

MINUTES OF 88th& 89th JOINT SLBC MEETING
HELD ON 14.06.2024

The 88th & 89th Joint meeting of SLBC Bihar was held on 14th June 2024 at Hotel Maurya, Patna. The objective was to review the performance for both the 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. The meeting was presided over by Hon'ble Deputy Chief Minister cum Finance Minister, Govt. of Bihar Shri Samrat Choudhary. Hon'ble Minister Cooperative Dr Prem Kumar, Hon'ble Minister Rural Development Shri Shravan Kumar, Hon'ble Minister Animal Husbandry and Fisheries Smt. Renu Devi, Hon'ble Minister Agriculture Shri Mangal Pandey, Hon'ble Minister UDHD Shri Nitin Naveen. Development Commissioner Bihar, Principal Secretary Finance, RD, RBI, CGM NABABARD 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. All District Magistrates, Lead District Managers, 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, Chief General Manager (SBI)** welcomed all the dignitaries and participants. He presented a brief overview of the performance of banks in FY 2023-24 vis a vis the ACP, CD Ratios and other parameters along with the way forward to achieve 100% targeted ACP for the FY 2024-25. The summary of views expressed by him is as under:

(A) Performance of banks in the financial year 2023-24:

(i) The CD Ratio of the state increased from 55.64% to 58.71 %(> 3% increase) during FY 2023-24. SBI is the lead bank in 7 districts and C.D. ratio in two of these districts, i.e. Purnia (93.25%) and Araria (88.37%) is highest among all 38 districts of Bihar.

(ii) Banks have distributed loans worth total of Rs 2,53,533 crores and achieved 96.35% of the Annual Credit Plan in FY 2023-24. In absolute terms, it was Rs 33,000 crores more than the achievement of FY 2022-23.

SBI's contribution stood at Rs 39,872 crores (93.22% achievement of its ACP Target).

(iii) Sector-wise ACP achievement in FY 2023-24 was of 88.83% in Agriculture, 86.02% in MSME, 101.16% in Other Priority Sector and 121.97% in the Non-Priority Sector.

(iv) In Agriculture Sector, loans worth Rs 83,631 crores (89% of the ACP) have been distributed against the target of Rs 94,150 crores for 2023-24.

3,39,861 SHGs were financed against the target of 2,50,000 SHGs during 2023-24 and the achievement was 136%. A record total of loans worth Rs11,905 crores have been disbursed to SHGs in FY 2023-24. SBI has financed 63,915 SHGs of JEEViKA against the target of 35,441 with a record achievement of 180%.

(iv) In MSME sector, Loans worth Rs 76,975 crores were sanctioned against a target of Rs 89,000 crores in FY 2023-24. SBI has contributed Rs14,039crores i.e. 97.02% of its MSME ACP target of Rs 14,471 crore.

(v) Under PMEGP, Banks have achieved 90% of target in FY 2023-24. SBI recorded 104% achievement.

(vi) Under PMMY scheme, Banks have provided loans to 46,32,000 units in the FY 2023-24. SBI has disbursed new loans worthRs1,162 crores to 1,07,000 beneficiaries during FY 2023-24.

(vii) Under Stand Up India scheme, Banks have provided loans worth Rs185 crores to 1,100 beneficiaries in 2023-24. State Bank of India has distributed loans worth Rs134 crores to 887 beneficiaries in 2023-24. Since inception of the scheme in 2016till March 2024, a total of 7,591 beneficiaries have been financed under this scheme in Bihar. SBI's contribution in this is 2,590 i.e. 35%. SBI has achieved more than 121% by sanctioning loans worth Rs 451 crores to 2590 beneficiaries against its target of 2128.

(viii) Total deposits of banks in March 2023 were Rs4,67,000 crores which increased to Rs5,11,000 crores by March 2024. Total Advances were Rs2,50,000 crores in March '23 which increased to Rs2,90,000 crores by March 2024.

(ix) In the FY 2023-24, the number of bank branches in the state has increased by162 and Fixed Point CSPs increased by approximately 10,506. There are a total of 8,045 branches, 7,052 ATMs and 57,589 Fixed Point CSPs in the state. Through its 988 branches, 2,817 ATMs and 6,826 Customer Service Centers (Fixed Point CSPs), the State Bank of India as a "Banker to every Indian" is providing various services and facilities throughout the state.

(x) Banks have opened 41,27,000 new Jan-Dhan accounts in FY 2023-24 and have also given overdrafts in 1,02,000 Jan-Dhan accounts. The total number of active Pradhan Mantri Jan-Dhan accounts (PMJDY) in the state is more than 4 crores 74 lakh, out of which 40% (1 crores 88 lakh) are in the State Bank of India.

