

Minutes of 90th, 91st and 92nd (Joint) Quarterly SLBC Meeting

held on 17th February 2025

Venue: - Taj City center, Patna

The 90th, 91st & 92nd Joint meeting of SLBC Bihar was held on 17th February 2025 at Taj City Center, Patna. The objective was to review the performance for all the 3 quarters, discuss with banks to make further improvements in overall financial and holistic development, of the entire ecosystem in the state, exploring and exploiting the emerging opportunities. This meeting was also focused on Financial Inclusion & Financial literacy. The meeting was presided over by Hon'ble Deputy Chief (Finance) Minister, Govt. of Bihar Shri Samrat Choudhary, Hon'ble Minister Cooperative Dr. Prem Kumar, Hon'ble Minister Animal Husbandry and Fisheries Resources Smt. Renu Devi, Chief Secretary Bihar Sri Amrit Lal Meena, Principal Secretary Finance Sri Anand Kishore, RD RBI Sri Sujit Kumar Arvind, DMD SBI Sri Shiva Om Dikshit, CGM SBI Sri K. V. Bangarraju, CGM NABARD Sri Binay Kumar Sinha and other top officials from State Government Departments, SBI, SIDBI, KVIC, Police, Department of Posts, representatives of all SLBC member banks & Industry Associations were also present. District Magistrates and Lead District Managers of Bihar, Officials of PFRDA, AIF and CGTMSE also attended the meeting through Video Conferencing.

(2) The meeting commenced at 11:00 am. **Shri Shiva Om Dikshit, Deputy Managing Director (SBI)** welcomed all the dignitaries and participants. He presented a brief overview of the performance of banks during all 3 quarters in current FY 2024-25 vis. a vis. the ACP, CD Ratios, other parameters and the way forward to achieve 100% target of ACP for the FY 2024-25. He thanked Hon'ble Deputy Chief (Finance) Minister, Bihar, Chief Secretary Bihar, CEO JEEViKA and Principal Secretary Finance Department Bihar for their cooperation in successfully organizing three big events under chairmanship of Hon'ble FM & Corporate Affairs Madam Smt. Nirmala Sitharaman Jee on 28th & 29th November 2024 - credit outreach programme at Darbhanga & Madhubani as well as RRB review meeting at Patna. He also thanked wholeheartedly all the banks, NABARD, SIDBI, DMs of Darbhanga and Madhubani, officials of Police Department and JEEViKA officials at Darbhanga and Madhubani for their cooperation in successfully organizing these programmes. He also emphasized that the role of SLBC Convenor Bank and Lead Bank, as defined by RBI in its Master Circular dated 01.04.2024, is to coordinate among all stakeholders with the goal of contributing to the development of the State. This cannot be achieved without the consolidated team efforts of all stakeholders of SLBC such as all member banks, Government Departments, NABARD, SIDBI, RBI, LDMs, District Authority etc. He also thanked RBI, all banks and financial institutions for migrating to online data reporting system at SLBC portal. He highlighted the key points on performance which is as under:-

(A) Overview:

(i) The CD Ratio of the State is improving year on year and is 58.59% as on 31st December'24. As per the guidelines of Lead Bank Scheme, districts having CD Ratio less than 40% are to be reviewed separately and only district falls under this category is Munger. The CD Ratio of Munger District is increasing quarter on quarter and stood at 33.96% at the end of December'24 quarter.

SBI is the Lead Bank in 7 districts of the State and two of them – Purnia and Araria – are at the top amongst all 38 districts of the State with CD Ratio of 94.47% and 91.56% respectively.

(ii) Against the Annual Credit Plan target of Rs. 3,23,093 crore for FY 2024-25, all banks have collectively achieved 52.29% of the target with disbursement of Rs. 1,68,930 crore till 31.12.2024. The performance of banks during the previous years had been satisfactory, and good performance is expected this year too by achieving the target of ACP disbursement.

SBI's contribution was Rs. 30,813 crore (out of total loan disbursement of Rs 1,68,930 crore by all Banks), which is 64.05% of annual target of Rs. 48,110 crore for SBI and he assured that 100% target will be achieved.

(iii) In agriculture sector, banks have disbursed Rs 45,049 crore against the target of Rs 1,11,266 crore with achievement of 40.49%. In MSME, all banks have disbursed Rs 53,478 crore against the target of Rs 1,03,238 crore with an achievement of 51.80% till December'24.

iv) Under the flagship schemes of the Government, the banks have consistently performed well under PMEGP, PMMY, SUI, PMFME and PM SVANidhi schemes.

v) Continuous efforts are being made by the banks in the state to strengthen and expand financial inclusion. As per the guidelines of NSFI (National Strategy for Financial Inclusion), no village is untouched by banking facilities in Bihar. As on 31.12.2024, there are a total of 8,213 branches and 52,199 fixed CSP outlets in the state. SBI is providing banking facility through its 1,033 branches and 6,197 CSP outlets.

vi) As on 31.12.2024, banks have opened about 31.95 lakh new Jan Dhan accounts in the current financial year 2024-25. The total number of PMJDY accounts in the state is around 5.66 crore and out of this 31% (1.75 crore) are with State Bank of India.

vii) Two major micro insurance schemes are being run by the government to strengthen social security - Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY). 2.64 crore people have been insured under PMSBY

till the end of December'24 and SBI's share is 43% with approx. 1.13 crore people. Under PMJJBY, 88.47 lakh people have been insured till the end of December 24, out of which 41.10 lakh i.e. 46.45% have been enrolled by SBI.

vii) Bihar is leading in the implementation of APY scheme across the country. In the financial year 2024-25, 7.11 lakh new persons have been enrolled under APY against the target of 6,00,245 till 31.12.2024, with an achievement of 118%. Out of this, SBI branches have provided APY facility to 2,03,210 persons and the achievement is 233%.

