agents. Stock Holding Corporation of India (Stock Holding), an All India Institution specialising on central registration service has been designated as Central Record Keeping and Collecting Agency by most of the state governments. But not all state governments have brought Bank Guarantee as a permissible article under e-Stamping. Govt. of Bihar is requested to list the same, if not listed yet.

While e-Stamping has made the revenue collection process easier for Government, benefits of digitisation have not been fully realised. When banks issue bank guarantee, the banks other than the Agency banks or their clients need to visit the government department / Agency bank to collect the e-Stamp Certificate or Stamp Paper. The physical Certificate / Stamp is made part of the bank guarantee by attaching with and / or printing thereon the document as a proof of having paid the stamp duty.

The Digital E-Stamping eliminates the use of physical certificate / stamp and make the bank guarantee process fully automated. It enables the banking system to move away from paper based issuance of bank guarantees and helps adoption of international best practices in transmission of bank guarantees and its amendments.

#### **13.4 Pledge financing for agriculture commodities through electronic-Negotiable Warehouse receipt (e-NWR)**

Warehousing Development and Regulatory Authority (WDRA) has been established under the Warehousing (Development and Regulation) Act, 2007 for setting up a negotiable warehouse receipt system in the country, making Negotiable Warehouse Receipt (NWR) a prime tool of trade and regulation of warehouse.

e-NWR can facilitate easy pledge financing by banks and other financial institutions. e-NWR also helps to save expenditure in logistics as stocks can be traded through multiple buyers without physical movement and can be even split for partial transfer or withdrawal. e-NWR promote scientific warehousing for storage of agriculture goods and commodities.

In a recent years meeting with Department of Food and Public Distribution, it was decided that the outreach of pledge finance through e-NWRs should be increased.

#### **13.5 Fixation of Crop Season**

As per Para 4.2.13 at page no. 15 of RBI Master Circular RBI/2022-23/15 DOR. STR. REC. 4/21.04.048/2022-23 dated 01.04.2023 on "Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances" :

(i). A loan granted for short duration crops will be treated as NPA, if the instalment of principal or interest thereon remains overdue for two crop seasons.



(ii). A loan granted for long duration crops will be treated as NPA, if the instalment of principal or interest thereon remains overdue for one crop season.

(iii). For the purpose of these guidelines, "long duration" crops would be crops with crop season longer than one year and crops, which are not "long duration" crops, would be treated as "short duration" crops.

(iv). The crop season for each crop, which means the period up to harvesting of the crops raised, would be as determined by the State Level Bankers' Committee (SLBC) in each State. Depending upon the duration of crops raised by an agriculturist, the above NPA norms would also be made applicable to agricultural term loans availed of by him.

SLBC Bihar has received communication in this regard from IBA and also some member banks to determine crop season and share the minutes of the SLBC meeting in which this is approved.

The matter was taken up with Agriculture Deptt., Bihar Govt. and they have provided the details of sowing and harvesting period of prominent crops grown in Bihar. Based on this information as well as considering the time involved in harvesting, storage, marketing and realisation of sale proceeds of crops and the element of uniformity and operational convenience, a list of short duration and long duration crops was prepared and the undernoted crop season was decided for the limited purpose of IRAC norms:

Type of Crop	Crop Season
All Short Duration Crops	12 Months
All Long Duration Crops	18 Months

This was approved and adopted with consensus by all stakeholders in the meeting of SLBC Sub-Committee on Agriculture – I and Allied Activities – II held on 27.02.2023. The list of crops, their duration and crop season approved by the Sub-Committee is placed at page no. 211

Further, it is placed before the SLBC for its approval.



**STATE LEVEL BANKERS' COMMITTEE, BIHAR**  
**CROP SEASON**

	Major Crops being cultivated in the State	Crop Sowing Period	Crop Harvesting Period	Crop Duration	Crop Season
<b>RABI CROPS</b>					
1	Wheat	November - December	March - April	Short Duration	12 Months
2	Maize	October - November	April - May	Short Duration	12 Months
3	Barley	October - November	April	Short Duration	12 Months
4	Chickpea	October - November	March - April	Short Duration	12 Months
5	Lentil	October - November	March - April	Short Duration	12 Months
6	Lathyrus	October - November	March - April	Short Duration	12 Months
7	Pea	October - November	March - April	Short Duration	12 Months
8	Rapeseed & Mustard	October - November	March	Short Duration	12 Months
9	Toria	September - October	March - April	Short Duration	12 Months
10	Linseed	November	March - April	Short Duration	12 Months
11	Sunflower	November	March - April	Short Duration	12 Months
12	Potato	October - November	January - February	Short Duration	12 Months
13	Tomato	September - October	December - March	Short Duration	12 Months
14	Brinjal	October - November	January - March	Short Duration	12 Months
15	Chilli	October - November	February - April	Short Duration	12 Months
16	Late Cauliflower	August - October	December - January	Short Duration	12 Months
17	Onion	October - November	May - June	Short Duration	12 Months
18	Garlic	September - November	April - May	Short Duration	12 Months
19	Garden Pea	September - November	December - February	Short Duration	12 Months
20	Makhana	December - January	September - October	Short Duration	12 Months
21	Marigold	September - October	February - March	Short Duration	12 Months
22	Gladiolus	September - October	January - March	Short Duration	12 Months
<b>KHARIF CROPS</b>					
1	Rice	July - August	October - November	Short Duration	12 Months
2	Maize	June - July	October - November	Short Duration	12 Months
3	Sorghum	June - July	November	Short Duration	12 Months
4	Bajra / Pearl Millet	June - July	November	Short Duration	12 Months
5	Finger Millet	June - July	October - November	Short Duration	12 Months
6	Jute	June - July	October - November	Short Duration	12 Months
7	Seasame	June - July	October	Short Duration	12 Months
8	Soyabean	June - July	October	Short Duration	12 Months
9	Sunflower	June - July	October - November	Short Duration	12 Months
10	Pigeon Pea	June - July	March	Short Duration	12 Months
11	Black/Green/Horse Gram	June - July	October	Short Duration	12 Months
12	Brinjal	June - August	September - February	Short Duration	12 Months
13	Chilli	June - July	October - December	Short Duration	12 Months
14	Early Cauliflower	June - July	September - October	Short Duration	12 Months
15	Mid Cauliflower	July - August	Nov. - December	Short Duration	12 Months
16	Onion	May - June	Nov. - December	Short Duration	12 Months
17	Okra	June - July	Sept. - November	Short Duration	12 Months