(xi) Under Two major programs PMSBY & PMJJBY run by Government under the social security schemes, 53,75,000 & 23,32,000 new people have been insured respectively in the FY 2023-24 in Bihar. SBI branches have insured 14,29,000 (31% of total) under PMSBY and 9,95,000 (43% of total) under PMJJBY in 2023-24.

Bihar leads in Atal Pension Yojana (APY) and is recognized for its excellent performance. The State Level Bankers Committee, Bihar has received many awards at All India level for the last 6 consecutive years. State Level Bankers Committee, Bihar has been invited by PFRDA, Government of India on 21.06.2024, to receive the "Award of Ultimate Leadership" along with LDMs of Gaya and Nawada to receive the "Award of Excellence" in APY in FY 2023-24.

Under APY, 11,30,000 new people have been added to this pension scheme in 2023-24 and among these SBI branches have provided APY facilities to 2,57,000 (23%) people.

(xii) The Lead Bank of each district operates RSETI and FLC. A total of 2980 Special Camps and 3809 Target Group Camps have been organized by FLCs of all the districts in the FY 2023-24. RSETIs conducted a total of 950 training programs in 2023-24 in which approximately 30,000 people were trained. In the FY 2023-24, 7 RSETIs run by SBI have conducted 182 training programs and trained 5,511 entrepreneurs through them. All the seven RSETIs have received the best grading "AA" from the Government of India for their work quality and operational excellence. Our FLCs have organized 647 literacy camps in 2023-24.

(B) Areas of concern for the financial year 2024-25

(i) The districts with C.D. ratio less than 45% has been reduced to 3 (Munger, Bhojpur and Nalanda) in March 2024 from 7 in March 2023. We have to focus to improve CD ratios of all districts above 50%.

(ii) Achievement under ACP in 2023-24 was only 89% in Agriculture and 86% in MSME. ACP target for the FY 2024-25 is Rs3,23,093 crores i.e. 23% increase over ACP of FY 2023-24. The sector wise distribution is as under- Rs1,11,267 crores for the Agriculture, Rs1,03,238 crores for MSME, Rs28,589 crores for other Priority Sector and Rs80,000 crores for Non-Priority Sector. We must perform in all sectors and achieve 100% of the ACP target.

(iii) Agriculture: Two major constraints of agriculture sector is the reduction in the size of land holdings and unavailability of LPC among farmers.

(iv) MSME: The contribution of manufacturing to Bihar's GDP is only 8.7%.

(v) 38.97% NPA in KCC and 18.24% NPA in education loans.

(vi) There are 86 crores NPAs in 3,192 accounts under the Bihar Student Credit Card in which banks have submitted 1,732 cases worth Rs45 crores to the government for claim settlement.

(C) Action proposed: Coordination and Cooperation

To achieve 100% of this ACP target, all the stakeholders should work in coordinated and focused way on the bank-wise and district-wise ACP allocation.

(i) Bihar being an agrarian economy, more focus on Cash Crops and Agri allied activities like Dairy, Poultry, Fishery, Food Processing, Rural Godowns, Warehouse Financing,

Horticulture, should be done for improvements in agriculture. Encouragement of Millet Production, One District One Product and Cluster Financing will strengthen the ecosystem. KCC Saturation Drive and ATL for agricultural infrastructure development should be focused. The government of Bihar has been requested to smoothen the issue of LPC that will help banks to provide hassle free agricultural loans.

(ii) MSME of Bihar, is based on Trading and Services activities with 59% share in State GDP. The manufacturing sector should be focused for generating more employment opportunities in the state and minimize migration. Therefore, focus in both Agriculture and MSME is required in FY 2024-25.

(iii) Along with Regular Credit Dispensation, Banks should also provide Credit Outlay in Govt. Sponsored Schemes to register participation in inclusive development of the state. By making process more borrower-friendly and proactive, banks can achieve maximum financing.

(iv) There is ample opportunity for Housing Finance and Education Loan in the Priority Sector due to growing construction in state and talent in state.

(vi) There has been marginal decline in NPAs between December '23 and March '24 (7.93% to 7.46%). More than 9 lakh Certificate Cases and 633 SERFAESI Cases are ready for disposal on 31 March 2024, which requires cooperation from State government. Recovery and reduction in NPAs will enable banks to increase their lending activities.

Shri Dikshit, CGM SBI concluded his speech by acknowledging the efforts made by various financial institutions, praising the cooperation and support provided by the state Government.

