**STATE LEVEL BANKERS’ COMMITTEE, BIHAR**

**67 th QUARTERLY REVIEW MEETING**

DATED 27TH FEBRUARY 2019

HOTEL CHANAKYA, PATNA

**MINUTES:67THSLBCMEETING :27-02-2019**

The 67thquarterly review meeting of SLBC, Bihar was held on 27th of February 2019 at Hotel Chanakya to review the progress under Annual Credit Plan 2018-19 upto the quarter ended December 2018 and to discuss related issues.

The meeting was chaired by Shri Sushil Kumar Modi, Hon’ble Deputy Chief Minister (Finance)Minister, Government of Bihar.

It was attended by Shri Rana Randhir Singh, Minister, CooperativeDepartment, Shri Subhash Sharma, Development Commissioner, Biharand senior officials from Government Departments, Banks and other institutions. The list of participants is placed as Annexure – I.

**1.**The meetingstarted off withthe welcome address delivered by **Shri Vijay Singh Negi, General Manager, State Bank of India.** Shri Negipresented a brief account of important banking indicators and issues as under:

* Pursuant to instructions of Hon’ble Deputy Chief Minister, today, for the first time, all the districts of the State are participating in the SLBC meeting through Video Conferencing (VC). Ladies & Gentlemen, it is a landmark in the journey of SLBC, Bihar.
* There are two good news. First, the limit for sanctioning agriculture loans without collaterals has been raised from Rs 1.00 lac to Rs 1.60 lacs. Second, Dairy & Fisheries have also been included under KCC scheme. It is an opportunity to the bankers and the state governmentto exploit these liberalized norms in augmenting credit extension to the target group and better our performance.
* Member Banks in the State have disbursed Rs 74618 Crores upto the quarter ending 31.12.2018 during the current FY which is 57.40% of the ACP target of Rs 130000 crores. If we talk sector-wise achievement, it is 47.17% of ACP target under Agriculture, 82.66% of MSME, 55.35 % of total priority sector and 62.54% of non-priority sector. In view of the little time left to winding up the current FY, it will be challenging to achieve the ACP target.
* The CD ratio was43.18%as on 31.12.2018 as compared to 43.64% as on 31.12.17. The issue of low CD Ratio was discussed in detail during the meeting of all LDMs with SLBC.
* There were6876branches and 15584 CSPs or BCs in the State as at the end of December 2017 which have gone upto 7435and 17504respectively by the end of December 2018.
* 407 Banking Outlets have been opened out of 602 allotted to banks. 195 BOs remain to be opened.
* NPAs pegged at 11.26% at the end of December 2018 exhibitsslight improvement over September 2018 level of 12.35%. However, it is still 1.03% higher than the December 2017 level.
* The Government of Bihar (GoB) had declared 26 districts of the State as drought hit. However, the rescheduling of Agriculture Loans and other relief measurescould not be carried out by Banks for want of data on actual crop loss (%) to be provided by GoB. The period of three months, stipulated by RBI, for carrying out rescheduling of loans in order to claim benefit of Asset Classification by Banks and other measures, is already over.
* RBI has recently clarified that Crop Insurance is Mandatory for Bank loans under KCC. GoB has already advised that there is no provision for Crop insurance for KCC loanee farmers under “Bihar Fasal Sahayta Yojana” floated by GoB after it exited out of the PMFBY. How to increase credit expansion under KCC and ensure the interest of farmers in case of crop loss, is an important issue to be examined by this SLBC meeting.

**2**. Setting the stage **for**discussion as per the agenda, **Shri Rajiv Kumar Das, Assistant General Manager, SLBC, Bihar** informed the house that the minutes of the 66th SLBC meeting were circulated to all stake holders. SLBC received advices only fromFinance Department, GoB for some amendments which were carried out accordingly and the amended Minutes were re-circulated. Since no further amendments were received by SLBC, the minutes may please be considered as approved by the House.

Referring to the letter received from GoI on Pradhan Mantri Kisan Samman Nidhi (PM-KISAN), Shri Das further informed the house that, as instructed by GoI, Banks should ensure that money transferred under PM-KISAN Scheme reaches the farmers and no deductions / adjustments are made therefrom against any outstanding loans or any other dues.

The Action Taken Report on action points of the 66th SLBC Meeting was reviewed.

**3.**Making an analytical assessmentof performance under ACP by the bottom 5districts and bank branches therein,**Dr. S. Siddharth, Principal Secretary (Finance), GoB** observed as under:

**Achievement under Annual Credit Plan**: There is no improvement in the ACP achievement of five districts namely Gopalganj, Madhubani, Banka, Jehanabad and Siwan. These districts were at the lowestof performance in the previous SLBC meeting and same districts are at the bottom in this SLBC also which clearly reflects that the directions of SLBC have not been taken seriously. The % ACP achievements upto the quarters ended December 2018 &September 2018 of Gopalganj are 40.71%& 26.50%, Madhubani – 41.00 %& 26.38 %, Banka – 42.40 % & 26.93%, Jehanabad 44.33% & 25.97% and Siwan 45.18% & 29.10%, respectively.

**Shri Sushil Kumar Modi, Hon’ble Deputy Chief (Finance) Minister**desired to interact on the issue with the district officials who were connected to the SLBC meeting through VC.

**(i) GOPALGANJ:**Talking to LDM Gopalganj via VC,Principal Secretary expressed his concern over continuing low achievement of the district under ACP and pointed out that surprisingly most of the low performing branches in the district are SBI Branches e.g. SBI Mohammadpur (0.92%), SBI Naraiana (3.59%), SBI Mirganj (8.21%), SBIGopalmath (15.23%) &SBI Golanseva (17.16%). These low performing branches of SBI have pulled the ACP performance of the district down to 40.71%.

LDM Gopalganjreplied that all the member banks have been advised to present an action plan in the forthcoming DLCC meeting dated 05.03.2019 and all possible steps will be taken to better district’s performance under ACP in the remaining one month.

**Hon’ble Deputy Chief (Finance) Minister**pointed out that Gopalganj district is lagging by 17% in ACP achievement as compared to State average ACP achievement of 57.40%. ACP Achievement of Gopalganj is 40.71% at the end of 3rd quarter this year whereas it was 60.64% in the corresponding period last year. Gopalganj district has a good potential for lending due the presence of sugar industry and sugarcane area in and around the district. Banks are required to find out the reasons for poor performance.

**Hon’ble Deputy Chief (Finance) Minister**told that if Dy Chief Minister can visit the districts for reviewing development performances, there must be instructions in Banks for senior bank officials at state level to visit the non-performing districts.**Shri V.S Negi,General Manager, SBI**informed thatthere are instructions anddistricts are being visited.

**(ii) MADHUBANI:**It is second from the bottom in ACP performance with 41% achievement and the bottom performing bankbranches thereare – OBC Jaynagar, UBICharcharaha, Dena Bank Madhubani,UCOPandaul, UBIJhanjharpur, Canara Bank Basopatti, Allahabad Bank Mansapur, BoI Laukaha, BoI Bisaul.

DDC informed that LDM wasnot present for discussions about the reasons for low ACP achievement butassured to improve it.

**Hon’ble Deputy Chief (Finance) Minister**exhorted that achievement under ACP is not the sole responsibility of LDM;rather it is the concern of all stakeholders and the performance of Banks should be reviewed by District Authorities to ensure achievement of ACP targets.

DDC informed that in the last review meeting Banks have assured to make significant improvements.

**(iii) BANKA:**At the end of 2nd quarter, Banka had 26.93% of ACP achievement & was placed at 4th position from bottom. But in 3rd quarter, it has slipped to 3rdposition from bottom with ACP achievement of a meagre42%.PNB Amarpur (4.90%), IDBI Banka (5.58%), ICICI Banka (6.90%), Grameen bank (8.55%), Bihar Grameen Bank Dhuraia (13.59%), OBC Banka (22.87%) &United Bank of India Nawadih (23%) are the**lowest** performing Bank branches.

LDM Banka informed that due to good performance by some bank branches the district is able to achieve more under ACP whereas the low performance by some banks have pulled the district’s performance down.