	Major Crops being cultivated in the State	Crop Sowing Period	Crop Harvesting Period	Crop Duration	Crop Season
18	Cucumber	June - July	Sept. - November	Short Duration	12 Months
19	Bottle/Ridge/Bitter/Sponge Gourd	June - July	Sept. - November	Short Duration	12 Months
20	Marigold	March - April	July - August	Short Duration	12 Months
21	Chrysanthemum	June - July	December - February	Short Duration	12 Months
22	Tuberose	July - August	3 months post plantation	Short Duration	12 Months
<b>GARMA ZAID / SUMMER CROPS</b>					
1	Green Gram	March - April	June	Short Duration	12 Months
2	Seasame	March - April	June	Short Duration	12 Months
3	Cowpea	March - April	June	Short Duration	12 Months
4	Sunflower	March - April	June	Short Duration	12 Months
5	Tomato	November end	April - May	Short Duration	12 Months
6	Brinjal	November end	April - May	Short Duration	12 Months
7	Chilli	January - February	May - July	Short Duration	12 Months
8	Okra	February - March	May - July	Short Duration	12 Months
9	Cucumber	January - February	March - May	Short Duration	12 Months
10	Bottle/Ridge/Bitter/Sponge Gourd	June - July	September - November	Short Duration	12 Months
11	Marigold	January - February	April - May	Short Duration	12 Months
<b>Long Duration Crops</b>					
1	Sugarcane	October - November	November - December (next year)	Long Duration	18 Months
2	Banana	June - July	14-16 months post planting	Long Duration	18 Months
3	Papaya	August - October	10-12 months post planting	Long Duration	18 Months
4	Rose (Desi) (Cuttings)	December - January	12 months post planting	Long Duration	18 Months

\*\*\*\*\*

(1) कृषि ऋण योजना 2022-24 के तहत निम्नलिखित

(Target for Annual Credit Plan 2022-24)

6. कृषि ऋण योजना (KAP)

(1) कृषि ऋण योजना (KAP) के तहत निम्नलिखित (Financing to KAP Sector)

(2) प्रधानमंत्री कृषि ऋण योजना (PMKAP)

(3) प्रधानमंत्री कृषि ऋण योजना (PMKAP)

(4) प्रधानमंत्री कृषि ऋण योजना (PMKAP)

10747



**राज्यस्तरीय बैंकर्स समिति, बिहार की 83वीं एवं 84वीं संयुक्त बैठक**  
**83<sup>RD</sup> & 84<sup>TH</sup> MEETING OF STATE LEVEL BANKERS' COMMITTEE, BIHAR**

**04 मार्च 2023 11:00 पूर्वाह्न**

**04<sup>TH</sup> MARCH 2023 11:00 AM**

**कार्यसूची (AGENDA)**

- 1. कार्य निष्पादन के मुख्य बिंदु ( Highlights of Performance)**
- 2. राज्यस्तरीय बैंकर्स समिति की दिनांक 28.09.2022 की 82वीं बैठक के कार्यवृत्त का अंगीकरण  
( Adoption of the minutes of 82<sup>nd</sup> SLBC meeting dated 28.09.2022 )**
- 3. राज्यस्तरीय बैंकर्स समिति, बिहार की 82वीं बैठक के कार्यवृत्त / कार्यबिन्दुओं पर चर्चा  
( Deliberations on the Minutes/ATRs of the 82<sup>nd</sup> SLBC meeting )**
- 4. साख - जमा अनुपात ( C D Ratio )**
- 5. (i) वार्षिक साख योजना 2022-23 के अंतर्गत प्रदर्शन  
( Performance under Annual Credit Plan (ACP) 2022-23 )**  
**(ii) वार्षिक साख योजना 2023-24 हेतु लक्ष्य निर्धारण  
( Target for Annual Credit Plan 2023-24 )**
- 6. सूक्ष्म, लघु एवं मध्यम उद्यम ( M.S.M.E )**
  - (i) एम० एस० एम० ई० क्षेत्र को वित्त पोषण ( Financing to MSME Sector )**
  - (ii) प्रधानमंत्री रोजगार सृजन कार्यक्रम ( PMEGP )**
  - (iii) प्रधानमंत्री मुद्रा योजना ( PMMY )**
  - (iv) पी० एम० एफ० एम० ई० ( PMFME)**



(v) पी० एम० स्वनिधि योजना ( PM SVANidhi )

(vi) पी० एम० बुनकर मुद्रा योजना ( PM Bunkar Mudra Yojana )

(vii) एस० आई० पी० बी० ( SIPB )

**7. कृषि एवं स्वयं सहायता समूह ( Financing to Agriculture and SHGs )**

(i) एस०एल०बी०सी० ऑनलाइनपोर्टल पर ऋण आवेदन पत्रों की स्थिति

( Status of loan applications on SLBC Bihar Online Portal )

(ii) के०सी०सी० – फसल , पशुपालन , मत्स्यपालन एवं कृषि सम्बद्ध क्रिया-कलाप

( KCC – Animal Husbandry, Fishery&Agri Allied Activities )

(iii) स्वयं सहायता समूह (SHG)

(iv) कृषि अवसंरचना कोष ( Agriculture Infrastructure Fund )

(v) पशुपालन अवसंरचना विकास कोष

( Animal Husbandry Infrastructure Development Fund )

(vi) एफ० पी० ओ०(FPO)

(vii) फसल ऋतु का निर्धारण ( Fixation of Crop Season )