(3) Shri Samrat Choudhary, Hon'ble Deputy Chief (Finance) Minister, Govt. of Bihar welcomed all the Hon'ble ministers, Development commissioner, all dignitaries and all the participants on behalf of Bihar Govt. In his opening remarks, he expressed the under noted views:

(i) The overall CD Ratio of Bihar is around 56% and this is due to contribution by some of the smaller Banks which are having higher CD ratio. The contribution from major banks is less as compared to smaller Banks in respect of CD ratio. In real terms CD ratio of Bihar is less than 40%. He requested all the big banks to increase their contribution for the development of Bihar and to improve the CD ratio.

(ii) There are many sectors with low penetration namely small-scale industries and animal husbandry probably due to fear of accounts being NPA. However, as per the report, NPA in 2022 was 11.5% which was reduced to around 7% in 2024 which is an achievement.

(iii) The government as well as banks has been continuously discussing the development of Bihar. This can be possible only after the incorporation of mechanism of **single window system** at district level in all sectors for smooth disposal.

(iv) The region of Bihar and Uttar Pradesh is considered a cow belt. We are not able to produce milk in a state like Bihar where there is maximum greenery is a matter of concern for us.

(vi) He expressed his concern over relatively low progress as expected in the fisheries sector. Despite the resources of many big rivers, ponds and waterbodies in Bihar, fish is being brought from Andhra. Despite continuous efforts to improve the position, we could not produce surplus fish to contribute to the nation or go to the international export market. DMs should explore the opportunities within their districts and coordinate with banks to organize camps in order to increase the penetration for development of fisheries & other areas as well.

(vii) The Government of India, the Prime Minister and the Chief Minister of Bihar are constantly talking about extending collateral-free loans. We should motivate lending institutions & people to provide loans without security. For people who work on the footpath, the state Government provides ₹10.00 lacs under the udyami yojana with ₹ 5.00 lacs subsidy and concession in interest rate 4-5 % for remaining ₹ 5.00 lacs. Banks should come forward in co-operating under this segment also. SLBC subcommittee can be formed for finance to SC/ST.

(viii) He praised SLBC Bihar for leading in the Atal Pension Yojana in the country. Further, He added that it means the people want to be secure in Bihar.

(ix) Bank should wholeheartedly work to take the state forward. We should improve the CD ratio. He praised the Banks for doing well in improvement in CD ratio from around 20% as in past to 55-56% as on March 24. He requested to achieve a 100% CD ratio in order to make Bihar a developed state.

(x) All the banks should be cautious about NPA. The Government of India as well as Bihar government is ready to support banks. He requested the Banks to support the state for overall growth within the limited opportunities available.

(xi) He discussed upon a report of the Industry Department, in which 2400 entrepreneurs were provided land through BIADA. He expressed his concern over closure of approximately 50% of the units out of this including some big ones.

(xii) In a state like Bihar where there is poverty and we need to arrange food for people, only 3-4 crores people are able to stand up on their own by improving their financial condition we should work hard. Therefore, large contribution from Banks is required with focus on small-scale industries, agriculture and animal husbandry for development of Bihar.

With acknowledging important role of Banks in development of state, he assured every Bank for availability of co-operation from finance department, he concluded his speech.

(4) 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) He mentioned that the CD ratio of Bihar as of March 31, 2024 stands at 56.86% which is an increase of 3.2% over March 31, 2023. 14 districts have registered a growth of more

than 5% in their CD ratio over March 2023. Even some districts namely Nawada, Vaishali, and West Champaran have shown a growth of 7-8%. He expressed his concerns over low performing 3 districts having CD ratio less than 45%. Further, he expected that with the consistent efforts of the banks and the district administration, we would be able to achieve the CD ratio of over 40% in the district having CD ratio less than 40%.

(ii) We must also acknowledge the fact that the CD ratio of the State is still below the national average of 86.57% (December 31, 2023) which signifies that there is ample scope for improvement in the credit, particularly in the laggard districts having CD ratio less than 50%.

(ii) Under ACP, the banks have achieved 96.35% of their overall targets, 88.78% of their priority sector targets, and 121.97% of the non-priority targets. The credit given during this year has increased by 15%. Further, he advised all the Private Sector Banks to excel in the Government Sponsored Schemes including Social Security Schemes.

(iii) Overall NPA of the State has reduced to 7.46% in March' 24 from 9.28% in March' 23. Although NPA in the Agriculture sector which stands at 18.14% has seen a reduction of 3.36% in a year, but it is a matter of concern. Simultaneously, an increase has been observed in the assets written off by the banks during this year. He advised the banks to take decisions judiciously and ensure to maintain quality of assets. He also advised the banks to strengthen the recovery mechanism to reduce their NPA.