**Hon’ble Deputy Chief (Finance) Minister** commented that he himself had visited Banka district last yearand reviewed the performance but still the district has not picked up.The Zonal Manager, UCO Bank, the Lead Bank in Banka district, informed that when Hon’ble Deputy Chief (Finance) minister had last visited the district, the ACP achievement was 17% only and a lot of efforts have been put in by the Banks thereafter improving the achievement to 42%. He informed that the main reasons for low performance of the district are more thrust on recovery and write-off of loans to reduce high NPAs resulting in decreasein a large portion of progress made by fresh loans.

**Hon’ble Deputy Chief (Finance) Minister**remarked that the district should not depend on ICICI and IDBI for ACP achievement. It is the primary responsibility of Public Sector Banks. He suggested the Principal Secretary (Finance), GoBto arrange to prepare ACP achievement of branches in the district Bank-type-wise i.e., separate for Scheduled commercial Banks, RRBs/ Cooperative Banks, Private Sector Banks to have better comparison.

**(iv) JEHANABAD:**The lowest performing bank branches are **-** Corporation BankTehta (1.24%), Dena Bank Jehanabad (5.90%), OBC Jehanabad (8.39%), SBI Bharathur (9.62%), CBI Jehanabad (10.97%), SBI Pinjaur (11.52%) SBI Godiha (18.50%), SBI Kako (21.70%) – most of the branches are of SBI.

**General Manager, State Bank of India** assured that they will look into to find the reasons for low performance and strive to boost ACP- achievement.

**(v) SIWAN:** This district is a persisting concern as itfigures regularly under low ACP achievement districts.The lowest performing Bank branches in the district are: CBI Andar (14.69%), CBI Jamopur (18.61%), CBI Hasanpura, CBI DAV College Siwan, CBI Panchlakhi – all low performing branches in the district are of CBI.

CBI representative admitted that their branches are not performing upto the mark in Siwan district. The main reasons are that – (a) the Bank has been placed under PCA for last two years and (b) non- financing under KCC. Therefore, Bank’s performance across the State is as low as 31% only. Still, considering the affordable opportunities, Bank is making finances and recently Rs 150 Crores has been financed in camp mode in coordination with JEEVIKA. Thus, financing has not halted but ithas not gained the required momentum as more efforts are directed towards recovery of loans.

DFS Representative stated that GoI have taken suitable steps by dint of which 6 banks have come out of PCA recently. He hoped that CBI too will come out of PCA after the 4th quarter of the current FY.

**(vi) SUPAUL:**The district has achieved only 45.42% of ACPtarget so far. In the VC, LDM Supaul informed that this is because some banks have fared poorly e.g. CBI 18%,UCO Bank 37%, BOI26%, Union Bank 36% Corporation Bank 4%, OBC 5% etc. In the recently held DLCC meeting on 25th February 2019 all banks have submitted their projected performance according to which the ACP achievement of the district by the end of current FY is expected to be 78%.

**(vii) ARWAL:**The ACP achievement of the district is 46.87% only. Talking at the current status and efforts put in, the District Magistrate, Arwal told that he is closely monitoring the performance of Banks with the LDM. There is an increase of Rs 200 Crores in ACP achievement in Dec 2018 quarter. A mega credit camp is going to be held on 01.03.2019 and the district is hopeful of scoring well in ACP achievement as well as CD Ratio at the end of current FY.

**(viii) Katihar:** The ACP achievement ofthis district is 46.98% which is 10% less than the State average. The viewsof LDM and district authorities could not be heard due to loss of VC connectivity with the district.

**(ix) Nalanda:** The ACP achievement of the district is 48.50%. SLBC could not interact with district authorities as they were deputed to Chief Minister’s visit programme there.

**(X) Madhepura:** The LDMinformed that the performance of the district has improved to 48.70% in Dec 18 quarter from 34.93% in September 18 quarter. The lower performance under ACP is due to the underperformance of some Banks, mainly CBI. Banks with major presence in the district are SBI & CBI and they are working hard, and the district is hopeful of crossing the state average achievement of ACP.

**(xi) Sitamarhi:** The district has achieved 48.91% of target under ACP 2018-19. The LDM informed that he is coordinating with the lagging banks in the district and they have assured to endeavour in achieving the ACP target by 15th of March 2019.

**(xii) Vaishali:**Speaking on the low ACP achievement of the district,LDM Vaishali told that the district has achieved 49.92%. The concern of low achievement has been shared with all operating Banks, especially the major Banks, and the district is expected to achieve the target allotted.

4. **Hon’ble Deputy Chief (Finance) Minister**reviewed Bank-wise performance of ACP as under:

1. **BoI:**

Hon’ble Dy Chief Minister showed his displeasure over zonal managers of the three zones of Bank of India in Bihar fornot participating in the meeting and instructed that all Zonal Managers of Banks not having a State Head should invariably attend the SLBC meetings.It was clearly emphasized in the last SLBC meeting and is also part of its minutes.He also expressed his displeasure over the poor performance of BoI despite its robust presence through 345 branches in the State. Against an ACP target of Rs 2791 crores for the FY, its achievement is only 35.22%, about 22% below the state average. If this poor performance continues, he stated, no Govt. deposit will be placed with BoI branches.

AGM, SLBC informed the house that there are some Banks like Allahabad Bank,Union Bank, BoI, UCO Banketc. which have multiple zones but no State Head Offices. SLBC will seek information from all banks in this regard and advisethem accordingly to participate in forthcoming SLBC meetings.

**(b) UCO Bank:** UCO bank has 229 branches and its ACP achievement upto December 2018 quarter is 42.20%. ZM, UCO Bank, Patna informed that the low performance is mainly due to emphasis on NPA-recovery and the PCA factor. There is some improvement as compared to September 2018 quarter and they hope to align with the State Average by the end of the year.

**(c) SBI: Hon’ble Deputy Chief (Finance) Minister**mentioned that it is a matter of concern that the achievement under ACP upto Q3 this year has decreased by 9% (from 66.56% to 57.40%) as compared to the similar period last year. SBI (56.48%) is also below the State average.

**General Manager, State Bank of India**mentioned that achievement of SBI, as compared to Q3 last year, has decreased by 6.83%. mainly due to underperformance under KCC. And the prime reason for low performance under KCC is the absence of insurance, this is feedback of all Banks. Write-off is also another factor.

**5. KCC and Crop Insurance:Principal Secretary (Finance), GoB** pointed out that despite the insurance issue the Banks have sanctioned good number of KCCs, and their achievements are: SBI – 32.12%, CBI – 1.46%, PNB – 23.58%, UCO bank – 41.98%, BoB – 68.66%, Allahabad Bank – 78.28%, Indian Bank – 60.29%.

**Hon’ble Deputy Chief (Finance) Minister**stated that when insurance was available in KCC even then the performance of banks was not comfortable. And, despite mandatory pre-condition of insurance, Banks have done new KCCs and renewals. So, the plea of non-availability of crop insurance for not doing KCC doesnot hold good. It is worth mentioning that against an average disbursement of Rs 20,000 – 25,000 Crores per year under KCC, benefit of crop insurance claim received per year has been Rs 400-500 Crores only.

**6. Saturation of KCC:**Referring to GOI’s recent guidelines dated 04.02.2019on KCC saturation, AssistantGeneral Manager, SLBCexplained GoI’s instructions to State Govt. and banks for covering all farmers under KCC.

**Hon’ble Deputy Chief (Finance) Minister**told that looking at the efforts done by banks it is hoped that only a few farmers might be uncovered under KCC. But the Sub-Committee of SLBC on Agriculture should look into the saturation aspect in detail and organize camps for saturation. There are 45 lacs farmers registered online with Agriculture Department for execution of various schemes. This list may be sorted district-wise, block-wise and passed on by the Agriculture Department to operating functionaries of Banks and GoB which will be helpful in the saturation exercise. He also emphasized that Banks should ensure not to levy any charges e.g. processing, inspection, folio charges etc., in KCC accounts consideringthe accompanying IBA circular.

**7.** Assistant General Manager, SLBCalso informedthe house regarding RBI’s recent circular dated 04.02.2019 on introduction of working capital facility to Animal Husbandry and Fisheries.

**Hon’ble Deputy Chief (Finance) Minister**advised that for operationalization of these guidelines it is necessary that scale of finance for animal husbandry and fishery is determined at the earliest. He requested the Principal Secretary (Finance) to ensure that this task is carried out by District Level Technical Committees (DLTCs) within 15-20 days. He was also of the view that the Banks and GoB should come out with advertisements highlighting the salient features of the scheme including activities covered, subsidized rate of interest, interest subvention etc. in the print media to popularize the scheme.