(B) Priority areas for Banks for future

Shri Dikshit, DMD SBI briefly suggested the priority areas for the Banks which are as under:--

(i) Achievement of 100% ACP target by the end of the current financial year 2024-25 and this can be achieved with proper planning and implementation by all banks with the help of all available resources.

ii) Districts having CD ratio between 50% to 60% should strive to cross the benchmark of 60% and districts having below 50% should strive for CD ratio above 55%.

iii) In agriculture sector, on one hand banks have to continue their efforts of traditional financing through KCC and on the other hand banks should look for new opportunities of financing in the areas of dairy, fisheries, animal husbandry, horticulture, rural infrastructure projects like construction of rural godowns, cold storage and warehouse financing etc. We need to maintain coordination with all government agencies like District Agriculture Officers, Block level officers and NABARD officials to get new leads. Recently NABARD Patna has released State Focus Paper in which the problems being faced in KCC Crop Loan and some suggestions have been discussed. On one hand, the declining availability of cultivable land per capita (0.38 hectares) and on the other hand, the lack of use of improved seeds and modern technology is affecting the crop productivity. The state government is also making efforts to digitize land records and carry out land survey work, which will certainly boost financing to the agriculture sector.

iv) High NPA is a major issue in the way of substantial growth in agriculture advances. I thank the Bihar government for their efforts to digitize Certificate Cases, which will certainly help banks in recovery in NPA accounts. It is also the responsibility of the banks to make people aware of the benefits of regular repayment and financial discipline in their economic development.

v) Support is expected from private sector banks especially in financing government sponsored schemes to their maximum capacity under PMEGP, SUI, PM SVANidhi and other important schemes.

vi) Recently, the state government has organized an Investors' Meet at Gyan Bhawan Patna on 19th and 20th December and it is expected that a large number of new industrial investments will take place in Bihar in the coming days. The government departments

were requested to share information about the new approved proposal to the banks, so that banks can actively approach the promoters to meet their financial requirements.

Shri Dikshit, DMD SBI concluded his speech by assuring the house on behalf of SLBC Bihar and SBI that the banks are making every effort to achieve excellence in all areas and will show good results by the end of FY 2024-25.

(3) Shri Sujit Kumar Arvind, The Regional Director of RBI after welcoming all the Hon'ble Ministers, Dignitaries and all participants highlighted the undernoted points: --

(i) The State Level Bankers' Committee (SLBC) serves as a crucial coordination and review mechanism, bringing together key stakeholders to assess progress, address challenges, and drive financial and economic development. It is not just a platform for discussion but a testament to our collective commitment to fostering inclusive growth and strengthening the banking ecosystem. Let us utilize this opportunity to collaborate effectively, innovate proactively, and implement impactful solutions that contribute to Bihar's economic progress and financial empowerment.

ii) He highlighted the initiatives announced in the recent Union Budget relevant to Bihar, presenting a unique opportunity for banks to broaden their engagement with key sectors. He said that the establishment of National Institute of Food Technology, Entrepreneurship, and Management in the state will boost food processing industries. This initiative will not only increase farmers' income but also provide skilling, entrepreneurship, and employment opportunities for the youth. Additionally, the creation of a Makhana Board aims to improve the production, processing, value addition, and marketing of makhana - a key agricultural product in Bihar - thereby opening new business and export opportunities. Further, the development of greenfield and brownfield airports in the state will unlock new avenues for trade, tourism, and logistics.

These initiatives present a golden opportunity for banks to proactively prepare and capitalize on these opportunities. He urged all banks to ensure there are no gaps in the provision of services or in meeting the credit needs of these sectors. Let us strive to be responsive, adaptive, and fully prepared to support the growth of these sectors with the required resources and services.

iii) He congratulated Bihar Government for its phenomenal achievement at 'The Bihar Business Connect Investors Summit.' Securing investment proposals worth Rs.1.8 lakh crore is no small feat—it's nearly three times of last year's Rs.53,000 crore. This is not just a number; it's a testament to the rising confidence in Bihar's potential. Now is the perfect time for bankers of Bihar to capitalize on this momentum and strengthen their credit portfolios.

iv) He further mentioned that- the credit-deposit (CD) ratio has seen an improvement, rising to 58.59% as of December 31, 2024, from 56.77% last year. The leading districts were Purnea, Araria and West Champaran. However, lagging districts such as Munger, Bhojpur, and Nalanda need to intensify efforts to boost their CD ratios. Notably, Munger has shown gradual progress, improving from 32.46% in June 2024 to 33.96% in December 2024. With sustained efforts, he expected that Munger can surpass the 40% mark in the near future.