(iv) It has been observed that the number of certificate cases outstanding as of March 31, 2024, has increased to 9.1 lakhs amounting to more than 8000 crores. The district administration as well as the State Government is requested to facilitate the banks in realizing of these non-performing assets up to the best possible value through timely disposal of the Certificate Cases to provide more liquidity to the banks.

(v) The government's attention was drawn to the crucial matter of land records mutation and its vital role in facilitating KCC loans. Government authorities, in cooperation with financial institutions, should take necessary steps to streamline and accelerate the mutation of land records. By ensuring the accuracy and currency of land records, we can empower farmers with the requisite documentation to qualify for KCC, thereby promoting their financial well-being.

(vi) Further, to arrest the NPA in Agriculture, particularly KCC, the State Government may consider opting in for 'Pradhan Mantri Fasal BimaYojana' which aims at supporting sustainable production in the agriculture sector by way of providing financial support to farmers suffering crop loss/damage arising out of unforeseen events and stabilizing the income of the farmers.

(vii) Additionally, the State Government may consider reforming its legal framework based on the Model Land Leasing Act proposed by NITI Aayog or the Land Licensed Cultivators Act 2011 of Andhra Pradesh to improve formal lending to tenant farmers. Furthermore, the Internal Working Group's recommendation related to the promotion and conduct of awareness drives for land consolidation may be organized which will enable farmers to achieve economies of scale and incentivize long-term investments.

(viii). Further he addressed that RBI has launched the PRAVAAH (Platform for Regulatory Application, Validation and Authorisation) portal which is a secure and centralized web-based portal for any individual or entity to seek authorization, license, or regulatory approval on any reference made by it to the Reserve Bank. Also, to enhance the reach of the RBI Retail Direct Scheme, which was launched in November 2021, a Retail Direct Mobile App has been launched to facilitate retail investors to open their Retail Direct Gilt accounts with the Reserve Bank of India enabling them to buy G-Secs in the primary auctions as well as buy and sell G-Secs in the secondary market using the mobile app on their smartphones.

(ix) Since December 2021, the Centre for Financial Literacy (CFL) Project is operational in 27 districts covering 267 blocks of Bihar. Since the inception of the project, more than 36 lakh people of the targeted sections have been imparted training through CFL camps. The project has been extended in the present Year 2024. To solicit cooperation towards the scaled-up CFL Project, letters were also sent to the respective District Authorities of Bihar regarding the operationalization of 89 new CFLs in 267 blocks of 31 districts of Bihar.

(x) To expand and deepen the digital payment ecosystem, the 'e-बिहार' mission launched by RBI aims to give a digital push to the banking operations. Presently, 15 districts of Bihar have been made 100% digitally enabled, while concerted efforts are being put in to make the remaining 23 districts 100% digitally enabled, in a time-bound manner.

(xi). A field-level survey to assess the operations of Business Correspondents (BCs) covering 800 BCs across eight districts of Bihar was carried out by RBI. During the survey, various observations were made by our officials on whom appropriate action will be taken in due course.

He further suggested the banks that after doing the requisite credit assessment they may consider expanding the scope of Business Correspondents (BC) in providing other services like identification of borrowers, collection and preliminary processing of loan applications, disbursement of small value credit, post-sanction monitoring, follow-up for recovery, collection of EMIs for small value loans. This would be a win-win situation for both the banks as well as the BCs.

(xii) He concluded that collective efforts and teamwork are crucial for the progress of Bihar. The spirit of collaboration demonstrated by the Bihar government, all banks, and stakeholders is instrumental in shaping the landscape of financial inclusion and literacy. Dedicated and coordinated efforts will help in paving the way for extraordinary achievements.

(5) During his address, Shri Chaitanya Prasad, The Development Commissioner Bihar, welcomed the Hon'ble Ministers, dignitaries and all participants. The highlights of his speech is as under:-

(i) CD ratio of Bihar has increased a lot in comparison to the past. In 2017- 18 whereas CD ratio was 45.38%, in FY 23-24 it is 58.71%. However in context of other states CD ratio of Bihar is very low. CD Ratio as on December 2023, in western and southern India is relatively higher especially in Andhra Pradesh (157.81%), Telangana (126.25%), Tamil

Nadu (114.64%) and Maharashtra (101.72%). Banks are interested in lending there and the borrowing capacity is also higher.