(viii) कृषि वस्तु संबंधित इलेक्ट्रॉनिक पराक्रम्य गोदाम रसीदों की गिरवी के माध्यम से वित्त पोषण

( Pledge financing for agriculture commodities through electronic-Negotiable Warehouse Receipts )

(ix) स्वामित्व योजना ( Svamitva Scheme )

**8. वित्तीय सेवाएँ विभाग, भारत सरकार द्वारा चयनित स्थानों पर बैंक शाखाओं के खोलने में प्रगति**

( Status of Opening of Brick & Mortar Branches at locations advised by DFS, GoI. )

## **9. Financial Inclusion**

**वित्तीय समावेशन एवं वित्तीय साक्षरता : वित्तीय समावेशन हेतु राष्ट्रीय योजना के अंतर्गत प्रगति एवं आकलन (Financial Inclusion & Financial Literacy : Progress &Assessment under National Strategy of Financial Inclusion (NSFI))**



**(i) वित्तीय सेवाओं तक पहुँच (Access to Banking Services)**

- **Physical Access Indicators**
- **Digital Access Indicators**
- **Provision of Banking Services in every village within a radius of 5 KMs/ hamlets of 500 households – Status**

**(ii) वित्तीय सेवाओं के उपयोग (Usage of Financial Services)**

- **Savings Account Indicators**
- **Providing a Basic Bouquet of Financial Services (Micro Insurance and Micro Pension)**
- **Credit Indicators**
- **Micro Credit (Self Help Groups (SHG) & Joint Liability Groups (JLG)**
- **CD Ratio (State, Aspirational Districts and Districts having CD Ratio less than 40% consecutively for last three financial year – data for last three financial years**

**(iii) वित्तीय साक्षरता एवं कौशल विकास**

**(Financial Literacy Indicators and Skill Development Initiatives)**

**(iv) वित्तीय साक्षरता और डिजिटल भुगतान पारिस्थितिकी तंत्र की वृद्धि हेतु बुनियादी ढांचे का समर्थन**

**(Enabling Infrastructure for furthering financial Inclusion and Digital Payments Ecosystem)**

- **Physical Infrastructure Inadequacies – Road/Power/Telecom Connectivity**
- **Digital infrastructure (State Data for last three financial years)**

**(v) Progress in Pilot Project/ Scaled Up Project of Expanding and Deepening of Digital Payments undertaken in the identified**



**district(s) in the state and way forward for scaling up the same in other districts of the State**

**10. सामाजिक सुरक्षा योजनाएँ ( Social Security Schemes)**

(i) प्रधानमंत्री जीवन ज्योति बीमा योजना ( PMJJBY)

(ii) प्रधानमंत्री सुरक्षा बीमा योजना ( PMSBY)

(iii) अटल पेंशन योजना ( APY)

(iv) वित्तीय समावेशन से सशक्तिकरण : पंचायतस्तरीय विशेष कार्यक्रम  
( Empowerment by Financial Inclusion : A Panchayat Level Special Programme )

**11. विभिन्न विभागों / बैंकों के मुद्दे / समिति द्वारा उचित समझी गई कोई भी विषय वस्तु - अध्यक्ष की अनुमति से**

**( Issues of different departments / banks /Any other issue considered suitable by the Committee-with the permission of the Chair)**

=0=0=0=0=0=



S  
L  
B  
C  
  
B  
I  
H  
A  
R

---

## 83RD & 84TH QUARTERLY MEETINGS

---

4th March 2023  
Hotel Maurya, Patna

---

MINUTES  
& ACTION POINTS

---

Revised / Minutes & Action Points

**राज्यस्तरीय बैंकर्स समिति, बिहार**

**SBI**

संयोजक : भारतीय स्टेट बैंक

**STATE LEVEL BANKERS' COMMITTEE, BIHAR**



**STATE LEVEL BANKERS' COMMITTEE, BIHAR**  
**83<sup>RD</sup> & 84<sup>TH</sup> JOINT QUARTERLY MEETING DATED 4<sup>TH</sup> MARCH 2023**

**MINUTES**

The 83<sup>rd</sup> and 84<sup>th</sup> joint quarterly meetings of SLBC Bihar was held on 4<sup>th</sup> March 2023 at Hotel Maurya, Patna under the Convenorship of State Bank of India. It was focussed on MSME and Financial Inclusion. Hon'ble Finance Minister Shri Vijay Kumar Choudhary presided over the meeting. It was attended by Hon'ble Minister, Industry Department . Shri Sameer Kumar Mahaseth and senior officials from DFS, State Government Departments, RBI, NABARD, SBI, SIDBI, KVIC, Police, Department of Post, SLBC member banks, Industry Associations, District Magistrates and Lead District Managers. The list of participants is placed as *Annexure-I*.

2. Shri Shiva Om Dikshit, Chief General Manager, SBI delivered the welcome speech and presented a bird's eye view of the banking developments that has taken place in the State upto 3<sup>rd</sup> quarter of FY 2022-23. Views expressed by him are summarized below :

(i) Total deposits of banks were Rs 4.22 lakh crore at the end of the June 2022 which increased to Rs 4.41 lakh crore by December 2022. Thus, deposits of banks have grown by Rs 19,000 crore between June and December quarters of FY 2022-23.

Total advances of banks has increased from Rs 2.14 lakh crore to Rs 2.30 lakh crore, i.e. by Rs 16,000 crores during June and December 2022 quarters.

CD Ratio of the state was 52.83% in June 2022, which increased to 54.25% in December 2022. Thus, at the end of December 2022, the CD Ratio of the state has increased by 1.42% from June 2022.

(ii) ACP target for FY 2022-23 is disbursement of loan worth Rs 2.04 lakh crore. Under this, Rs 53,000 crore i.e. 25.74% of the target has been achieved by June 30, 2022 and Rs 1.59 lakh crore i.e. 78% of the target has been achieved by December 2022.

If seen Sector-wise, till the third quarter, the achievement of the target under ACP has been about 70% in Agriculture Sector, 63% in MSME, 90% in Other Priority Sector and 107% in Non-Priority Sector.