**8. Assistant General Manager, SLBC** further informed that the ceiling for agriculture loans without collateral has been revised upward from Rs 1,00,000 to Rs 1,60,000. He, on behalf of SLBC, thanked the Deputy Chief (Finance) Minister for his efforts in this regard by taking up the issue with GoI.

**Hon’ble Deputy Chief (Finance) Ministertold that** GoB doesnot propose loan waiver. These recently announced relaxationsare liberalized terms for extending credit & are aimed at widening the reach of institutional credit to small borrowers. So, the bankers should not be hesitant in implementing them and financing small borrowers. He remarked that Bihar has the best recovery culture in micro finance.

**9. Bank-wise review:** Speaking ofBank-wise performance of ACP, the **Principal Secretary (Finance)**informed that Finance department has carried out a detailed exercise throughout the state and ranked bank branches district-wise based on their performance. He stated that substantial number of branches of major Banks with larger presence and greater stake, specially SBI, are low performinge.g. SBI –59 branches, DBGB – 44 branches, CBI –36 branches, Bank of India – 32, UBGB – 29, Axis Bank – 21, IDBI – 19, BoB—17, PNB--16. He also informed that some of the Top Performing branches are: IOB Simari, PNB, Gaya, Allahabad Bank,Aghara, SBI, Madhubani, SBI, CBB Muzaffarpur.

**Hon’ble Deputy Chief (Finance) Minister**commented that **SBI** has maximum branches in the State,hence it is quite possible that despite the Bank doing well as a whole, it may have many branches in Bottom Performing category.So, in order to have a more rational review of Banks, it is imperative to ascertain % of number of branches falling under Bottom Performing &Top Performing categoriesto total number of branches in the state. For further meaningful comparison, Banks should be grouped and analyzedas per their classification e.g. Public Sector Banks, Private Sector Banks, RRBs, Small Finance Banks,The Principal Secretary (Finance) assured to tweak the ranking exercise accordingly. He further informed that the ranking list will be shared by GoB with all Banks and appealed to the State heads of the Banks to have separate review of these branches for improvement in their performance.

**10**. **Relief measures in drought hit areas:**Raising an important agenda item,**Assistant General Manager , SLBC** pointed out that aspecial meeting of SLBC was convened on 23.10.2018 in the wake of declaration of drought by Govt. of Bihar and various relief measures were decided to be taken by Banks subject to the declaration of exact extent of crop loss as required under RBI master direction. However, information on exact extent of crop loss is still awaited from GoB. This issue was also discussed in the 66th SLBC meeting of SLBC held on 01.12.2018.

As per the RBI Master direction, the rescheduling of Bank loans to borrowers affected by natural calamities is required to be completed within a period of 3 months from the date of declaration of natural calamity. This period has already expired on 15.01.2019. So, SLBC is required to take a final view in the matter.

**Hon’ble Deputy Chief (Finance) Minister** stated that the exact crop loss figure is determined based on crop cutting exercise which has been concluded and the required data is expected soon. SLBC may, thereafter, approach RBI for extension of 3 months’ stipulated period & proceed as per RBI directions.

**11. Creation of Banks’ Charge on-line consequent to Digitization of land records:**

As per agenda item, **Assistant General Manager, SLBC requested** GoB to allot ID & Password to banks to log in and create Banks’ charge in case of loans involving land as soon as such functionality is ready / developed by GoB.

**12. Department-wise Review:**

**(I) Secretary, Animal Husbandry and Fisheries Resources**expressed her view as under:

(a) Under Goat Farming (2016-17), the no. of applications pending at the time of last SLBC were 134 in which 12 more applications have been added taking the total to 146. Out of this only 1 application has been sanctioned by Allahabad Bank. Under Goat Farming (2017-18),6 applications have been sanctioned as under:

Allahabad Bank -1, CBI - 1, MBGB – 1, UBGB – 1, United Bank of India – 1, Vijaya Bank – 1.

(b)Under SamekitMurgi Vikas Yojana, for Layer farming (2016-17), only 4 applications have been sanctioned, 2 each by MBGB and Indian Bank. Under Layer farming (2017-18), 7 applications have been sanctioned as under:

BoB – 2, PNB – 2, Canara Bank – 1, CBI – 1 & IDBI – 1.

(c) The progress under Dairy is not encouraging. The total achievement is 1,703 units against 8,177 units i.e., only 21%. A total of 6,826 applications have been sent to Banks out of which 5,899 are still pending. This is for the FY 2017-18. For 2018-19, the process has started. In fact, it takes 2 to 3 years to complete the cycle.

(d) The issues are being discussed regularly with banks. The main issue is long pendency period of applications. Banks should either sanction or reject the applications within a reasonable time.Sometimes there are delays due to documentation.

**(II) CEO, JEEVIKA discussed** in detail the various issues and aspects of SHG financing as below:

(a) Under SHG financing in the State, the target for current FY is to finance Rs 3,000 Crores to 2,50,000 number of SHGs. Up to December quarter this FY, JEEVIKA has been able to credit link 1,90,000 SHGs to whom Rs 2,500 Crores has been sanctioned and more than Rs 2,000 Crores has been disbursed. We are hopeful of achieving the target. This is on account ofthe whole-hearted cooperation from all Banks for which we thank them all from the SLBC forum.

(b) There are 2-3 issues persisting since last 2-3 SLBC meetings.**First**, Banks are extracting CIBIL records of all the office bearer individuals of the SHGs. Earlier this practice was adopted in PNB only whereas now all banks are doing it. RRBs are not able to extract CIBIL from their branches.Rural branches of commercial banks also face system-snag in extracting the CIBIL records. This causes undue delay. For SHG, we have a grading sheet- a format duly approved by NABARD & RBI, certified copy of which is submitted by the SHG along with loan application. This grading sheet reflects the true health of the SHG. JEEVIKA requests that since the loan is given to SHG, CIBIL for office bearers individuals should be dispensed with to speed up SHG financing.

**The Chief General Manager, NABARD** stated that related RBI circular does not say that Banks should finance only after extracting CIBIL score of SHG members. Banks should take the KYC of immediate members and the credit information can be collected and uploaded afterwards. In no case non-uploading of credit information should delay the SHG disbursement process.

Further,**General Manager, State Bank of India**also clarified that the para 13 of related 2016- RBI circular says that none of the data requirements specified be made pre-condition for extending loan to SHG.

**General Manager, RBI**informed the house that, at the request of JEEVIKA, they have sent the Hindi version of abovementioned RBI circular to all State Heads of Banks on 12th February 2019.

**General Manager, PNB**stated thatthey donot have instructions from their Head Office for not taking CIBIL for SHG. However, if RBI representative is stating that taking CIBIL is not mandatory for SHG financing, they will issue Circular from their level on the receipt of the minutes containing this clarification.

**General Manager, RBI**told that there is a difference between CIBIL score and Credit Information.

**General Manager,PNB**stated that the discussion is on CIBIL &not Credit information and therefore RBI should clarify on it.

**Hon’ble Deputy Chief (Finance) Minister**said that he is not aware of the technicalities and asked RBI representative to clarify whether taking CIBIL score is mandatory for SHG financing or not. RBI representative said that it is not necessary. **Hon’ble Deputy Chief (Finance) Minister**remarked thatBanks should not have issue in financing JEEVIKA SHGs where recovery is 94-95% and there is specific RBI circular for credit information not making it a precondition. He suggested that the said RBI Circular should be sent by all banks to their all branches.He requested JEEVIKA to put up, in next SLBC, the names of bank branches where the issue is persisting.He appealed to all Banks to achieve their SHG financing targets 100% so that State target of financing to 2,50,000 SHGs is achieved.

(c)**Second**, the Banks are insisting on e-KYC of the three office bearers whereas it is not mandatory, only KYC should suffice. In e-KYC, all the three members are required to be present at a time,physically, in the concerned bank branch for completing the KYC process. Many a time, these three members are not available together when account opening form is moved to bank. Insisting on e-KYC causesinordinate delay.

DFS representative advised that in light of Supreme Court judgment, e-KYC is now mandatory only in cases where availing welfare services and subsidies is involved.