(ii) NPA has also improved from 11.5% on 30th June 2022 to 7.46% on 31st March 2024. It reflects an increased tendency of repayment.

(iii) Banks should devise ways to incentivize their workforce in credit dispensation also in the state.

(iv) Big banks with more capacity and branches need to focus more on improving CD ratios. SBI has a CD ratio of 40.86 %, PNB is 42.16% and the Central Bank of India has 43.82%. Improvement in the CD ratios of such big banks will enable overall improvement.

(v) Under ACP, the achievement has increased by 33,000 crores in absolute terms but it has decreased in percentage terms from 108% in March' 23 to 96.35% in March' 24. Efforts should be made for achievement in % terms also.

(vi) In MSME growth is registered from 78.67% last year to 86.02 % in this year which is commendable. There are sectors like Agriculture and priority sectors that could not achieve the desired growth. Agriculture, Animal Husbandry, Fisheries, Farm mechanization and rural storage are the areas where more scope is available in Bihar. These areas needs focus for desired growth and supplement farm income.

(vii) Districts with lower CD ratios and Banks with lower CD Ratios need to be focused. Banks with lower ACP achievement namely Yes Bank, Punjab and Sind Bank, South Indian Bank, Karur Vyasya Bank and Utkarsh SFB need to focus and their progress to be reviewed separately. Reasons for low ACP achievement especially in Madhubani, Buxar and Munger districts should be analysed. Efforts should be made accordingly to improve ACP.

(viii) He concluded that it should be a collective effort of the state Govt. and banks to pave a success path for the state and this can be achieved with coordinated teamwork.

(6) During his address, The CGM NABARD, welcomed the Hon'ble Ministers and dignitaries. The highlights of his speech are as under:-

(i) He expressed his concerns over lower ACP achievement as of 31 March 2024 under the Priority Sector. It was 88.78 % (Agriculture – 88.83%, MSME- 86.02%, OPS - 101.16%) and it should be focused more.

(ii) Regional Disparity in GLC flow of Agriculture: At all India level during 2023-24, there was record disbursement of agriculture loans by banks to around Rs25 lakh crore against the target of Rs20 lakh cr (i.e. 125% of target). However, the eastern region – Bihar, Jharkhand, Odisha and West Bengal – received only 8.5% of the total agriculture credit flow at Rs2.11 lakh crore in FY 2024 against the gross cropped area of 12.16%. Whereas southern states (Andhra Pradesh, Telangana, Tamil Nadu, Karnataka and Kerala) received more than 50% of total Agri GLC although the gross cropped area is only 17%.

(iii) About 25% of farmers in Bihar are tenant farmers which is one of the factors for lower achievement in agri-credit in Bihar. They need to be provided access to finance through JLG mode.

(iv). Low CD Ratio: The CD Ratio of Bihar as on March 2024 is 56.86% against the national average of 78.07% (as on March 22, 2024). Out of 38 districts, 13 districts have CD Ratio less than 50% and Munger has even less than 40%.

(v) Status of MFI: Bihar leads in the microfinance sector in India with a Gross Loan Portfolio amounting to Rs58,706 crores with a growth of 35% in Q3 of FY 2023-24. The 12 districts of Bihar have a portfolio of greater than Rs2000 crores. During the year 2023-24, Banks could add only 1.67 lakh new farmers under KCC, however more than 37 lakh borrowers have been added under micro finance fold during the same period. This reflects that credit demand exists and the potential needs to be tapped. This can be done by increasing KCC, KCC- AH/ Dairy/ PM Svanidhi loans, etc. by the banks.

(vi) Finalization of Unit Cost by NABARD - Agri-Term Loan Financing needs further thrust. NABARD has finalized the unit cost on 11.06.24 for the FY 2024-25 for financing under Agri Term Loan Sector and will be shared among all banks shortly.

As per recent studies, the livestock sector including fisheries constitutes about 42% of the total farmer's income. Further, in the last 5 years, the growth rate in the livestock sector has been more than double that of the crop-based system which signifies immense potential for the promotion of Agri-allied sector.

Therefore, all the bankers need to focus more on investment credit in agriculture mainly on Animal Husbandry, Dairy Development, Fisheries, Plantation and Horticulture, Cold Storage, Godown, Food Processing and Renewal Energy.

(vii) Financing of FPOs and Credit Guarantee for FPOs:- Promotion and nurturing of FPO is more important in the state like Bihar. However, credit facilities have been availed by less than 50 FPOs (that too, mostly from NBFCs). NABARD has promoted more than 300 FPOs in Bihar out of which only 24 have availed credit facility. He requested the banks to explore the financing of FPO as one of the sector with high potential and lesser probability of NPA as being backed by credit guarantee.