(iii) During the current FY, work has been done in the field of MSME in a very focused way. It started with target setting for MSME in ACP. The target of MSME in ACP for 2021-22 was Rs 35,000 crore which has been increased to Rs 70,000 crore for 2022-23 i.e. 100% increase in target. Banks disbursed Rs 44,000 crore MSME loans till December which is 63% of the target. During the same period in 2021-22, banks had disbursed MSME loans worth Rs 23,700 crore only.



PMEGP is an important scheme for employment generation in the MSME sector. Last year's physical target under this scheme was 3,415, which has increased to 8,859 in the current FY- an increase of more than two and a half time. Against this target, 560 loan applications were approved by banks till June 2022 and 6,928 till December 2022 and 8,477 till 27 February 2022, which is very close to the annual target.

Under Pradhan Mantri Mudra Yojana (PMMY), loans worth Rs 2,820 crore have been given by banks till June 2022 and Rs 14,983 crore till December 2022 in the current FY

If we look at the Stand Up India Scheme, a total of 5,126 persons were given loans under this scheme since inception of the scheme upto September 2022. This number has increased to 5,835 by December 2022 and to 6,156 by 27 February 2022.

Under PMFME scheme, 33 applications were approved till June 2022 and 208 till December 2022. Thereafter, during succeeding two months, the pace of sanction has increased in this scheme and the number of approved applications has increased to 1,645 as on 27 February 2023.

In the first tranche of PM SVANidhi scheme, loans were given to 64,778 Street Vendors till September Quarter and 70,140 Street Vendors till December Quarter. By February 28, 2023, loans have been sanctioned to 71,700 street vendors in the first tranche of this scheme, 11,800 in the second tranche and 145 in the third tranche.

(iv) The target of loan disbursement in ACP for the financial year 2022-23 in Agriculture Sector was Rs 70,000 crore. Banks have disbursed loans worth Rs 48,648 crore till December 2022 and thus 70% of the target has been achieved.

The target for SHG financing is credit linking 2.50 lakh JEEVIKA SHGs during FY 2022-23. Against this, 44,000 SHGs were financed by banks till June 2022 and 2.02 lakh SHGs till the end of Dec'22. SHG financing continues to be a focus area and by the end of January 2023, a total of 2.26 JEEVIKA SHGs have been financed this year i.e. 90% of the target has been achieved.

(v) At the end of June 2022, the NPA of banks was Rs 24,075 crore (11.50%) which decreased to about Rs 21,100 crore ( 9.93%) at the end of September 22 and thereafter increased to Rs 23,400 crore in December 22 (10.35%).

(vi) At the Financial Inclusion front, 7,721 bank branches and 6,733 ATMs were working as on 30.06.2022. The number of branches has increased by 67 and the number of ATMs by 109 in the December quarter, taking the total bank branches in the state to 7,816 and total ATMs to 7,046 as on December 31, 2022. Apart from these, 34,701 Fixed Point BC (CSP) are also functioning in the state i.e. there are a total of 49,563 Banking Touch Points. Banks have opened 21 lakh new Jan Dhan savings accounts, have insured 15.26 lakh people under PMJJBY, 23.43 lakh under PMSBY and 4.94 lakh people have been registered under APY between June and December quarters.



In the current financial year till December quarter, FLCs of all the districts of the state have conducted 1,700 Special Camps and 2,100 Target Group Camps and RSETIs have conducted 710 Training Programs and trained 22,000 people.

(vii) State Bank of India is trying its best to play its role as per national and regional needs, aspirations and priorities. The physical target of SBI in PMEGP is 1,895. Against this, 1,830 applications were sanctioned till 3rd Quarter End. By February 7, 2022, 1,962 PMEGP applications have been sanctioned i.e. more than 100% of the target.

SBI has approved 501 applications under PMFME and 170 under Agri Infra Fund till February 2023. Since the inception of Stand Up India Scheme, 568 loans have been sanctioned by SBI by February 2023.

Under PM SVANidhi scheme, SBI received 26,898 applications in its first tranche, out of which 17,761 applications have been approved till February 2023.

SBI is also actively working for Self Help Groups of JEEVIKA and has financed 37,701 SHGs (105%) against yearly target of 35,441.

In the field of Financial Inclusion, SBI is providing its best services in the State through 6,280 Customer Service Points (Fixed Point Banking Outlets). SBI has 7 RSETIs in its 7 lead districts and they have been accredited with top grading "AA" by the Govt. of India for their overall performance.

In the current FY till February 2023, SBI has opened 4,14,000 Jan Dhan accounts, enrolled 2,77,000 people in Atal Pension Yojana and enrolled 14,93,000 people in PMJJBY and 25,01,000 people in PMSBY.

(viii) He requested member banks to clear the pending applications under all schemes in the remaining days of the current FY.

(ix) He thanked the State Govt., on behalf of SLBC member banks, for all the necessary support provided for smooth functioning of their branches and CSPs.

**3. Shri Vijay Kumar Choudhary, Hon'ble Finance Minister, Govt. of Bihar** extended special welcome from State Govt. to all representatives of banks and said that this welcome is the representation of the hopes of millions of citizens of the State and the expectations of the State Govt. He expressed the undernoted views during his speech :

(i) Banking system is the steering wheel of society's progress and financial inclusion and inclusive growth cannot happen without the help of banks.

(ii) There has been a considerable progress since last meeting of SLBC. It is a matter of satisfaction that CD Ratio has risen to 54% and we are going to have an ACP of Rs 2,63,000 crores for FY 2023-24 which almost equals the State's budget of Rs 2,62,000 crores approved by the State Assembly yesterday.