With respect to the performance of banks, he said that better performance is expected from Union Bank of India, Punjab National Bank, State Bank of India and IDBI who have some of the lowest CD ratios. We must acknowledge the fact that the CD ratio of Bihar is much below the national average of 86.5% (September 2024), which signifies that there is ample scope for improvement in credit, particularly in the laggard districts with CD ratios less than 60%.

v) Annual Credit Plan (ACP) performance is another area that calls for introspection. Achieving just 52.29% of the targets, compared to 73% last year, is a reminder that we must accelerate our efforts. He also advised the bankers present here, especially Yes Bank, Bank of Maharashtra, IOB, Indian Bank, and UCO Bank, to take all necessary steps and initiatives so that we can achieve the ACP targets in a timely manner. On the brighter side, our private sector banks have done well. He urged the private sector Banks to channelize this momentum into Government Sponsored Schemes and Social Security Schemes as well. He sought attention of Lead District Managers of Arwal, Buxar, Sheohar, and Lakhisarai (less than 30%), who need to push very hard to achieve their district-level targets.

vi) He expressed satisfaction on reduction in overall NPAs, from 7.93% in December 2023 to 7.75% this year, but expressed his concerns on NPA in agriculture sector which still exceeds 17%. Public Sector Banks and Regional Rural Banks must address the alarming 25-30% NPAs in this sector. He advised DBGB, Central Bank of India, UCO Bank, UBGB, and PNB to take concerted efforts to bring down their NPAs across various sectors, including agriculture. Districts like Banka, Buxar, Jamui, Kaimur, Lakhisarai and Rohtas need immediate focus, where overall NPA is more than 15%.

Shri Sujit RD RBI praised the district authorities for their support and coordination provided to the bankers, because of which the certificate cases have declined considerably. He believed that the bankers would continue to receive the support from the government authorities, and they will be able to realize the best possible value of these non-performing assets worth Rs 4,650 crores through timely disposal of the Certificate Cases.

vii) He drew attention to the need for caution and prudence in the implementation of Debt Relief Schemes (DRS). These schemes, while intended to address financial distress among vulnerable borrowers, can have broader implications for credit discipline and

financial stability if not designed and implemented carefully. The RBI has issued a Model Operating Procedure (MOP) to guide the formulation of such schemes, ensuring that they are used as a measure of last resort and do not create moral hazards or disrupt the credit culture.

He urged the Bihar Government to consider these guidelines while formulating any future DRS, ensuring that they are targeted, well-funded, and do not impose undue burdens on lending institutions.

vii) He also highlighted certain aspects where substantial focus needs to be given by the Bankers and the Government. Firstly, during an analysis carried out by RBI, it has been observed that the number of inoperative accounts / unclaimed deposits in several banks was on the higher side vis-a-vis their total deposits as well as in absolute terms. The reasons were attributed to either inactivity for a long time or pending updation / periodic updation of KYC in such accounts. The banks were therefore, advised to take necessary steps urgently to bring down the number of inoperative /frozen accounts and make the process of activation of such accounts smoother and hassle-free. He mentioned that it was noteworthy that senior officials of the banks should monitor the progress and submit the report to SLBC Convenor, Bihar, for further review at RBI level.

Secondly, he sought cooperation of the Bihar Government in expediting the process of Land Record Digitalization, the pillar for integration of State Land Records data with the banking system that will facilitate seamless flow of credit across various categories of loans, including agriculture, in the easiest and fastest manner.

viii) He informed that the Reserve Bank of India maintains the Database on Indian Economy (DBIE) portal, a comprehensive data warehouse providing access to a vast range of economic and financial statistics. The portal serves as a valuable resource for researchers, analysts, policymakers, and citizens, offering insights into various sectors, including real, corporate, financial, external, and public sectors, along with socio-economic indicators. It features both regular and ad-hoc statistical publications, making it a crucial tool for data-driven decision-making. He urged all stakeholders to utilize this database effectively which can help identify areas where Bihar lags compared to other states and highlight key focus areas requiring policy interventions and strategic planning. Leveraging data-driven insights from DBIE can significantly enhance our efforts toward economic growth and financial inclusion.

ix) He mentioned that with effect from January 01, 2025, the limit for collateral-free agricultural loans, including loans for allied activities, has been increased from the existing level of Rs. 1.6 lakh to Rs.2 lakh per borrower. Additionally, the Union Budget has also announced an increase in the loan limit under the Modified Interest Subvention Scheme (KCC) from Rs.3 lakh to Rs.5 lakh. These initiatives aim to empower farmers and boost agricultural productivity. Further, he added that to facilitate Small Value Digital Payments

in Offline Mode, the total transaction limit has increased from Rs.2000 to Rs.5000. This will help individuals to make payments even when there is no internet connectivity.

x) He also mentioned about RBI's Clean Note Policy. He explained that RBI ensures a seamless exchange process and the equivalent value of Rs.2000 notes received through bank counters is credited to the tenderers on the same day (T+0 basis). Further, he also advised that 4,506 coin and note exchange melas were organized across the state, supplemented by the deployment of 225 mobile vans. These initiatives resulted in the exchange of 7.11 crore coins and 2.95 crore currency notes till December 2024.

xi) He announced that 100% digitalization of all eligible accounts under the 'Expanding, and Deepening of Digital Payment Ecosystem' (e-बिहार) has been achieved in June 2024 and emphasize to sustain this momentum. He urged all bankers to continue providing at least one digital product to every eligible and willing new customer onboarded, in accordance with EDDPE guidelines. To facilitate effective monitoring and reinforcement of this initiative, the SLBC Convenor, Bihar, should establish a structured reporting mechanism to track banks' progress and maintain 100% digital adoption.

xii) He further stated that in Bihar, a significant growth in digital transactions over the past six months, with a 149% increase in the number of transactions and a 172% rise in transaction value is witnessed, reflecting a strong shift towards digital payments. This upward trend is highly encouraging and underscores the need for continuous efforts in expanding digital payment adoption. Given that this is a Special SLBC meeting, we will be deliberating further on key agenda points related to enhancing financial inclusion and improving public convenience through greater adoption of digital payments. Our collective focus must be on identifying innovative solutions, addressing existing challenges, and ensuring that digital transactions become the preferred mode of payment for all sections of society.