(d) **Third**, is about quantum of loan in 1st& 2nd credit linkages. This was an agenda in the last SLBC Sub-Committee also. It was decided with consensus in SLBC long ago that banks will financeRs 1.50 lacs in 1st linkage and Rs 3.00 lacs in 2nd linkage. However, there is lack of uniformity and some Banks are still financing Rs1.00 lac as 1st linkage. Had they financed uniformly Rs 1.50 lacs to 1,90,000 SHGs, we could have achieved the budgeted level of Rs 3,000 Crores.

(e) Many loan applications of SHG are pending with Allahabad Bank in Katihar which comes under their Bhagalpur zone. Matter is not getting flagged at proper level because, as raised in this SLBC, all zonal heads of Banks not having a State Head, are not participating in SLBC & Sub-Committee meetings.

JEEVIKA is liaising with all banks. Rs 153 Crores have been sanctioned by CBI during January – February 2019 in camps organized at Muzaffarpur. BoB has deputed all their Branch Managers to JEEVIKA-office for better liaising, follow-up and enhanced performance. All Banks are requested to take similar steps.

**(III) Urban Development& Housing Department:** Under Housing for All scheme, MIG-I & MIG-II have been included and the carpet area has also been increased. Despite this,Banks are not claiming subsidy under the scheme. Banks have sanctioned more than 50,000 housing loans since inception of the scheme in 2015 and out of this only 3500 housing loans are covered under CLSS. This data does not seem to be correct. The UD & HD Department has carried out assessment and is of the view that there islack of communication between branches and their controlling offices on the issue as to how & whom to cover under the scheme. This shouldnot be the situation because banks already have with them all the related &requiredpaper taken by them at the time of sanctioning housing loan. All they require to do is to take a simple one pager application from the borrower / prospective borrower to include him / her in the CLSS scheme.

**Hon’ble Deputy Chief (Finance) Minister**expressed his dissatisfaction over the dim progress of CLSSunder PMAY whereas it is beneficial for both borrowers & banks. He directed the department to hold a meeting and sort out the impeding issues so that coverage under CLSS could be increased.

**(IV) Department of Social Welfare:**Government is paying pension through DBT to 62 lac pensioners at quarterly intervals. ICICI is the nodal bank for effecting DBT through PFMS portal. The major issuesare reconciliation& delayed reporting. Generally, the reports should come from Banks within a period of 10 days, but these are taking as much as about 40 days, especially RRBs related reports. Also, there are instances when a successful transaction is reported as a failed transaction later and the amount is debited after 40 days to the account. There are presently 1,16,000 such accounts. The failed entries are returned in the form of fresh / new entries which remain untracked. This makes the reconciliation process more cumbersome and time consuming. The Social Welfare Department & the ICICI bank are already in close contact with Controller General of Accounts, GoI.However, responses received from RRBs are much delayed & there are cases of false success and false failures of DBT. If these reports are received within 10 days, reconciliation will be fast, needful and the DBT process will become smooth.

Responding on the matter **Chairman**,**DBGB**told that this is an old issue which was already resolved, and no new instances related to DBGB have been brought to their notice. Though this issue was discussed in the last SLBC also, but DBGB did not figure therein. Files are processed at sponsored bank level first and then delivered to DBGB. However, delay of 40 days, if any, is not acceptable from any standards. The Bank will revisit the current status and rectify shortcomings, if any, in this regard. He also informed that under PM Kisan DBT there were 2769 records related to DBGB and DBT was 100% successful in all these cases.

Representative from Social Welfare Department clarified that the issue is not related to one bank, rather it is a systemic issue and needs to be sorted out at thepaymentgateway level which is controlled by RBI. In case of RRBs, if the files received at the sponsoring bank are transferred to RRBs on day-1, the delay would come down drastically.

**Joint secretary, DFS**said that there have been many issues in DBT failures in various schemes like Matri Vandan, Agriculture, Education etc. and DFS have organized many meetings on Aadhar based DBT issues. When PFMS uploads the data file to the DBT sponsoring bank, the Bank stores the data at the NPCI payment bridge where DBT is triggered after Aadhar authentication. The issue is that while authenticating the Aadhar, the latest account of the beneficiary is linked, and rest are deleted which results in DBT failures. DBT is rejected at the recipient bank level due to even minor difference in name of the beneficiary. The account being dormant or closed areother reasons for rejection. However, these failures are 2 to 5% maximum.So far, the case of delay reporting is concerned, 40 days is abnormal.

The issue of SMS not being triggered in accounts of DBT beneficiaries was also raised. It was observed that despite State Govt.’s assurance in the 65th SLBC meeting to reimburse the cost involved, SMS alert is not being sent in all cases. **Deputy General Manager (FIMF), SBI,** informed that SMS alert is being triggered where credit amount is Rs10,000 or more. For amount above Rs10,000, their Corporate Centre has been requested to activate the SMS facility.

**Hon’ble Deputy Chief (Finance) Minister**remarked that besides the existing 62 lac pensioners, there are 36 lacs proposed additions which will take the figure to almost 1 Crore. The pensions paid through DBT are related to old age, widow, disability etc. and the beneficiaries belong to poor strata of the society who are paid a small amount to sustain their livelihood. If they do not receive the pension for 6 months, it is really very sad. He advised the **Principal Secretary (Finance)**tohold aseparate departmental meeting on the issue and also toinstruct the related team to monitor the issue bank-wise & scheme-wise. He requested the banks to ensure that SMS alert is sent in all DBTs irrespective of amount.

**13.** Pin-pointing some issues related to MSMEs,the **Chairman, Bihar Industries Association** expressed his views as under:

(a) Reserve Bank of India has recently issued guidelines relating to restructuring of loans to MSMEs which are effective from 01.01.2019. Our request is that these guidelines be made effective from 01.07.2017 when GST was rolled out which caused the disruptions. Moreover, RBI’s circular dated March 17, 2016 on Rehabilitation is required to be followed in true spirit. When we look at the data in this regard, it is very disappointing. In the last Empowered Committee meeting of RBI, the data shown was 91,000 units with Rs 5,137 Crores involved whereas reference of only 300 and odd only is shown here which the Banks are going to take up.

(b)A committee was required to be formed for taking up Corrective Action Plan (CAP). This Committee, though formed, is required to be constituted properly. Cases are also not being referred to it. Once it starts functioning properly, cases of SMA 0, SMA1, SMA2 etc. should also be referred to this Committee.

(c) So far as the case of rehabilitation of units is concerned, State Govt. is ready to pump funds and in fact they have already given funds to three units.Butthe issue is that all these units are connected to banksand, therefore, it is imperative that Banks either give No Objection or Holidays or settle the dues through OTS and provide resolution otherwise this State Govt.scheme will not be successful. This issue is required to be looked into.

(d) The figures reported during this SLBC on achievement of some important financial activities are:

Farm Mechanisation : 13.46%

Storage Facility : 4.77%

Food & Agro Processing : 13.69%

Renewal Energy : 0.72%

Poultry : 8.12%

Fisheries : 3.18%

Stand Up India : 706 Nos. whereas total no. of branches is 7,435.

This shows that the level of financing to the above economic activities in the State is very poor and needs to be taken care of.

(e) As of now, data on Manufacturing and Service sectors are clubbed together in SLBC reports. Our request is that separate data for both should be given for analysis point of view. More emphasis is required to be given to promote Manufacturing Sector in Bihar and if separate data is available it will be convenient to focus on this sector.

(f) The issue of collaterals was also raised in last SLBC. As per existing instructions, MSME loans upto Rs 2 Crores are to be granted collateral free. But the data given in SLBC shows that the average ticket size of collateral free loan given is 3 lacs only.

When we look at the performance of financingSmall Units, if the data furnished is correct, I congratulate banks as the target has been achieved. But when we look at financing to Medium Enterprises, the average ticket size comes at 57 lacs which is not convincing. It needs to be looked into.

(g) Banks financing for constructing warehouses and financing against Warehouse Receipts also needs to be given focused attention. If a Committee is constituted, the position can improve.

**14.** The **President, Bihar Chamber of Commerce**expressed his views as under:

(a) As requested by Bihar Industries Association, we also feel that there should be separate figures for financing to Manufacturing and Service MSME units.

(b) If we have a glance at the performance of private banks under CGTMSE, as mentioned in supplementary Agenda, we find that achievement of Private Banks is very dismal. It seems that they are here only for taking deposits and not for making finances.