(iii) Hon'ble Finance Minister observed that the synoptic assessment of progress achieved under various schemes and sectors as presented today before the SLBC by



the Chief General Manager, SBI during his welcome speech, bears a testimony to the fact that noticeable progress has been made. The remarkable work done by JEEVIKA with the help of banks was highly appreciated in the recent budget session of the State Assembly. That a JEEVIKA Didi from Muzaffarpur has been awarded by Hon'ble President of India for her innovative business of manufacturing art pieces from plastic waste, is a matter of big pride for all of us. It is by dint of woman empowerment unlocked through JEEVIKA by way of SHG financing by banks that JEEVIKA Didis are being invited now to Financial Inclusion Orientation Programmes conducted at Lal Bahadur Shastri Academy where members of IAS are imparted training. All these good things should not lead to complacency rather it should infuse inspiration and zeal in us. Let us remember that we are still lagging behind the average national CD Ratio of 75%.

(iv) The State Govt. is committed to extend all necessary cooperation for creating a more congenial work environment for banks. The district administration of all districts has been instructed to help banks in recovery of NPAs through SARFAESI and all other legal recourses. Banks should feel free in approaching the State Govt. for any help they need, be it for discharging their duties or for implementing any scheme. However, it is prudent to raise the impeding issues for resolution whenever they crop up rather than to just mention them as the reason for non-performance at the time of review.

(v) NPAs are a part of banking business and should be contained within the tolerance level. Turning of accounts into NPAs must trigger required action of recovery but it should never induce refuge from financing. The failures of a few borrowers should not deprive other needy people of bank finance. Let us not forget that most of the borrowers in the State are marginal farmers or micro entrepreneurs who are not willful defaulters like big corporate debtors.

(vi) SLBC data for December 2022 quarter reveals that some banks and districts have done well whereas some of them need immediate improvement. Finance Deptt., GoB would interact with such banks / districts one to one so that the overall outcome improves. Banks should identify their low performing branches and take suitable steps to ameliorate their performance.

4. As this SLBC meeting is focused on MSME, Sri Sandeep Poundrik, Additional Chief Secretary, Industry Department, GoB made a presentation before the forum and spoke at length on the various schemes of his department. Views expressed by him are summarized below :

(i) PMEGP : The average number of physical sanctions during last 4 years has been between 2,500 to 3,000 per year which has touched 8,567 during the current FY and this is expected to further cross the 9,000 mark as still a few days are left in the current FY. He congratulated the banks and thanked them for their cooperation in achieving this feat. He extended his special thanks to SBI, PNB, DBGB, UBGB and Canara Bank who have sanctioned more than 90% of their targets. However, he said that sanctions are nothing but a piece of paper until they are disbursed. Banks have claimed MM (margin money) in 4,887 cases out of which MM has been disbursed in 3500 cases. There are around 1,000 referred back cases which can be rectified and resubmitted easily by banks and



that will take the MM disbursed figures to 4,500. Also, banks are required to lodge MM claims promptly in around 4,000 remaining sanctioned cases.

(ii) **PMFME** : This central scheme for food processing sector launched in 2020-21 has seen only 20 loans sanctions during last 2 years. But after transfer of this scheme from Agriculture Deptt. to Industry Deptt., there has been a quantum jump in performance and 1,900 loan applications have been sanctioned during 2022-23 which is 3<sup>rd</sup> highest pan India. SBI is leading with 497 PMFME loans sanctioned while other banks are also catching up. The target for FY 2022-23 is 3,600 and banks are sanctioning around 75-100 applications per day, therefore, we hope to achieve the allotted target and take Bihar to 1<sup>st</sup> or 2<sup>nd</sup> position pan India. However, only 377 loans have been disbursed and completion of disbursals in remaining cases needs to be done expeditiously.

PMFME scheme is a boon for Bihar because the State has a huge potential for food processing activities and there is no dearth or difficulty in release of subsidy as it is released by Industry Deptt. at State level. The scheme is applicable to both individuals and groups. Industry Deptt. is working in coordination with JEEVIKA and JEEVIKA Didis have done a number of PMFME projects in Honey and Makhana processing and Masala, Papad and Pickle production.

Banks are sanctioning many term loans for Mini Rice Mills, Atta Chakkis, Sweet shops, Packaging material production etc. under their regular schemes. They may bring these projects under PMFME which will not only benefit the borrowers with subsidy but will also reduce the credit load of banks.

(iii) **Bunkar Mudra Yojana** : This is a specific scheme for weavers who are concentrated in select districts of the State. The number of applications sent to 17 banks is 3,800 but performance of none of the banks is satisfactory. Poor or negative CIBIL score is one of the main issues that the scheme is facing.

(iv) **Bihar Industrial Promotion Policy (BIPP) 2016** : Aimed at creating a convenient and congenial industrial atmosphere in the State, BIPP-2016 offers a number of incentives to the entrepreneurs e.g. Interest Subvention, SGST Reimbursement, Electricity Duty Reimbursement and Reimbursement on Stamp Duty on Registration and Conversion of Land, Employment Cost Subsidy, Skill Development Subsidy etc.

Since inception of the BIPP, 2,294 units with proposed investment worth Rs 64,000 Crores have been accorded Stage-1 clearance, 815 units with investment amounts of Rs 6,112 crores have been given financial clearance and 419 units have entered working status wherein investment amount is Rs 3,579 crores. During the current FY, 1<sup>st</sup> stage clearance has been given to 335 projects worth Rs 8,000 proposed investment, financial clearance to 123 units worth Rs 2,000 crores of investment and 66 projects have finally received working status wherein investment is Rs 1,080 crores.

(v) **Mukhya Mantri Udyami Yojana (MMUY)** : The MMUY was launched in Bihar during 2018-19 and is a first of its kind scheme ever introduced in the country. The aim of MMUY is to develop and expand entrepreneurship, develop new micro & small enterprises in rural & urban areas and promote self-employment. Under this scheme,



GoB provides the beneficiaries interest free loan worth 50% of project cost (Max. Rs 5 lakh) repayable in 84 EMIs after a gestation period of 12 months and a grant equal to 50% of the project cost (Max. Rs 5 lakh). Around 30,000 beneficiaries have been financially assisted under MMUY since inception of the scheme with 8,111 beneficiaries selected during the FY 2022-23 itself. The successful beneficiaries under MMUY are the prospective borrowers of banks as they may approach the banks in future for financing their business expansion.