xiii) He also highlighted the initiatives taken by RBI named as RBI@90 initiative, the Reserve Bank of India (RBI) has been organizing various activities to promote financial literacy and awareness among school and college students. These efforts aim to equip the younger generation with the knowledge and skills necessary to make informed financial decisions, fostering a culture of financial responsibility from an early age. In this series, the RBI@90 Quiz was organized for college students, in which 1,500 teams from various colleges across 38 districts in Bihar participated. The State Level Round, held on November 27, 2024, was won by a team from Bihar Veterinary College, Patna, who earned the opportunity to represent Bihar at the Zonal Level in Bhubaneswar. He extended heartfelt gratitude to the Education Department, Government of Bihar, and the Lead District Managers for their immense contribution and support in making this event a grand success.

xiv) Under the same initiative, RBI has also organized the “RBI Goes to School” Campaign, which has been a significant step toward spreading financial literacy at the grassroots level. As part of this campaign, 76 financial literacy camps were conducted in schools across the state, ensuring coverage of every district in Bihar. These camps focused on educating students about basic financial concepts, the importance of savings, digital payments, and the role of banking in economic development. The overwhelming response from students, teachers, and school authorities has been truly encouraging. By empowering the youth with financial knowledge, we are not only preparing them for a secure financial future but also contributing to the broader goal of building a financially inclusive society.

xv) He also stated that as part of RBI’s ongoing financial inclusion and literacy initiatives, Financial Literacy (FL) Clubs have been established in 423 government schools across Patna district to instill financial awareness at an early stage. Additionally, the State Rural Livelihood Mission (SRLM), JEEViKA, has been registered under the Depositor Education and Awareness (DEA) Fund to conduct financial awareness camps, further expanding the reach of financial education.

xvi) Building on the theme of financial literacy, the Reserve Bank of India (RBI) celebrates Financial Literacy Week (FLW) every year to promote awareness and understanding of financial concepts among the public. This year, FLW 2025 will be observed from February 24 to 28, 2025, with the theme 'Financial Literacy: Women's Prosperity.' The theme emphasizes empowering women target groups through financial education, enabling them to make informed decisions and achieve economic independence. This initiative aims to address the unique financial challenges faced by women at different stages of their lives, equipping them with the knowledge and tools to manage their finances effectively.

xvii) He concluded with request to all stakeholders to actively participate in FLW 2025 and contribute to the promotion of this vital cause. By organizing workshops, awareness campaigns, and outreach programs, we can collectively work towards bridging the financial literacy gap and fostering women’s economic empowerment.

(4) The Chief General Manager NABARD, welcomed the Hon’ble Ministers and dignitaries. The highlights of his speech are as under: -

(i) He started with the importance of Agriculture sector which is crucial for development of Bihar. He expressed his concerns over lower ACP achievement in all the 3 quarters as compared to last year. He also showed concern about low credit flow in PSL and specially in Agriculture sector which is core of Bihar. He also showed his concerns about the proper classification of loan portfolio in reporting by the Banks to SLBC. He advised the Banks to look into the data gap and requested to reflect the true picture in order to focus on growth of state in true sense.

(ii) He advised about the increase of ceiling of KCC eligible for interest subvention from Rs 3.00 lakh to Rs 5.00 lakh in the union budget. He showed his concerns over decreasing number of operative KCC accounts in last 5-6 years. The operative KCC was 21.00 lakh approx. 5-6 years back which has decreased gradually over the past years to 18 lakh, 14 lakh and 12.5 lakh as on March'24. This number stands 9.00 lakh approximately as on December'2024.

iii) CGM NABARD said that out of total credit flow of Rs.45,000 Cr, Rs.16,000 Crore is for crop loan & Rs. 23,700 Cr is for Agri Term Loan. Rs 4500.00 Crore is for Agri ancillary activities. He explained that out of 16,000.00 Crore shown as Crop loan, Rs 8,000.00 Cr is under KCC but there is no clarity on the remaining Rs 8,000.00 Cr. He requested all the stake holders to put clarity on type of loans being provided under Rs 8,000.00 Cr in Crop loan category. He requested the member Banks & FIs to look into it and arrange to provide these loans as KCC only which is farmer friendly scheme.

iv) He stated that there is highest growth rate of 8% under Animal husbandry & fisheries activity in agriculture sector. There is break up of data under 4 activity i.e.- Farm mechanisation, dairy, poultry, fishery & goatery under Agri Term Loan of Rs 23,700.00 Cr. As per data as on December quarter, only 12% of credit flow is under above 4 categories and if credit flow to SHG is also added to it, total credit flow comes to 42% only. He wanted to know about the breakup of remaining 58 % of credit flow under the total ATL segment. He expressed his concern about data gap on credit flow to the Animal husbandry & fisheries sector.

v) Recently FM Madam Govt of India visited Bihar and chaired a review meeting of RRB in Eastern Zone and the discussion of SHG reporting surfaced during the meeting. Thereafter, another meeting was held at NABARD under Chairmanship of Senior Advisor of DFS where it was stressed that if there is disaggregated data then it should be reported to that sector otherwise it should be reported to SHG only under priority sector.

vi) He also stated that there is growth in Agriculture portfolio of private sector Banks. Last year it was 25% which grew to 29% in Dec'24. But he showed concerns about data gap with few examples. He quoted example of HDFC bank where crop loan shown is Rs. 50 Crore but in KCC it is shown Rs.1,385 Crore. Similarly in Axis bank crop loan reported is Rs. 716 Cr but KCC reported is Rs. 1,000 Crore where KCC is part of crop loan. In UBGB also, Rs 7,609 Crore is reported under crop loan where as in KCC the data reported is Rs 2,645 Crore approximately.