(viii) e- Kisan Upaj Nidhi Portal: e-Kisan Upaj Nidhi is a joint endeavor of the Department of Food and Public Distribution, WDRA, DFS, GoI, and NABARD which will improve the ease of obtaining pledge finance by farmers against their stocks kept in WDRA-registered warehouses from various financial institutions. The e-Kisan Upaj Nidhi portal has been launched recently. Banks are requested to make maximum use of this portal.

(7) During his address, The Hon'ble Minister of Agriculture Shri Mangal Pandey welcomed all the Hon'ble ministers and dignitaries. He highlighted the undernoted points:-

Shri Mangal Pandey expressed his concern over the relatively lower CD ratio of Bihar in comparison to several states in India. The important points conveyed by him are as under:-

(i) The achievement in KCC against the target that we had set for FY2023-24, in numbers was 27.25% and in terms of amount 17.39% only. He raised concern over low-performing districts like Darbhanga, East Champaran, Gopalganj, Madhepura, Madhubani and Saran.

(ii) He raised concern that out of 2,00,00,000 registered farmers in Bihar, KCC has been disbursed to 13,00,000 farmers only. It is very much needed to increase agriculture income, CD ratio and overall economy of state.

(iii) MSME is an important thing, but in state like Bihar where 69 % population depends on agriculture, the development of agriculture and the welfare of farmers are most important.

(iv) Banks should decide on a target to achieve 1000000 KCC in the next one year in order to achieve the national level CD Ratio and make the increasing number of farmers financially strong. Similarly, ways to finance the majority of landless farmers in the state also to be explored.

(v) The rising NPA is of concern for the banks and they should file certificate cases in those eligible cases. The tendency to repay the loan has improved as NPA has reduced by 3% in the past year. The people of Bihar are hardworking and honest.

(vi) The states that have good CD ratios have visible growth. KCC loans to farmers in the state should be increased which will enable actual grain production, quality production and processing in the farmhouse.

(vii) Banks should maintain a bank-wise list of loans given to farmers in farm mechanization and loans sanctioned & funds disbursed in Agri Infrastructure Funds. The target set under AIF for the state was Rs 3980 crores for the FY2023-24.

(viii) Status of the 1,07,000 applications sent to banks by district agriculture officers under the Ghar Ghar KCC campaign to be provided. Banks to devise a time limit for completing saturation against the remaining beneficiaries of Ghar Ghar KCC abhiyaan.

(ix) 85,00,000 farmers avail the benefits of PM Kisan Samman Nidhi Yojana in Bihar and out of them KCC loans is to be given to 40,00,000 farmers. He expressed his concerns over very low progress and requested Banks to pay attention to it.

(x) He concluded his speech with highlighting the importance of Banking system in growth of economy, development of the state and to pass on benefits to the socially & economically weaker sections of society. Banks to join hands to work for the growth in these areas.

(8) AGM SLBC SPEECH AND PRESENTATION

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

(i) Minutes of the 87th SLBC meeting and action points that emanated from it were placed before the Committee and were adopted unanimously. Also, the minutes and action points of SLBC Sub-Committees were adopted conjointly.

(ii) The status of ATR for the 87th SLBC meeting was discussed in a granular way. Various issues were discussed and queries of the house were answered. The Hon'ble Finance Minister advised to improve CD ratio of Munger and CGM, SBI advised to review the districts having CD Ratio less than 55% separately.

(iii) The ACP target for FY 2024-25 as advised by finance department, Government of Bihar has been distributed district wise & Bank wise as per PLP of NABARD. All Banks & Districts have been advised. The target allocation was approved by SLBC.

(iv) Key inputs received during the discussion of slides from various dignitaries were as under:

- a) The Hon'ble Finance minister advised Banks to devise a cut-off population for opening of their branches. He also discussed about availability and utilization of Panchayat Bhawans for opening of Branches.
- b) Jeevika has a recovery percentage of 99.08 % and Banks should continue their efforts.
- c) GM convenor SLBC also pointed out the dismal performance of Private sector Banks in GSS such as PMEGP, PMMY, PMFME etc in reply to the FM remarks on lower performance of large public sector Banks in ACP achievement.
- d) The Hon'ble Finance minister asked for the reasons for low ACP achievement in districts such as Munger, Madhubani etc from the banks and advised to improve it.
- e) Hon'ble Finance Minister expressed his concern over very low contribution by Pvt sector Banks in Government sponsored scheme and asked reasons from HDFC & Bandhan Bank.
- f) Hon'ble Finance Minister expressed his concern over very low contribution by Uttar Bihar Grameen Bank. In reply, Chairman Uttar Bihar Grameen Bank highlighted his Bank's performance in all areas except KCC. He said that the maximum KCC portfolio is NPA and they have left with very limited resources due to maintenance of SLR & CRR. He requested for more institutional deposits from the Government for more lending power.
- g) DBGB & UBGB and all other banks are expected to report as per the new format.
- h) E-kunj is to be discussed in the coming SLBC subcommittee meetings.
- i) The proposal for decreasing the frequency of DLRC meeting was proposed by RBI which was not accepted by SLBC forum.