Leather cluster which is coming up at Muzaffarpur tells the success story of industry in Bihar. In this cluster, 40 Micro Units run by JEEVIKA Didis have been provided with around 1,200 industrial stitching machines. These micro units are working with a Mumbai based Anchor Unit which takes care of raw material supplies and marketing of leather bags. With 2,000 workers and a pooled production capacity of 40,000 bags per month, this cluster is poised to become the largest bag stitching cluster of India. Govt. of Bihar has come out with a Textile and a Leather Policy in 2022 in order to develop Bihar as leather and textile hub. Govt. is trying its best to develop an industrial atmosphere in the State. Banks are requested to finance generously to upcoming units and make State Govt.'s industrial dream come true.

5. Dr. S. Siddharth, Additional Chief Secretary (Finance) expressed his views on various issues as under :

(i) Finance Deptt. took a very concerted decision in line with the industrial aspirations of the State Govt. and doubled the ACP for MSME sector from Rs.35,000 crores in FY 2021-22 to Rs 70,000 crores in FY 2022-23. State Govt. has pumped a sizeable amount in MMUY by taking a 50 years-loan from World Bank. This shows its resolve to help entrepreneurship develop in the State.

(ii) Stand Up India (SUI) is an important scheme launched by Govt. of India under which every bank-branch has to finance one SC or ST and one Woman beneficiary with Loans from Rs 10 lakh to Rs 1 crore for greenfield projects. There are 3,950 branches of Public Sector Banks in the State and they should have financed 3,950 SC / ST beneficiaries whereas only 529 such beneficiaries have been financed by them so far. This performance is very poor and needs immediate attention of Govt. of India. Govt. does not wish only Mudra loans to be financed rather it wishes big ticket size loans also to be financed to boost up the MSME sector.

The Chief General Manager, SBI apprised the forum that SBI has financed 704 SUI loans up to FY 2021-22 and 761 loans during FY 2022-23. Out of 761 SUI loans financed by SBI during current FY, 576 loans have been financed during last 3-4 months only. This signifies that progress under SUI scheme has been slow but it is picking up fast, so far SBI is concerned.

Dr. Bhushan Kumar Sinha, Joint Secretary, DFS, Govt. of India mentioned that SUI scheme is on the radar of GoI and performance under the scheme is being reviewed periodically. As on 13<sup>th</sup> February 2023, 1,71,885 SUI loans worth Rs 38,855 crores were sanctioned pan India out of which Rs 18,884 crores have been disbursed, In Bihar, 6,076 loans worth Rs 1,130 crores have been sanctioned and disbursement is Rs 556 crores.



When we compare loan amount sanctioned under SUI on per lakh of population, national average is Rs 22.26 lakh whereas for Bihar it is Rs 90.26 lakh.

Also, performance of Bihar is better than National Averages in MSME YoY growth, Number of Jan Dhan Accounts per lakh of population and ticket size of Mudra loans. Under Mission Utkarsh, Sitmarhi district has achieved 100% of State average in 3 out of 4 Key Performance Indicators (KPIs) and 99% in 1 KPI. This shows remarkable performance by Bihar under Financial Inclusion.

Commenting on the performance of various districts in ACP, ACS (Finance) observed that there are banks and districts which are not performing well which is evident from their achievement percentage of their targets under ACP. For example, districts like Jamui (42%), Sheikhpura (44%), Munger (45%), Banka (48%), Arwal and Khagaria (51%), Nalanda & Lakhisarai (53%) and Banks like Bank of India (48.59%), UCO Bank (50.34%), DBGB (55.08%), Union Bank (62.94%), CBI (73.15%) which have performed below State Average. As directed by Hon'ble Finance Minister, one-to-one meeting with the State Heads of the Lead Banks of the lagging districts and Banks will be held in March 2023. Bank heads are requested to do diagnosis of the reasons involved and come up with action plans for improvement.

ACS (Finance) further informed the forum that Bihar Govt. has proposed ACP size of Rs 2,63,150 crores for 2023-24 which is based on Rs 2,03,139 crores of projections made by NABARD in their Potential Linked Plan 2023-24. It has been endeavored to align ACP with PLP because aligning it with Per Capita National Income or National Average CD Ratio would need a very huge increase in current size of ACP and is not practical at this stage.

In ACP 2023-24, Rs 94,150 crore has been proposed for Agriculture Sector against Rs 70,000 crore for 2022-23. The Agriculture ACP has further been bifurcated into ATL (Rs 41,040 crores) and Crop (Rs 53,110 crore) to align with the production, preservation, processing and marketing needs as per Bihar Agri Road Map. The MSME ACP is Rs 70,000 crores for 2022-23 which has been increased to Rs 89,480 crores for 2023-24. The aim is to bring in large ticket loans. For Other Priority Sector (OPS), ACP size has been increased from Rs 14,145 crores to Rs 19,520 crores. All these proposed increase are in line with NABARD's PLP. Outlay for NPS has been increased from Rs 50,000 crores to Rs 60,000 crores. SLBC is requested to allocate bank-wise targets at the earliest so that ACP Targets are available to banks from April 2023 to act upon.

5. In his address to the SLBC, Shri Samir Kumar Mahaseth, Hon'ble Minister, Industry Department, GoB mentioned the undernoted points :

(i) Progress is visible in all banking sectors during last two quarters and banks deserve applause for the same.

(ii) There is a perception about Bihar that Industry cannot flourish here. Knowingly or inadvertently, banks officials coming to Bihar from other states carry this wrong notion in their minds. Time has changed, Bihar has changed and we need to change our mindset accordingly.



(iii) He also observed that high NPA is not confined to Bihar only. Many States are having higher NPAs still they are having higher CD Ratios.