(c) HDFC and ICICI are not financing any Greenfield Projects, they are interested in only taking over running units. They should finance new units also besides the running units.

(d) While reviewing district-wise performance it transpired that the performance of some districts like Supaul and Siwan is not upto mark due to low performance of CBI branches there. As CBI is an old bank, there should be some special instruction for themto augment their performance in the districts having low ACP achievement due to their branches.

(e) Similarly, the responsibility of Small Finance Banks should also be fixed as they are having NIL figure under many sectors.

(f) Going through the figures furnished,it can be easily understood that financing to industries in Bihar is not satisfactory. Bihar Govt. has launched a portal yesterday in which BSFC etc. want to finance industries and this also implies that bank finance to industries is not adequate.

(g) It has been observed that Banks are averse to finance for reviving Sick Units despite the decision of Hon’ble High Court. This aspect also needs to be looked into.

**15.** The**District Magistrate, Nawadah**told,through VC, that most of the issues pertaining to the district have already been included during the SLBC discussions. He shared the following issues:

(a) Fund Transfers by banks in the district, to same bank or different banks, are taking much time.

(b) There are many bank branches in the district which are single man branchesand this shortage of manpower is proving an irreparable dent on providing satisfactory service to general public.

(c) There is increasing demand of ATMs and number of ATMs in the district needs to be increased to provide adequate coverage.

**16**. The **General Manager, Reserve Bank of India,** mentioned the following points in his speech:

(i) In the last SLBC, there were three action points related to RBI – Change of SLBC Convenorship, increase of limit for collateral free agri loans & crop insurance under KCC. As suggested by **Hon’ble Deputy Chief (Finance) Minister**in the last SLBC, Central office RBI has advised State Bank of India to continue as Convener of SLBC Bihar.

(ii) As discussed, now the limit for collateral free Agri Loans has been revised upward from Rs 1.00 lacs to Rs 1.60 lacs. RBI has issued a circular on 7th February 2019 in this regard.

(iii) Consequent to amalgamation of Bihar Grameen Bank into Madhya Bihar Grameen Bank, license has been issued to the new entity Dakshin Bihar Grameen Bank (DBGB). RBI has set a self – target to issue licenses to all branches of DBGB latest by 31stMarch 2019.

(iv) Pursuant to receipt of instructions from RBI Central Office Mumbai, SLBC has been informed on 22nd February 2019 that as crop insurance aims at mitigating the financial loss of farmers in case of crop loss on account of natural calamities, mandatory crop insurance prescribed by RBI is justified.

(v) Inclusion of Financial Education in school curriculum is an important issue. Children are the future citizens of the country. If at least on chapter on financial inclusion is included in the syllabus of class 6 to 10, it will go a long way in early financial education to budding citizens. It would help in removing many operational problems that people are facing presentlye.g. getting duped by the pongee schemes run by fraudulent NBFCs. We have sent a proposal to Education Department, GoB long ago and request **Hon’ble Deputy Chief (Finance) Minister**to grant his personal interest to get Financial Inclusion included in school curriculum in the State.

(vi) The issue of difficulties faced by SHGs in their bank linkage and credit linkage have been raised in last two SLBCs. This has cropped up prominently during this meeting also. We have clarified, and it would come in the minutes also, that KYC of three office bearers of SHG is required to be done and for remaining members only credit information is required. Credit Information is quite different from CIBIL. Banks are, therefore, requested to go by the spirit of the circular and note that this has been simplified so that flow of credit to SHGremains unhindered.

(vii) The achievement under ACP at the end of Q3 this FY is before us. We can notice some decline in Deposits whereas advances have increased.CD Ratio has increased by 75 basis points which is an encouraging element. The total achievement under ACP is 57.40%, for agriculture it is 47.17% & 82.66% for MSME. Private Banks have scored better so far ACP achievement is concerned. However, there are some banks like J&K Bank, South Indian bank, Yes Bank and Kotak Mahindra Bank which have shown zero achievement. Representatives of these banks are requested to better their performance in the remaining period of the year.

(viii) As per SLBC statistics, the CD Ratio of 17 districts out of 38 districts of Bihar is below 40%. Special committees have been formed in all these districts for monitoring CD Ratio. All DMs & DDCs are attending this SLBC meeting through VC. I request them to bestow their personal attention and arrange to prepare Monitorable Action Plan and ensure its execution so that the CD Ratio increases and the State marches on the road of prosperity.

**17**. Speaking on various issues, the **Chief General Manager, NABARD** shared his following view-points:

(i) Only 57% achievement under ACP upto the 3rd quarter is a matter of concern. It is lesser in case of Agriculture and further less under Allied activities.

(ii) Under the DEDS scheme for dairy, the initial allocation for the State was Rs 16 Crores approximately. This has been reduced to Rs 6 Crores (approx.) due to underutilization.It speaks that under dairy, which is an important sector in the State, desired financing is not being done.

(ii) As Animal Husbandry & fisheries have now been brought on KCC platform, the bankers and district authorities need to work in tandem and complete the various pre-operationalization formalities like scale of finance, identification of beneficiaries etc. so that the scheme picks up fast.

(iii) There has already been a lot of discussion on Crop Insurance under KCC and Bihar Fasal Sahayta Yojana. Something decisive must be done soon else the controversy will linger and Agri sector will suffer.

(iv) Banks are hesitant in financing to Farmer Producer Organizations and Farmer Producer Companies. These are Greenfield-type projects and are not capable enough tooffer collaterals to banks. My suggestion is that, in order to give a fillip to FPOs financing in the State, Govt. of Bihar may start a Credit Guarantee Fund on the lines similar to CGTMSE. Govt. of Orissa has just started such a fund.Nabkisan Finance Ltd., a subsidiary of NABARD, finances FPOs and for its borrowers there is a Credit Guarantee Fund.

(v) In LBR system of RBI, the data related to agriculture are clubbed together, they are not available separately for all sub-sectors like Dairy, Fisheries, Poultry etc. which, if available, can be very helpful in making the planning process more effective. Time has come that this is examined and provision for more granular data is made.

(vi) e-Shakti is an important initiative NABARD is working on. It is the digitization process of SHG records. The ultimate objective of the project is that Bankers can see all records related to SHGs on their desktop including loan applications generated and sanction of loans. In the next phase of the project, we plan to cover all the members of the SHGs under the umbrella of social security schemes like PMJDY, PMJJBY, PMSBY & APY.

**18.** Lauding the good work being done by banks in Bihar, **Shri Rana Randhir Singh, Hon’ble Minister (Cooperative), GoB** expressed his undernoted views on growing expectations from banks:

(i) It is very pleasant to know that Animal Husbandry & Fisheries have also been brought on KCC platform and henceforth all benefits available under KCC will be extended to this sector also. I come from Motihari, East Champaran district of Bihar and do believe that this decision would help the poor villagers to manage their livelihood in a better way by engaging themselves in these micro economic activities.

(ii) Banks are doing well,no doubt but villagers and the poor have more expectations from the banks underexisting circumstances when the mindset of the nation is changing given the exemplary leadership.The youth in our State, are more politically vigilant than economically / financially. Banks should endeavor more to spread financial literacy among the rural and poor populace and try to change their perception about banks. I have never come across a poor villager, having visited a bank branch, comment that he /she is very happy; work was done proactively, and he/ she was treated very well by the bank. This perception needs to be changed especially in respect of the villagers, becauseI believe:

“तेरे शहर का पेट मेरे गाँव की मिट्टीसे पलता है,गौरतलब रहे कि देश अपना गाँव में बसता है”

And considering the benefits of the enhanced ceiling of collateral free Agri loans, I would like to add:

हदें शहर से निकलीं तो गाँव-गाँव चलीं, कुछ यादें मेरे संग पाँव - पाँव चलीं ।

सफर जब धूप का हुआ तो तजुर्बा हुआ, वो जिंदगी हीं क्या जो छांव-छांव- चली।

**19.**During the concluding session of the SLBC meeting, **Hon’ble Deputy Chief (Finance) Minister**expressed his views on important issues as summarized below:

(i) Achievement of only 74,618 Crores i.e. only 57.40% against an ACP target of Rs 1,30,000 Crores after the expiry of 3 quarters this fiscal, is a matter of great concern. This was 65.56% during the corresponding period last year.If we look back at the annual achievements, it was 90.85% in 2017-18, 87.91% in 2016-17 and 95% in 2015-16. So, we have always achieved 90% or more in recent years. I, therefore, I appeal all banks to please monitor their low performing branches / districts and gear up so that a respectable achievement under ACP could be achieved.