He summed up with some basis key points as under: -

a) Data sanitization and transparency in reporting is urgently required,

b) Crop loans should be disbursed only through KCC so that Farmers get maximum benefit,

c) Animal Husbandry & fishery is the fastest moving sector with increasing rate of 8%, this sector must be given attention,

d) To give boost to credit disbursement, at least 2 credit camps to be held in remaining days of this FY24-25 at each district head quarter,

e) Development of Agri stack to be expedited to give boost to Agriculture sector.

AGM SLBC thanked CGM NABARD for his valuable insights and stated that data reporting is being done online since April'24 and it is as per the suggestions of the committee formed in 2019 with RBI, NABARD & various convenor Banks. However, if there is any data gap he invited RBI, NABARD and Member banks to analyse the same.

DMD SBI Shri Dikshit further requested banks to seek bifurcation of loan portfolio reported as "Others", from their respective Head Offices, so that it can be reported to SLBC in subsequent meetings.

(5) The Assistant General Manager SLBC, Shri Kumar Ranjeet, made a detailed Power Point presentation that encompassed all the agenda items. Point wise discussions was as under: ---

(i) Minutes of the 88th & 89th SLBC meeting held on 14.06.24 and action points were placed before the Committee and were adopted unanimously. Also, the minutes and action points of SLBC Sub-Committees were adopted co-jointly.

(ii) During the presentation, reports and progress related to member banks in the state were shown in the slides and point wise discussions took place. Various issues were discussed, and queries of the house were answered. Lower performance under ACP disbursement was a matter of concern. The Hon'ble Finance Minister wanted to know the reason for low performance. Detailed analysis was explained by AGM SLBC. He advised that there is low achievement in % term by almost all Banks however in absolute term there is growth in ACP disbursement by SBI & Bank of India. It was asked to Central bank to explain the reason for such low performance and Sri Jai Shankar Prasad, State head Bihar advised that due to strike of JEEViKA, disbursement got affected but he assured to achieve the target by quarter end. During the discussion, Chief Secretary Bihar asked CEO JEEViKA to explain. CEO JEEViKA stated that now there is no issue and they are working in coordination with Banks. They are targeting to disburse minimum Rs13,000 Cr through Bank linkage and very close to that. He requested to organize credit camps to maximise the Bank linkage. The Chief Secretary Bihar assured full support of Government and requested to bring it to their notice in order to resolve the issues if any. He urged all the Banks to arrange for 100% achievement of ACP target.

(iii) Under MSME sector, the ACP achievement is at 52% and may be considered satisfactory. Under this sector, 100% disbursement may be achieved by the end of FY 2024-25. There is major decline in "Others" head under MSME sector and reason for 0%

disbursement under “Others” head in MSME sector was sought from Bank of Baroda (BoB). The official of BoB advised that there was a classification issue and it has been resolved due to which the disbursement under others head is zero. However, for maximizing the disbursement under ACP, credit camps are being organized at many centers for MSME specifically. Hon'ble Deputy Chief (Finance) Minister asked BoB whether they have set any target on their own. BoB official advised that they have achieved 53% up to Dec'2024 and have set to achieve target of 100% achievement. Principal Secretary Finance, Govt. of Bihar stated that Data reporting is being done online directly through CBS portal since April'2024 and before that data was being reported manually. This may one of the reasons for such data gaps. He urged all Banks & FIs to ensure on their own either locally or through intervention at corporate level for rectifying such gaps in data reporting.

President BIA, Sri Kesari Jee stated that limit under CGTMSE financing has been increased recently by Govt. of India and the Banks should co-operate for financing the enterprises under CGTMSE coverage. He expressed his concern about average ticket size of loans in Bihar under CGTMSE is Rs 4.91 lakh approximately which need to be improved. He also stated that Hon'ble PM has visioned about increase of contribution of manufacturing sector from 14% to 24% in country's economy and he requested to provide data on manufacturing sector separately in order to reflect the correct picture under this sector.

Hon'ble Deputy Chief (Finance) Minister, Bihar, advised that an arrangement will be done to form a committee of Bihar Government officer's level to review the performance bimonthly.

(iv) Further, the performance in GSS was discussed and AGM SLBC appreciated the PSBs for their performance under GSS like PMEGP, PMFME, SUI, PMMY etc. and expressed his concerns about the less support by Private sector Banks in PMEGP, PMFME, SUI etc.

Sri Mukesh Kumar Lal, Special Secretary Finance, Govt. of Bihar advised that performance is being reviewed by Finance department, Industry department, Agriculture department and even by Chief Secretary himself. The private sector banks are not co-operating in GSS up to desired level. Banks are interested these days in deposit mobilization and focus on loan disbursement has decreased due to which the disbursement under ACP is less specially in Agriculture sector which is about 5%. He also pointed about less disbursement against the sanction by Banks and gap in data reporting under KCC.

The Principal Secretary, Finance Sri Anand Kishore highlighted the lower performance of various Banks like CBI, PNB, UCO Bank, UBI etc. as on December'2024 vis a vis December'2023. He also stated that Finance department is working to develop a mechanism of ranking of Banks based on 100 parameters and he proposed refrain the

Banks for a certain period from any co-operation from Finance department, GoB failing to fulfill criteria as decided based on the rankings. He urged all Banks to achieve 100% ACP disbursement target by March 2025. He advised the Banks to hold at least 2 credit camps one in the month of February and another in March in order to give boost to ACP disbursement.