(iv) We have a successful model of JEEVIKA which is being appreciated nationwide. We have implemented MMUY in which a large number of entrepreneurs are coming forward to get associated with. All these show the inclination of people in Bihar towards MSME and the need for funding their projects. Still we are lagging behind in National Average CD Ratio. It is contradictory.

(vi) Industry Deptt., GoB is in active mode and its senior officials are frequently visiting all the districts to drive department's various schemes. The result of these steps can be seen in the increasing performance of schemes.

(vii) The State Govt. is establishing a Land Bank of 10,000 acres for use of industrial units and 4,000 acres of land has already been acquired. Govt. is creating a base of entrepreneurs through various schemes like MMUY, PMFME, PMEGP, BIPP etc. Banks are required to take Govt.'s efforts further forward by providing finance to these entrepreneurs. Let us remember that the GDP of the country will not increase unless GDP of Bihar increases.

6. During discussions on SHGs, Joint Secretary, DFS observed that JEEVIKA is doing good for SHGs in Bihar but the gap between bank linked and credit linked SHGs is still 34%. Though the gap at national level is higher, it should be not be as high as 34% for Bihar because JEEVIKA is a role model pan India.

**CEO, JEEVIKA presented the undernoted views on SHGs and RSETIs :**

(i) There are 10.45 lakh SHGs in Bihar are bank-linked. Out of them, 8.62 lakh SHGs were credit linked by Sept. 22 quarter. During Dec. 22 quarter, JEEVIKA has credit linked 1 lakh more SHGs with the help of banks. Now 90% of bank linked SHGs are credit linked.

(ii) The target for FY 2022-23 was to credit link 2.50 lakh SHGs and 2.25 lakh SHGs have already been credit linked, and with the efforts in offing it is hoped that we will achieve the 2.50 lakh target.

(iii) So far, the average disbursement under JEEVIKA SHGs has been Rs 5,700 crores per year . But in current FY, till January 2023, we have already disbursed Rs 6,700 crores and hope to cross Rs 8,000 crores by end of the current FY which will be an all time high level of disbursement.

(iv) RSETIs in 27 districts are running in their own buildings but the pace of construction of buildings in 5 districts is very slow and in 8 districts the construction has not yet started including Patna. Banks need to expedite in this regard.

(v) It was opined in previous SLBC meetings that JEEVIKA should go for big ticket projects through SIPB. We have acted upon this and JEEVIKA has submitted 3 SIPB 1<sup>st</sup> stage cleared proposal of SHGs to banks. These projects are one each in Bhojpur (Frozen Pea – BoB), Katihar (Makhana Processing – SBI) and Samastipur (Spices –



SBI). Land is already available for these projects and if bank credits are sanctioned, it will trigger starting of the projects.

(vi) Banks have financed Rs 27,000 crores so far to JEEVIKA SHGs which has benefitted 1.30 crore families in the State. He thanked banks for their cooperation in this regard.

7. Regarding ACP, Joint Secretary, DFS opined that target setting under ACP is a subject to be decided at the State level. However, it is worth mentioning that YoY growth of MSME in Bihar is 20% against National Average of 11.90% and a further increase of 27% has been proposed in MSME ACP 2023-24. In Agriculture Sector, national level allocation was 18.50 lakh crores which is to be taken to 20 lakh crores during 2022-23 i.e. an increase of 8% is proposed in the Budget 2023-24 announcements made by Central Govt. However, the proposed increase in Agri ACP 2022-23 is 35% in Bihar. These higher-side allocations may create aberrations in alignment of Regional and Inter-State GLC allocations by Central Govt. and needs to be looked into at backend by NABARD.

Special Secretary (Finance) mentioned that the ACP for 2023-24 has been framed after much introspection and deliberations done during last meeting held by NABARD. As already said by ACS (Finance), it is based on the credit demand potential worth Rs 2,03,139 crores projected by NABARD in their PLP 2023-24. The ACP for 2020-21 was Rs1,62,000 crores out of which the achievement was approx. Rs 1,55,000 crores. When ACP for 2021-22 was increased to Rs 2,04,000 crores, GoB had received requests from SLBC to reconsider the increase. But the recent follow up review with SLBC shows that 80 to 85% of ACP target has already been achieved and, most likely, 100% of ACP will be achieved this year. MSME ACP for current FY was substantially increased by Rs 35,000 crores but for ACP 2023-24, it is only Rs 19,000 crores. In Agri ACP 2023-24, a substantial increase has been proposed but such increases are in line with State's aspirations to maintain its growth rate and to qualify among the top 3-4 states of the country in terms of overall growth. This requires proportionate investments and the State Govt. is trying for the same at its own and has befitting expectations from the banks. These aspirations of Govt. have been expressed on several occasions by Hon'ble Finance Minister and Hon'ble Industry Minister. Moreover, our deposit base is Rs 4,44,000 crores and this potential can be tapped to reach National Average CD Ratio of 75%.

8. Shri Sanjiv Dayal, Regional Director, RBI Patna expressed the following views during his address to the SLBC :

(a) There has been a remarkable increase in CD Ratio which has shot up from 50.18% in December 2021 to 54.25% in December 2022. However, we have miles to go to reach the national average CD Ratio.

(ii) The ACP achievement of 78% upto Q3FY23 is better than that of Q3FY22. But let us not stop here and endeavor to achieve 100%.

(iii) Commendable work has been done by banks in last 5-6 months under various sectors and schemes which has been acknowledged and applauded by Hon'ble



Ministers and senior officials of State Govt. Departments. Banks should continue this tempo of work.

(iv) The ACP target proposed by State Govt. for FY 2023-24 has high expectations from banks and previous speakers have said a lot on this. Banks need to be realistic and positive and gear up themselves to ensure that whatever targets are given they are achieved. State Govt. has repeatedly said that they are always ready to extend all sorts of help the banks require. Banks may also approach RBI in case they need any tweaking of policies.