(v) As confirmed by all Banks, the standardized data portal of SLBC (www.slbcindia.com) is operational now and accessible to all banks. All Member Banks are advised to upload their data for June 2024 quarter into this portal as per standardized system. All Banks are requested to maintain data sanctity.

(9) Shri Arvind Choudhary, Principal Secretary of Finance, Govt. of Bihar, expressed his opinion on various topics which is summarized below:-

(i) RRBs are requested to achieve their ACP target this year as they have broader outreach.

(ii) KCC targets to be achieved for overall agricultural growth as well as NPA should also be brought down.

(iii) Benefits of repayment of KCC loans in addition to other loans also must be displayed and shared broadly in camps being organized at districts/ blocks.

(iv) A minimum benchmark of 50 % in the CD ratio is to be set and districts having CD ratio less than 50% should be reviewed separately.

(10) Smt Abhilasha Sharma, Additional CEO JEEViKA opined that:-

She appraised the co-operation & good works done by Banks in SHG front. 116% of target was achievement in 2023-24. Banks should explore financing options to individual entrepreneurs coming out of SHG and dispose all the pending applications. 64.98 lacs PMJJBY and 71.53 lacs PMSBY insurance coverage have been done. At present 5683 Bank Sakhis are functional and this number should be increased with coordination of the Banks. Camps should be organized in the coming months of July August September to expedite disposal of applications both for account opening as well as credit linkage.

(11) Shri Sanjay Agrawal, Secretary, Agriculture highlighted certain points as below:

(i) He expressed his concerns over reducing trend in numbers of KCC crop loan. The total number of KCC farmers has reduced to 13,00,000 as on March2024 as compared to 15,00,000 last year.

(ii) 2000 branches out of 8000 branches in Bihar are those which have Zero KCC. These branches consist of 15 banks. Names of such low/Nil performing branches are to be highlighted in the meetings.

(iii) Dakshin Bihar Grameen Bank did 66000 KCC whereas Uttar Bihar grammen bank with 1000 branches did 9000 KCC only resulting in 2% achievement of target of KCC under ACP. Hence RRBs having more outreach must be more participative in providing KCC loans to farmers.

(iv) KCC NPA has decreased from 42% as on March 2023 to 36% as on March24 which can be considered a very good sign

(v) He expressed his concern over reducing exposure of Banks under priority sector lending specially under Agriculture. He also advised to conduct a special SLBC on Agriculture only under chairmanship of Hon'ble Finance Minister. However Hon'ble Minister advised to conduct such meeting first at their level and thereafter progress should be monitored.

(12) Smt Vijaya Lakshmi IAS Secretary Animal Husbandry & Fisheries, added valuable remarks on the financing of Animal Husbandry and Fisheries. Some highlights are undernoted:

(i) A target of 14,00,000 was set by DFS under Animal Husbandry & Fishries. She expressed her concern over sanction of 37000 applications & disbursement of 5000 applications amounting to Rs 29.54 crs only despite 2 years of its launch. 350000

applications were generated, 298000 sent to banks under this scheme. Scheme has not took off as expected.

(ii) Banks should focus on this sector so that growth can be manifold to 2-3 times.

(13) Sri Dilip Kumar Special Secretary from Industry department Government of Bihar also appraised the good work done by Banks in coordination with Industry department under PMEGP & PMFME. Our State has remained among top 5 in India under PMEGP sanction and was 2nd in loan application generation in India. He also expressed concerns over delay in sanction of loan proposals and slow disbursement.

(14) Shri Prem Kumar Hon'ble Minister, Cooperative Development, Govt. of Bihar, welcomed all the Ministers and dignitaries present in the meeting. He expressed his concerns over non-participation of senior level government officials & Bank's officials in BLBC/ DCC meetings. He emphasized conducting of meetings regularly with the participation of senior officials. He briefed about the scheduled meeting of various cooperative societies on Animal Husbandry, Fisheries, Bee farming, etc to be held on 18.06.2024 for better coordination. He also refused the proposal of reducing frequency of DLRC meetings proposed by RBI.