(v) AGM SLBC advised the house about CD ratio of state at 56.67% as on December 24 without RIDF and 58% with RIDF.

Hon'ble Deputy Chief (Finance) Minister, Bihar asked the reason for lower CD ratio of PSBs as compared to Private sector, SFBs and even the co-operative Banks.

AGM SLBC stated that the base of advances with PSBs is much more than that of the private sector & other FIs. He also highlighted the contribution being made by PSBs in implementation of various government sponsored schemes like PMJDY, GSSs, KCC etc. & priority sector lending.

Hon'ble Deputy Chief (Finance) Minister, Bihar urged all PSBs to increase their CD ratio. He also asked the reason for disparity in CD ratio of bottom 5 districts (Buxar, Bhojpur, Jahanabad, Nalanda & Munger) as compared to Purnea district which is having CD ratio at above 90%. He instructed to carry out review separately for these bottom 5 districts and develop mechanism for improving it.

Chief secretary Bihar, Sri Amrit Lal Meena advised that a group should do professional study of these 5 bottom districts and put before the government before next meeting of SLBC.

Principal Secretary Finance, Sri Anand Kishore said that only Munger is the district where CD ratio is below 40% continuously since last few years and professional study must be carried out by group to find out the reasons and way out to improve it.

DMD SBI Sri Dikshit stated that a meeting was conducted in December 2024 by UCO Bank (Lead Bank of Munger) and observations of that meeting should be shared by UCO Bank.

State head of UCO Bank stated that a meeting was conducted on 20.12.2024 at Munger by UCO Bank with all the concerned stakeholders in presence of SLBC officials. He further stated that Credit Camps are being organised in Munger to improve CD ratio. He also stated that loan sanction power of some Branches of UCO Bank has been seized due to spurt in NPA and they are working on Hub & spoke model. Branches will source application and loan will be sanctioned at centralised level. He assured that CD ratio of Munger will certainly improve by end of March'25.

Chief Secretary Bihar, Sri Amrit Lal Meena asked UCO Bank about the discussions being carried out in DLCC meetings at Munger and he also asked district authorities connected over VC to explain.

LDM Munger replied that credit camps are being organised at block level within the district of Munger with co-operation of District authorities. He assured that significant progress will be visualised by March'25.

Principal Secretary Finance, Sri Anand Kishore asked Finance Department official to arrange special meetings at Munger to review the progress.

He also stated that a meeting of all Banks head was being carried out at SLBC level every week or 10 days periodicity which has stopped now. He urged SLBC to continue such meetings at least 3 times in a month to review the progress under all parameters.

(vi) AGM SLBC applauded Banks for continuous decline in NPA but showed his concern over the high level of NPA in 12 Banks being above the state average of 7.75% with DBGB having highest NPA among them. He requested these banks to give attention towards high level of NPA.

(vii) AGM SLBC appreciated about reduction in number of certificate cases, and he thanked Chief secretary Sir & Secretary revenue Department, GoB for making certificate cases online which will certainly help the Banks & FIs in recovery of dues & reduction of NPAs. He also urged all Banks to ensure tallying the Register XI with Register X regularly.

(viii) AGM SLBC informed the house about decrease in pendency of SARFAESI cases over a period however 155 number of cases have increased in December'24 Quarter. He urged all district authorities for prompt disposal of the pending cases.

(ix) AGM SLBC narrated about few initiatives taken by Bihar Government for attracting investors like Bihar Industries policy, Logistics policy Bihar investors meet etc. and making environment of Bihar entrepreneur friendly.

The Chief Secretary Bihar, Sri Amrit Lal Meena added that Hon'ble Deputy Chief (Finance) Minister, Bihar reviews the progress under these initiatives regularly. He also informed about Bihar Business Connect held on 19th & 20th January'25 at Patna in which 423 entrepreneurs have shown their interest and MOU was signed with all of them related to 11 departments. One Nodal officer has been appointed by Bihar government on 5-10 MOU holder entrepreneurs who will take care of their every need and the same is being closely monitored by Development commissioner & SIPB. He requested all Banks to provide credit flow to all matured cases. He also stated that the Bihar Industrial Investment policy – “Umbrella policy” & other sectoral policies of Bihar are the lucrative policies in India.

DMD SBI, Sri Dikshit also urged all Banks specially the bigger Banks in Bihar to approve loans to such mature cases on priority basis.

(x) AGM SLBC highlighted the performance under PM Suryaghar Muft Bijli Yojana scheme which is a very important programme of our visionary Hon'ble PM. The data was collected manually, and Banks have sanctioned 1459 applications up to December'24 against 4,064 number of applications received under the scheme. However, disbursement was at 980 only. During discussions, respected Chief secretary Bihar, Sri Amrit Lal Meena added that Bihar is very aggressive on front of renewable energy sector and has targeted 10.00 lakh households for roof top solar scheme. 400 vendors have been identified and 1st phase training has already completed by BRED. Self Help Groups of JEEViKA are also identified as vendors. He highlighted that Bihar is one of the leading State under renewal energy sector and performance is reviewed by Hon'ble Deputy Chief (Finance) Minister, Bihar. This is one of the schemes under very aspiring programme of hon'ble CM- "Jal Jeevan Hariyal". He also informed that under PM KUSUM Yojana, energy department has invited bid for its 3000 Agri feeder and bids for 600 MW capacity have come. Work is going on and various opportunities will come for banks in coming days. He requested all banks to instruct their ground level operating units to be in readiness for extending financial support to applicants in this sector.