(v) Though there is a marginal reduction in NPAs to 10.35% it is still very high. In agriculture sector, the NPA is more than 24%. This is a matter of concern more so because we need to lend more in this sector as Agri ACP has been increased for FY24. So banks are requested to exercise due diligence and professionalism to avoid adverse selections of borrowers and maintain quality of assets. State govt., especially the district Administration is urged to reduce number of certificate cases and help banks in recovery of bad loans.

(vi) Implementation of the recommendations of RBI Working Group on Agriculture Credit will facilitate better flow of credit to agriculture sector. RBI is sanguine that necessary steps have been taken in this direction by all concerned.

(v) It is heartening to note that the growth rate of Bihar has been 10.90% in 2021-22, as per Budget and Economic Survey of Bihar - tabled recently in State Assembly. Further, it is commendable that the State Govt. has set aside a sizeable amount for Capex which is equal to almost 21% its total expenditure and also has maintained a reasonable Fiscal Deficit.

(vi) RBI has celebrated Financial Literacy (FL) Week during February 2023 which was based on the theme - 'Good Financial Behaviour, Your Saviour'. During this FL week, posters and banners containing FL messages were displayed in banks branches, Post Offices, select SCPs, Panchayat Bhavans, Block Offices, Patna International Airport, BSRTS buses and 40 railway stations in the State to take the FL messages to masses. In addition, around 90,000 FL programs were conducted for various target groups by FLCs, CFLs, LDMs and bank branches during the FL week. RBI thanks all stakeholders for their cooperation in this regard.

As a next step in FL, RBI will organize an All India Quiz starting 11<sup>th</sup> April 2023 for students of class 8 to 10, especially those in Govt. and Municipal schools. This quiz will be at block, district and State levels and will culminate at national level. Education Department, especially the District Education Officers, are requested to extend cooperation in disseminating information regarding the quiz among schools and selecting teams.

(vii) It is heartening to note that SLBC has kept special focus on the status of Financial Inclusion and Financial Literacy in the State.



**9. Dr. Sunil Kumar, Chief General Manager, NABARD put forth the undernoted points during his speech :**

(i) 70% of Agri ACP has been achieved by Q3 and, therefore, it is hoped that there will be 100% achievement this FY. However, only 12 lakh KCCs have been issued. This number needs to be increased including number of new KCCs issued. There is a huge potential of milk, fish and egg production in the State. So, we need to finance ATL also for dairy, poultry, fishery etc. which will help in capital formation and boost Agriculture production.

(ii) In Bihar, 25% farmers are landless and we can finance them through JLG model in a big way. Some banks like SBI, Canara Bank, PNB, CBI, Cooperative Banks and RRBs are already doing JLG financing, we need to expand it. Like SHGs, NPA in JLGs is also very low and are comparatively safer avenues for finance.

(iii) There are approx. 1,000 FPOs in the State and out of this around 400 have been formed by NABARD. These FPOs now need finance for further activities which is not happening. Most of FPO financing has been done by NBFCs and they charge high rate of interest. Finance to NBFCs has credit guarantee and therefore are safe. Also, many of the banks are already registered with NABSarakshan, a NABARD subsidiary for administration of credit guarantee.

(iv) Agri Infra Fund is an important scheme for post-harvest infrastructure management which is a foremost necessity of an agrarian state like Bihar. This scheme offers both interest subvention and credit guarantee and, therefore, provides comfort to both the borrowers and the lenders. However, only 172 projects have been financed so far under this scheme and needs more push and participation.

**10. Classification of crops as Short Duration or Long Duration is material for identifying them as NPAs as per RBI's circular instructions. In light of this, SLBCs have been instructed by Indian Banks' Association (IBA) to fix Crop Seasons for major crops grown in their respective states. Accordingly, a proposal was put up in the meeting dated 27<sup>th</sup> February 2023 of SLBC Sub-Committee – I on Agriculture and details in this regard is placed on page number 41- 42 of 'References to Agenda Booklet' of this (83<sup>rd</sup> & 84<sup>th</sup> Joint) SLBC meeting. The members and stakeholders of SLBC were requested to go through it and to consider approving / disapproving the undernoted fixation of Crop Season :**

Type of Crop	Crop Season
All Short Duration Crops	12 Months
All Long Duration Crops	18 Months

**This fixation of Crop Season was approved unanimously by SLBC Bihar.**

**11. The 83<sup>rd</sup> & 84<sup>th</sup> Joint Quarterly SLBC meeting ended with a vote of thanks extended to all dignitaries and participants by Shri Manoj Kumar Gupta, General Manager and Convenor, SLBC Bihar.**



**SLBC BIHAR**  
**83<sup>RD</sup> & 84<sup>TH</sup> JOINT QUARTERLY MEETING DATED 4<sup>TH</sup> MARCH 2023**

**ACTION POINTS**

1. A separate review meeting of low performing banks and districts to be done for better understanding of issues and their resolution.

[ Action : Finance Deptt. GoB ]

2. Referred back cases under PMEGP should be attended on priority.

[ Action : Banks ]

3. Banks should disburse all sanctioned PMEGP loans and lodge margin money claims in cases where loans have been disbursed.

[ Action : Banks ]

4. Banks to sensitize their branches and gear up financing under Stand Up India to achieve targets under the scheme.

[ Action : Banks ]

5. The loan proposals of SIPB Stage-1 cleared JEEVIKA SHGs should be processed and disposed off expeditiously.

[ Action : SBI and BoB ]

6. Higher allocations to Agriculture Sector under ACP may create aberrations in alignment of Regional and Inter-State GLC allocations at Central Govt. level and needs to be looked into by NABARD for synchronization at backend.

[ Action : NABARD ]

7. The ACP targets for 2023-24 should be allocated bank-wise & district-wise and be advised to all concerned in the very beginning of the FY 2023-24.

[ Action : SLBC ]

8. Each bank should aim financing under Stand-Up India (SUI) as per target allotted by GOI i.e. 2 projects per branch- one for SC or ST and one for women beneficiary. Monitoring of progress under SUI is to be done by SLBC.

[ Action : All Banks & SLBC ]

= 0 = 0 = 0 = 0 = 0 =