(15) Shri Shravan Kumar Hon'ble Minister, Rural Development, Govt. of Bihar, after welcoming all Ministers and dignitaries highlighted that banks should extend more help to create self-employment in Bihar. 4561 applications of trained people have been received but only 1417 have been sanctioned by Banks.

(i)The building construction work for RSETIs is to be completed fast in Patna, Sitamarhi and Munger districts in order to expedite growth.

(ii) In the next coming, months maximum credit camps should be organized to enable an increase in the CD ratio to surpass 55% in the next three months.

(16) Smt. Renu Devi, Hon'ble Minister, Animal Husbandry, Govt. of Bihar, welcomed all the ministers and dignitaries present in the meeting. She expressed her opinion that the State has immense potential in the field of dairy, fisheries and banks should extend their full support in this sector for desired growth. She also advised that LPC should not be insisted upon and Bank's must be guided as per SOP. She also expressed her displeasure over high rejection of loan applications and advised to dispose these applications more judiciously.

(17) Shri Nitin Naveen Hon'ble Minister, Rural Housing, Govt. of Bihar, welcomed all the ministers & dignitaries present in meeting. He expressed his opinion that out of 197000 PM SVAnidhi applications 117000 only could be sanctioned. He expressed concerns over very less number of loans sanctioned by Banks in 2ndtranch under PMSVAnidhi schemes. Banks should expedite disposal of applications under all phases of PMSVAnidhi. Quarterly subcommittee meeting is to be done at the minister level and all should work as a team in order to achieve expected target.

(18) Towards the end of the meeting Shri Samrat Choudhary Hon'ble Deputy Chief Minister cum Finance Minister Govt. of Bihar, stressed again on overall coordination among the government departments and banks for the growth of Bihar.

(19) At the end, **Shri Shailendra Singh Taragi, General Manager (SBI) and Convenor, SLBC** appealed to all the stakeholders to take note of the deliberations made and points discussed and identified during the meeting for putting into action. He stated that we all will work in closer coordination and will achieve all our targets with special emphasis on KCC, Animal husbandry, and fisheries improved performance in 2024-25. He extended a vote of thanks to the Hon'ble Ministers and all the participants, including those attending the meeting through VC, for their active participation.

ACTION POINTS

1. Lead Bank and other banks operating in Munger to make concerted efforts to increase the CD ratio of the district above 40%.

[Action: UCO Bank]

2. Lead Bank and other banks operating in Bihar to make concerted efforts to increase the CD ratio of the districts which are below 50% as on 31.03.2024. These twelve districts are Munger, Bhojpur, Nalanda, Jehanabad, Lakhisarai, Saran, Buxar, Arwal, Patna, Gopalganj, Darbhanga and Jamui).

[Action : District Authorities, Lead banks & LDMS]

3 ACP achievement to improve in the 5 districts (Madhubani, Buxar, Munger, Jehanabad, and Nalanda.) where ACP achievement was very low in FY 2023-24. In addition to that all banks in the state to focus on 100% achievement of ACP annual target.

[Action : Lead banks & LDMS]

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

[Action : All Private Sector Banks]

5. DMs and LDMS to explore the opportunities within their districts and coordinate to organize camps in order to increase the penetration for development of KCC crop, KCC (Animal husbandry & fisheries) & other areas as well. Wide publicity of the benefits of prompt repayment is to be made in these camps.

[Action : DMs, Lead banks & LDMS]

6. The State Government may consider opting in for 'Pradhan Mantri Fasal Bima Yojana' , which aims at supporting sustainable production in the agriculture sector by way of providing financial support to farmers suffering crop loss/damage arising out of unforeseen events and stabilizing the income of the farmers.

[Action: Cooperative Department]

7. Review of banks having branches with Nil or even less than 100 KCC (crop) in FY 2023-24.

[Action : Respective banks and Agriculture Dept.]

8. Uttar Bihar Grameen Bank to increase the coverage under KCC (crop).

[Action : Uttar Bihar Gramin Bank]

9. Banks to devise action plan to cover PM Kisan beneficiaries farmers and remaining unsaturated farmers under GharGhar KCC Abhiyaan for KCC(crop).

[Action : All Banks]

10. Banks to ensure providing data as per new standardized portal ensuring accuracy of data.

[Action : All Banks and SLBC]

11. SLBC Sub-committee should be formed for finance to SC/ST.

[Action : SLBC]