(xi) AGM SLBC urged all the Banks to make use of the portal for creation of charge online provided by Govt. of Bihar in order to protect their interest. He also requested Govt. of Bihar for issuing SOP regarding use of portal by banks. Respected Chief Secretary assured that Government will issue a simplified SOP in consultation with revenue department, Govt of Bihar.

(x) AGM SLBC requested NABARD to explain about scope on FPO financing in Bihar. CGM NABARD informed that more than 800 FPOs are formalised by different agencies out of which 400 is by central agencies. Most of them are in nascent stage. Maximum of them is formed out of SHG groups functioning and having very low capital. They are depending on NBFCs & FIs for their capital requirements due to easy access which is costly for them. A credit guarantee scheme is also in place for the FPOs and requested Banks to give attention on this emerging area.

With this, presentation part of meeting ended and AGM SLBC requested Sri Anand Kishore, The Principal Secretary Finance, Govt. of Bihar to guide the gatherings.

(6) Sri Anand Kishore, The Principal Secretary Finance, Govt. of Bihar after welcoming all the dignitaries and participants stated as under: -

i) He appreciated the guidance & instructions given by Hon'ble Deputy Chief (Finance) Minister, Bihar and Respected Chief secretary Sir during the presentation which will be certainly beneficial in achieving 100 % ACP disbursement target.

ii) He expressed his concerns over only 52% achievement under ACP and indicated that reporting of data has migrated online since April'24 which may be one of the reasons.

iii) He requested all banks to organise at least 2 credit camps in the remaining period of current FY. He also advised to organise credit camps at block level in the bottom 5 districts and department of Finance, Govt. of Bihar will provide all type of support.

iv) He also informed that Finance department is developing mechanism to monitor performance of Banks based on 100 parameters and Banks will be ranked on that basis. Government will make decisions on banks accordingly.

v) To smoothen credit flow, SOPs will be issued for credit policy. Separate SOP on noting of charge on land will be issued very soon in consultation with Revenue department, Govt. of Bihar.

He ended his speech with request to Banks to uplift their performance and bring any issue into notice of Finance Department, Govt. of Bihar which is ready to provide all support.

(7) The Chief secretary, Bihar Sri Amrit Lal Meena addressed the gatherings. Major highlights of his speech were as under: --

i) CD ratio and ACP achievement is not up to mark and at desired level. He requested all district authorities to review the performance of all the Banks scheme wise in their districts as against the targets and steer the banks with full co-operation to them for 100% achievement. Cases of non-cooperation by any bank may be reported to SLBC and Government. In extreme cases, such matters may also be taken with Finance Department, Government of Bihar.

ii) He repeated the priorities set by the dignitaries in earlier speeches such as – 100% achievement of ACP target, CD ratio of Banks & districts ranging between 50 to 60 % must try for achievement more than 60% and where CD ratio is less than 50 % must achieve above 50%, Focus on districts having low CD ratio, focus on allied agriculture activities and maximise efforts under KCC with enhanced limit of Rs 5.00 lakh.

He further added 4 areas where focus is to be given in addition to above: -

a) Sourcing of applications through the department under Agri & allied agriculture activities,

b) Recently in the union budget, Credit Card for Micro Enterprises, a customised credit card for Micro Enterprises for Rs 5.00 lakh has been announced and target is 10.00 lakh cards. Bihar is targeting issuance of 1.00 lakh credit Cards and requested to generate good applications with help of JEEViKA & other departments. He urged Banks to be in readiness.

c) Another announcement in union Budget was scheme for 1st time entrepreneurs (Women, SC/ST) where limit has been increased to Rs 2.00 Cr Term loan with national target of 5.00 lakh. Bihar is targeting 50,000 applications under this scheme. He requested Industry department to source good applications and Banks should extend full support.

d) Under PM SVANidhi scheme limit has been increased to Rs 30,000 in the Union Budget and Banks should give attention to this also.

Further, he advised that SLBC is an apex body which decides policies and way forward but there should be a mechanism for better implementation and coordination at micro level. A committee should be formed comprising of State Heads of Lead Banks, SLBC & officials of departments concerned for generation of applications, to smoothen credit flow, monitor ACP Target achievement & Progress under CD Ratio and to discuss the issues if any etc. The meeting of such committee may be carried out bimonthly at Chief Secretary level. He also requested district authorities to develop such mechanism at their district levels. He applauded the co-operations being extended by Banks in development of state. Government of Bihar is also providing support in recovery under certificate cases. The certificate case act is too old and new act is under consideration. He stated that we all are working for a common goal of development of state and requested all stakeholders to work in a team with co-operation to each other and we will certainly achieve the targets.

(8) Hon'ble minister Animal Husbandry & Fisheries Smt. Renu Devi welcomed all the dignitaries present and stated that Agriculture is the backbone of state and expressed her concern over too low sanction under the weekly camps of AH & Fishery. The loan sanction is 57,842 only against the application received at 2,20,052. She also expressed her displeasure over the demand of LPC & Land Receipts by Banks under this scheme whereas such requirement is nowhere mentioned as per SOP of the scheme issued by government.

She further requested Banks to maintain TAT for disposal of loans, proper record of applications received under this scheme, issuing receipt of loan application, purchase of cattle in consultation with the committee so that status of loan application may be available, insurance of cattle can be arranged, subsidy release by government may be easy and overall transparency may be brought in the complete process. She urged all Banks to emphasise on maximising loan sanction under animal husbandry like dairy, fishery, goatry etc to extend formal credit flow to rural areas.