(ii) In agriculture sector, the achievement is mere 47% whereas it was 62% last year corresponding period. This 15% decline in achievement is a major concern. The low achievement under agriculture should not be tagged to Crop Insurance because Banks have renewed 14 lac KCCs and done 1.50 lacs new KCCs.

(iii) The upward revision of limit for collateral free Agri loans from 1.00 lac to 1.60 lacs is a welcome move and banks should exploit it to increase their outlay in agriculture sector and achieve Agri ACP.

(iv) The number of ATMs, deployment of PoS machines and Micro-ATMs, reach of Internet Banking and IMPS are required to be increased in the State on a larger scale. GoB is drilling down the infrastructural facilities like electricity, roads, drinking watersewage etc. upto village level. The banking facilities, therefore, also needs to be made available upto villages, not only with population of 5,000 or more but all villages. It may not be possible instantly but can be done in a phased manner by posting Banking Correspondents in all the villages. Now, all benefits of the Govt. are being transferred directly into the account of the beneficiaries through DBT. If a villager has to go to a distant place for withdrawing money, it will not be justice to him / her. So, we need to provide banking facilities at their doorstep to make financial inclusion a reality.

In the next SLBC meeting, we should come with a plan in this regard to deliberate upon and execute. Also, it will also be convenient from analysis point of view if the number of ATMs added every quarter is incorporated in the reports.

(v) We have the JEEVIKA model which is very successful in Bihar and banks may bring onboard JEEVIKA DIDIs as Bank Mitras. I would like to sharefor the information of the participants present here thata couple of months ago 8projects, out of around 150 projects running with the help of World bank throughout the globe, were awardedwith World Bank President Award and JEEVIKA is one of them.

(vi) There should be a uniform structure for all DLCC meetings in all the districts of the State. SLBC should prepare a structured format for holding DLCC and DLRC meetings and circulate the same to all LDMs. The districts may make minor changes therein as required. The State Heads / Zonal Heads of banks should attend these DLCC & DLRC meetings and a report on the same should be presented in the next SLBC meeting.

(vii) The data relating to performance of Banks in Bihar under the scheme “pbsloansin59minutes.com” should also be put up in the next SLBC meeting.

(ix) The State Investment Promotion Board (SIPB) has given stage-I clearance to around 1,000 proposals in which there will be an investment of Rs 13,000 Crores (approx.). These proposals have been cleared by the board after all necessary due diligence and formalities, but banks have financed only 250 proposals. If banks take up financing all these SIPB approved proposals, it be a shot in the arm of industrial development of the State.

(x) The data relating to Manufacturing & Service sector should be furnished separately for ascertaining the extent of financing to each of them.

(xi) There are complaints that bank branches are insisting collaterals for loans under MUDRA scheme whereas there is no such stipulation in the scheme. This needs to be looked into and addressed.

(xii) Regarding creating a Credit Guarantee fund for FPO financing, let us not forget that the credit guarantee fund for loans upto 2 Crores remains unexhausted, funds under DEDS are under- utilizedand there was a credit guarantee fund for education loan which was not used much. However, the idea put forward by NABARD is not bad.

(xiii) We can see that the format of SLBC meeting has undergone a better perceptible change since the taking over by the new Principal Secretary (Finance) Dr. S. Siddharth. We have placed before you the ranking of banks branches district-wise with an objective to facilitate the banks to focus on these branches. Let us not hammer too much on data only,except ACP, and have a focused discussion on relevant issues in the limited time available during the SLBC meetings.

(xiv) This is for the first time that all the districts of the State are also attending the SLBC meeting through VC. We will continue this arrangement in all future SLBC meetings also.

(xv) The need of a separate directorate for banking was felt since long. A proposal has since been sent to create this separate directorate under Finance department and we expect this to come into existence before the next SLBC meeting.

(xvi) There is data on claims received and settled in respect of PMJJBY & PMSBY but information on claims made and settled to RuPay Card holders under PMJDY is not furnished. This should be furnished from next SLBC meeting.

(xvii) The Branch Managers should be sensitized, and efforts be made to cover maximum number of persons under Social Security Schemes because this will be a great help to them.

(xviii) Banks have done good work in SHG financing and the CEO JEEVIKA has extended his thanks through this forum to all banks. I appeal the Banks to make concerted efforts in the remaining days to maximize achievement under ACP.

**20. Ms. Pooja Upadhyay** from **PFRDA** highlighted, in brief, the salient features of Atal Pension Yojana and the “Perform for Pride Campaign” run by PFRDA. She read out the names of 20 Top Performing bank branches in the State under the campaign. **Hon’ble Deputy Chief (Finance) Minister**honored the Branch Managers of all these branches with citations acknowledging their efforts.

**21. Shri R.K.Das, Assistant General Manager, SLBC** extended vote of thanks to all participants for their active participation in the meeting. He also extended special thanks to the Managing Director, BELTRON for providing technical support in connecting all the districts of the State through Video Conferencing. Thereafter, the 67th SLBC meeting was declared concluded with the permission of the Chair.

**X=O=X=O=X=O=X**

**ACTION POINTS**

**67th SLBC MEETING HELD ON 27th FEBRUARY 2019**

**(A) ACP & CD RATIO:**

1.In order to have a more rational review of Banks, it is imperative to ascertain % of total number of branches falling under Bottom Performing & Top Performing categories. For further meaningful comparison, Banks should be clubbed together based on bank-type e.g. Public Sector Banks, Private Sector Banks, RRBs, Small Finance Banksetc.

**(Action: Finance Deptt., GoB)**

2. DMs & DDCs of districts where the CD Radio is below State average,should bestow their personal attention and arrange to prepare Monitorable Action Plan and ensure its execution so that the CD Ratio of the district increases.

**(Action: Finance Deptt., GoB)**

3. Banks should monitor their low performing branches / districts and gear up their performance so that a respectable achievement under ACP could be achieved.

**(Action: All Banks)**

**(B) AGRICULTURE:**

4.The list of farmers registered with Agriculture Department for execution of various schemes should be sorted district-wise, block-wise and passed on to operating functionaries of Banks and districts / blocks line departments for the KCC saturation exercise.

**(Action: Agriculture Deptt., GoB)**

5.Banks should ensure not to levy any charges e.g. processing, inspection, folio charges etc., in KCC accounts in the light of the recent IBA circular.

**(Action: SLBC/ All Banks)**

6.The exact crop loss figure is determined based on crop cutting exercise which is over, and the required data will be made available soon. SLBC may, thereafter, approach RBI for extension of 3 months stipulated period and proceed as per their directions.

**(Action: Agriculture Deptt., GoB/ SLBC)**

7.The pending applications sent to the banks under Dairy, Fisheries and Poultry be disposed off expeditiously.

**(All Banks/ SLBC)**

**(C) SHG:**

8.RBI Circular relating to KYC of only three office bearers of SHG should be sent by all banks to their all branches.

**(Action:All Banks)**

9.JEEVIKA to put up, in next SLBC meeting, the names of bank branches where the issue of KYC of all members of SHGs is still insisted upon.

**(Action:JEEVIKA, Rural Development Deptt., GoB)**

10.Many loan applications of SHG are pending with Allahabad Bank in Katihar district which need immediate disposal.

**(Action: Allahabad Bank)**

11.KYC of three office bearers of SHG is required to be done and for remaining members only credit information is required. CIBIL is not required. RBI to clarify and reiterate its instructions.

**(Action: RBI)**

**(D) PMAY – CLSS:**

12.The UD & HD Department should hold a meeting with stakeholders, discuss the Enablers and sort out pending issues to increase coverage under CLSS.

**(Action:UD & HD Deptt.,GoB)**

**(E) DBT:**

13.Aseparate meeting should be held with related departments on the DBT issue and alsothe related team should be sensitized to monitor DBT related issues bank-wise & scheme-wise.

**(Action:DBT user departments, Finance Deptt., GoB)**

14.Banks to ensure that SMS alert is sent in case of all DBTs irrespective of amount of transaction.

**(Action:All Banks)**

15.The issues discussed in the meeting about failures of DBT transactions/ delayed reporting to the sender banks & government departments and problems in the payment bridge be taken up and resolved at the apex level.

**(Action: DFS, GoI))**

**(F) Industries:**

16. Performance of private sector banks, especially ICICI and HDFC, in financing under MSME and more so under Greenfield Projects is not upto the mark. Needs to be improved immediately.

**(Action: All Private Sector Banks/ SLBC))**

17. There are complaints that bank branches are insisting collaterals for loans under MUDRA scheme whereas there is no such stipulation in the scheme. This needs to be looked into and addressed.

**(Action: All Banks/ SLBC))**

**(G) FINANCIAL INCLUSION:**

18.Financial Inclusion should be included in school curriculum in the State.

**(Action:RBI/ Education Deptt., GoB)**

19.Banking facilities needs to be made available to all villages, not only those with population of 5,000 or more but up to all villages. It may not be possible immediately but can be done in a phased manner by using Banking Correspondents in all villages. In the next SLBC meeting, banks should come with a plan in this regard.

**(Action:All Banks, SLBC)**

**(H) SLBC / DLCC / DLRC / DLTC MEETINGS:**

20.State Headof Banks which havemultipleZonal Headsin Bihar should invariably attend the SLBC meetings.

**(Action:SLBC/ All Banks)**

21.The Controlling Heads of banks should attend DLCC & DLRC meetings and a report on the same should be presented in the next SLBC meeting.

**(Action: All Banks)**

22. The scale of finance for animal husbandry and fishery activities should be determined by the District Level Technical Committees (DLTCs)urgentlyfor operationalization of recently announced guidelines on working capital facility to these sub-sectors.

**(Action:SLBC/ Lead Banks)**

23. Details of recent changes made by the central government in the KCC and Animal Husbandry schemes be advertised in the mass media by banks and government departments.

**(Action: SLBC/ Agriculture Department, GoB)**

24.SLBC should prepare a structured format for holding DLCC and DLRC meetings and circulate it to all LDMs/ DMs.

**(Action:SLBC)**

**(I) DATA RELATED:**

25.In LBR system of RBI, the data related to different agriculture activities are clubbed. They are not available separately for all sub-sectors like Dairy, Fisheries, Poultry etc. This should be examined and provision for more granular data be made.

**(Action:RBI)**

26. The number of ATMs added every quarter should be incorporated in the report related to banking infrastructure / key banking indicators.

**(Action:SLBC)**

27.The data relating to performance of Banks in Bihar under the scheme “pbsloansin59minutes.com” should also be put up in the next SLBC meeting.

**(Action:SLBC, ALL Banks)**

28.The data relating to Manufacturing & Service sector should be furnished separately for ascertaining the extent of financing to each of these sectors.

**(Action:SLBC, All Banks)**

29.There is data on claims made and settled to RuPay Card holders under PMJDY should be furnished from next the SLBC meeting.

**(Action:SLBC, All Banks)**

**(J). Outstanding issues of ATR of 66th SLBC:**

1. Digitization of land records and on-line issuance of Land Possession Certificates should be made available to expedite Agriculture and other financing.

**(Action: GoB, Revenue & Land Reforms Deptt.)**

2. The functionality of making on-line application by prospective KCC borrowers should be developed so that banks are able to generate 89-90% applications by 1st of April 2019.

**(Action: All Banks)**

3. Though the rejection rate in Agriculture related DBT has come down from 20-25% to 15-17%, still it is very high. The current list of failed / rejected transactions be shared with all Banks alongwith reason assigned for the failure.

**(Action: SLBC, All Banks/ GoB, Agriculture Deptt.)**

4. Requirement of SC / ST classification is done away with so that the benefit of 1% interest subvention could be passed on to maximum number of farmers.

**(Action: All Banks/ GoB, Agriculture Deptt.)**

5. Centralized on-line platform of Animal Husbandry & Fishery Resources Department for viewing & updating current status of all applications sent to Bank Branches, with access rights to controllers, is still awaited.

**(Action: GoB, AH & Fisheries Deptt.)**

6. “Panchayat Sarkar Bhavan” have been constructed in 1,100 Panchayats in Bihar. Interested bank can open branches in these buildings. Panchayati Raj Department should send the list of such Panchayats to Banks.

**(Action: GoB, Panchayati Raj Deptt.)**

7. Lead District Managers are being involved in investigating / replying / presenting complaint cases filed by complainants under Bihar Lok Shikayat Nivaran Adhikar Adhiniyam – 2015 whereas provisions of this Act are not applicable in respect of banking services. LDMs have raised this issue which is adversely affecting their proper functioning.

**(Action: GoB, Finance Deptt)**

8. The long pending issue of reduction and rationalization of Stamp Duty on agreements / mortgages in respect of bank loans should be looked into.