(9) Dr. Prem Kumar, Hon'ble co-operative Minister Bihar welcomed all the dignitaries and highlights of his speech are as under: -

a) He highlighted the importance of PMJDY accounts for the poor, rural & farmers throughout the country which was very helpful during COVID also.

b) He stated that KCC limit for interest subvention has been increased to Rs 5.00 lakh from Rs 3.00 lakh and urged Banks to extend full support to farmers. He also stated that farmers are getting benefits by direct transfer from central government under PM Kisan Samman Nidhi Scheme.

c) He highlighted the record purchase of paddy through PACs this year and stated that PACs are preparing for purchase of wheat also. He also highlighted that Bihar is changing and Bihar government is making all efforts for development such as roads, infrastructure, power sector etc.

d) He urged Banks to provide financial support to weaker sections of society and under collateral free loan facility.

e) He requested to make DLCC meetings more meaningful and senior level officers of Banks should attend such meetings.

f) He urged that CD ratio must be improved which is below the national average.

g) He requested all banks to reach out the needy persons in villages by way of credit outreach camps.

AGM SLBC thanked Hon'ble Minister for his guidance and stated that the number of accounts under PMJDY is about 6.00 Cr in Bihar. Most of these accounts were opened in 2014 and KYC has become due. He requested all Banks to ensure KYC updating process in camp mode so that benefits under DBT does not get affected.

(10) Hon'ble Deputy Chief (Finance) Minister, Bihar, Sri Samrat Chaudhary after welcoming all the dignitaries advised as under: -

a) Bihar is changing fast. Everyone has made important contributions toward this due to which Bihar has transformed from having a negative growth rate to positive growth rate.

b) As announced in this union budget, 5 green field airports, 4 expressways and other project initiatives along with 25 medical colleges are being taken in Bihar and he sought co-operation from all Banks towards this.

c) He stated that now North Bihar has turned from flood affected area to irrigation-based area and Banks should come forward in extending credit flow under KCC, Fisheries, Dairy etc.

d) Bihar - UP is known as "cow belt" but production of milk is highest in Gujarat. He requested all stake holders specially Banks to co-operate in this area.

e) In Fishery sector, Bihar is now becoming self-reliant and fulfilling 90% of its own consumption on its own. Now this sector needs further boost so that Bihar can supply fish in nearby states like Jharkhand where is no scope of fish production.

f) He praised Banks for organising successful credit outreach camps at Darbhanga & Madhubani and requested all the Banks to reach out the people at village level to extend financial support throughout the state.

g) He also stated that now mindset of people has changed, and tendency to repay the loans timely has increased. Bihar government is also making efforts to support Banks in recovery of NPA.

h) He also quoted that Budget size of Bihar has increased over the years and small-scale industry needs focussed attention.

i) He highlighted the investment proposals worth Rs1,84,000.00 Cr received during the recent Bihar investors meet and Banks should come forward in extending co-operation to these new proposals.

j) He stated that delay in conducting SLBC quarterly meeting was due to credit outreach camp at Darbhanga / Madhubani and unfortunate demise of Hon'ble Ex. PM Dr. Manmohan Singh. He advised to carry out such meetings regularly.

k) He requested Private Sector banks to come forward in financing various schemes specially government sponsored schemes.

l) He stated that Bihar government extends full support to Banks and they should come forward in extending co-operation for development of Bihar.

At the conclusion of the meeting, The Chief General Manager of SBI Sri K. V. Bangarraju, thanked all the dignitaries for their participation & valuable guidance. He also thanked all the State Heads of Banks, representatives of Industry Association, District authorities, State Government officials and all other participants who attended online.

ACTION POINTS

1. At least 2 Credit camps should be organised at the district level to increase ACP achievement and CD Ratio in February 2025 and March 2025.

[Action: All lead Banks]

2. A special study to be carried out for continuous low CD ratio at Munger District and submit report to SLBC.

[Action: UCO Bank]

3. A special Meeting to be conducted at Munger by Finance Dept Govt. of Bihar to review the progress in CD Ratio.

[Action : Finance Dept, Govt. of Bihar]

4. A specific study to be carried out in 5 bottom districts (Buxar, Jehanabad, Bhojpur, Nalanda & Munger) in CD ratio as on December 2024 and submit report to SLBC.

[Action : PNB & UCO Bank]

5. Private Sector Banks should achieve their targets under Govt. Sponsored Schemes.

[Action : All Private Sector Banks]

6. All Banks and FIs must ensure data sanitisation in reporting to SLBC portal with proper classification of Priority Sector Lending as per extant guidelines of RBI.

[Action : All Banks]

7. Meeting of all State heads to be carried out fortnightly in the month of March 2025 to review performance of Banks, implementing strategy for 100% achievement of ACP target.

[Action : SLBC]

8. Loans under Crop loans other than KCC that are being reported under Crop loans are to be clarified.

[HDFC, Axis bank, UBGB]

9. Banks to improve financing in the KCC(AH&F) and follow SOP of DFS regarding financing KCC (Ah & F).

[Action : All Banks]

10. Lead Banks to advise their respective LDMs to share calendar of DCC meetings with stakeholders, conducting DCC meetings regularly with participation of stakeholders and making such meeting meaningful.

[Lead banks & LDMs]

11. Banks to take necessary steps urgently to bring down the number of inoperative / frozen accounts and make the process of activation of such accounts smoother and hassle free.

[Action : All Banks]