**(Action: GoB, Registration Deptt.)**

**= 0 = 0 = 0 = 0 = 0 = 0 = 0 =**

**GLOSSARY**

**ACP** Annual Credit Plan

**AH & Fish** Animal Husbandry & Fisheries Resources

**Approx.** Approximately

**ATR** Action Taken Report

**BELTRON** Bihar State Electronics Development Corporation Ltd.

**BLBC** Block Level Banker Committee

**BCC** Bihar Chamber of Commerce

**BC Outlet** Banking Correspondent Outlet

**BIA** Bihar Industries association

**BOs** Banking Outlets

**BOB** Bank of Baroda

**BOI**  Bank of India

**BSWAN** Bihar State Wide Area Network

**CBI** Central Bank of India

**CD Ratio** Credit Deposit Ratio

**CEO** Chief Executive Officer

**CGM** Chief General Manager

**CGTMSE** Credit Guarantee Fund Trust for Micro & Small Enterprises

**CIBIL** Credit & Information Bureau of India Limited

**CLSS** Credit Linked Subsidy Scheme

**CSP** Customer Service Point

**DBGB** Dakshin Bihar Grameen Bank

**DBT** Direct Benefit Transfer

**DEDS** Dairy Entrepreneurship Development Programme

**DEPTT** Department

**DFS** Department of Financial Services

**DLCC** District Level Consultative Committee

**DLRC** District Level Review Committee

**FIMF** Financial Inclusion &Micro Finance

**FY** Financial Year

**GoB** Government of Bihar

**GoI** Government of India

**JLG** Joint Liability Group

**KCC** Kisan Credit Card

**KMs** Kilometers

**LDM** Lead District Manager

**LWE** Left Wing Extremism

**MoU** Memorandum of Understanding

**MSME** Micro, Small & Medium Enterprises

**NPA** Non-Performing Assets

**NPCI** National Payment Corporation of India

**PCA** Prompt Corrective Action

**PMAY** Pradhan Mantri Awas Yojna

**PMEGP** Pradhan Mantri Employment Generation Programme

**PMFBY** Pradhan Mantri Fasal Bima Yojna

**PMJDY** Pradhan Mantri Jan Dhan Yojna

**PMJJBY** Pradhan Mantri Jeevan Jyoti Bima Yojna

**PMSBY** Pradhan Mantri Suraksha Bima Yojna

**PNB** Punjab National Bank

**RBI** Reserve Bank of India

**Q** Quarter

**RSETI** Rural Self Employment Training Institute

**SARFAESI** Securitization and Reconstruction of Financial Assets and

Enforcement of Securities Interest Act, 2002

**SBI** State Bank of India

**SHG** Self Help Group

**SLBC** State Level Banker Committee

**UD & HD** Urban Development and Housing Department

**URCs** Unbanked Rural Centres

**VC**  Video Conferencing

**ZM** Zonal Manager

**XXXXXXXXXX**

**Annexure - I**

**67TH SLBC REVIEW MEETING DATED27.02.2019 AT HOTEL CHANAKYA, PATNA**

**LIST OF PARTICIPANTS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Sl. No. | Name of the Participants | | Designation/Office | |
| **Minister:** | | | | |
| 1 | | Sri Sushil Kumar Modi | | Dy. CM & Finance Minister, Govt. of Bihar |
| 2 | | Sri Rana Randhir Singh | | Co-operative Department Minister, Govt. of Bihar |
| **State Govt.** | |  | |  |
| 1 | | Sri Atul Prasad | | Additional Chief Secretary, Social Welfare Deptt. |
| 2 | | Sri Subhash Sharma | | Development Commissioner, Govt. of Bihar |
| 3 | | Sri. S. Siddharth | | Principal Secretary, Finance Govt. of Bihar |
| 4 | | Smt. N. Vijaya Laxmi | | Secretary, Animal & Fisheries Resources Deptt. |
| 5 | | Sri Balamurugan D. | | CEO JEEVIKA, Rural Development Deptt. |
| 6 | | Sri Sanjay Kumar | | Special Secretary, UD & HD Deptt. |
| 7 | | Sri Vinay Kumar Thakur | | Dy. Secretary, Revenue & Land Reforms Deptt. |
| 8 | | Sri Ravindra Nath Roy | | Special Secretary, Agriculture Deptt. |
| 9 | | Sri A K Jha | | Director, Dairy Deptt. |
| 10 | | Sri Amitabh Mishra | | Joint Secretary, Deptt. Of Finance |
| 11 | | Sri Chandra Prakash | | Dy. Secy. Finance, Deptt. Of Finance |
| 12 | | Sri Mrinal Das | | Dy. Secy. cum OSD to Dy. CM Bihar |
| 13 | | Sri Rajeev Ranjan | | Banking & Finance expert, Deptt. Of Finance |
| 14 | | Sri Shashi Shekhar | | Special Officer, Cooperative Department |
| 15 | | Sri V.K. Chaudhary | | D.I.G., C.I.D., Deptt. |
| 16 | | Sri NirmalaParmanik | | Administrative Officer, AIC, PATNA |
| **RBI& NABARD** | | | | |
| 1 | | Sri S K Majoomdar | | Chief General Manager, NABARD |
| 2 | | Sri Bharat Kumar | | General Manager, NABARD |
| 3 | | Sri Manoj Ranjan | | GM, FIDD, Reserve Bank of India |
| 4 | | Sri Niraj Kumar | | Assistant GeneralManager, Reserve Bank of India |
| 5 | | Sri Bhanu Kumar Mishra | | Assistant General Manager, NABARD |
| 6 | | Ms. Riya Rani | | Manager, Reserve Bank of India |
| B**anks: -** | | | | |
| 1 | | Sri V.S. Negi | | General Manager NW-III, State Bank of India |
| 2 | | Sri Dinesh Kumar Paliwal | | General Manager, Punjab National Bank |
| 3 | | Sri M K Bajaj | | General Manager, Central Bank of India |
| 4 | | Sri D.S. Shaligram | | General Manager, Uttar Bihar Grameen Bank |
| 5 | | Sri Devesh Kumar | | Dy. General Manager (ABU), State Bank of India |
| 6 | | Sri Aparesh K Dennis Das | | Dy. General Manager (FI & MF), State Bank of India |
| 7 | | Sri P K Mohanty | | Chairman, Dakshin Bihar Grameen Bank |
| 8 | | Sri R.K. Goyal | | Dy. General Manager, Bank of Baroda |
| 9 | | Sri C.S. Sastry | | Dy. General Manager, Andhra Bank |
| 10 | | Sri G. B. Tripathy | | Dy. General Manager, Union Bank of India |
| 11 | | Sri Debananda Sahoo | | Dy. General Manager, Canara Bank |
| 12 | | Sri Himanshu Kansal | | Dy. General Manager, Allahabad Bank |
| 13 | | Sri Shivesh Kumar Jha | | Dy. General Manager, IDBI Bank |
| 14 | | Sri D.S. Rathore | | Dy. General Manager, UCO Bank |
| 15 | | Sri Sunil Kumar Sobti | | Dy. General Manager, Syndicate Bank |
| 16 | | Sri Girija Shankar Mishra | | Zonal Manager, Indian Bank |
| 17 | | Sri D. Patwardhan | | Zonal Head, UCO Bank Begusarai |
| 18 | | Sri Ambikanand Jha | | Zonal Head, UCO Bank Bhagalpur |
| 19 | | Sri Sudhanshu Shekhar | | Dy. Zonal Head, UCO Bank |
| 20 | | Sri Sunil Ahuja | | Zonal Manager, Corporation Bank |
| 21 | | Sri Rajendra Singh | | Dy. Zonal Manager, Bank of India |
| 22 | | Sri R.K. Das | | Asst. General Manager SLBC, SBI |
| 23 | | Sri Sumit Bahadur Sinha | | Asst. General Manager GBU, SBI |
| 24 | | Sri Om Prakash Singh | | Asst. General Manager LBRESTI, SBI |
| 25 | | Sri Rajesh Kumar Sinha | | Asst. General Manager SMEBU, SBI |
| 26 | | Sri K.J. Shorey | | Asst. General Manager, United Bank of India |
| 27 | | Sri Binay Kumar | | Asst. General Manager, Canara Bank |
| 28 | | Sri D. Venkatanarayana | | Senior Regional Manager, IOB |
| 29 | | Sri Rajesh Sharma | | Regional Manager, Vijaya Bank |
| 30 | | Sri Maneesh Sinha | | Circle Head HDFC Bank Ltd. |
| 31 | | Sri S. Roy Chaudhary | | Zonal Head, ICICI Bank |
| 32 | | Sri SubhajitMittra | | Regional Head, Bandhan Bank |
| 33 | | Sri Sudhanshu Kumar | | AVP & Nodal Officer Axis Bank |
| 34 | | Sri Sunny G Abraham | | AVP & Area Head, Federal Bank |
| 35 | | Sri Amit Kumar Roy | | AVP, Yes Bank |
| 36 | | Sri Amit Kumar | | State Head, Ujjivan SFB |
| 37 | | Sri Chandra Shekhar Singh | | MD, Bihar State Co-operative Bank |
| 38 | | Ms Veena | | Chief Manager, UCO Bank |
| 39 | | Sri R S Sharma | | Chief Manager, Central Bank of India |
| 40 | | Sri Prakhar Kumar | | Chief Manager, Dena Bank |
| 41 | | Sri Ashok Kumar | | Chief Manager, Punjab & Sind Bank |
| 42 | | Sri Sudhir Srivastava | | Chief Manager, ICICI Bank |
| 43 | | Sri A.K. Verma | | Chief Manager, Oriental Bank of Commerce |
| 44 | | Sri Vidya Bhushan Shah | | Sr. Manager, Indian Bank |
| 45 | | Sri Gaurav Kumar | | Sr. Manager, Bank of Maharashtra |
| 46 | | Sri Deo Bhushan | | Sr. Manager, Bank of Baroda |
| 47 | | Sri Ramudar Rai | | Sr. Manager, Kotak Mahindra Bank |
| 48 | | Sri Priyaranjan Jha | | Sr. Manager, Indian Overseas Bank |
| 49 | | Sri RK Nirala | | Sr. Manager, UCO Bank |
| 50 | | Sri Vinay Kumar | | Sr. Manager, Yes Bank |
| 51 | | Smt Sneha Singh | | Manager, Allahabad Bank |
| 52 | | Sri Sanjeet Kumar | | Manager, Canara Bank |
| 53 | | Sri Mukesh Agrawal | | Manager, Union Bank of India |
| 54 | | Sri Shamaraja Bhatt | | Manager, Karnataka Bank |
| 55 | | Sri Ashok Kumar Khajuria | | Executive Manager, J&K Bank |
| 56 | | Sri Arun Henrey E | | Manager, South Indian Bank |
| 57 | | Sri Sushil Kumar | | Regional Manager, Jana Bank |
| 58 | | Sri Vivek Ranjan | | Branch Manager, Bank of Baroda |
| 59 | | Sri Ramesh Kumar | | Branch Manager, Bank of Baroda |
| 60 | | Sri Sushant Kumar | | Branch Manager, Bank of Baroda |
| 61 | | Sri Prabhat Ranjan | | Branch Manager, Bank of Baroda |
| 62 | | Sri Anjay Kumar | | Branch Manager, Bank of Baroda |
| 63 | | Sri Bijai Kumar | | Branch Manager, Bank of Baroda |
| 64 | | Sri Subodh Kumar Sinha | | Branch Manager, Dakshin Bihar Grameen Bank |
| 65 | | Sri Vishwa Mohan Kumar | | Branch Manager, Dakshin Bihar Grameen Bank |
| 66 | | Sri Vinit Kumar | | Branch Manager, Dakshin Bihar Grameen Bank |
| 67 | | Sri Kamal Nayan Prasad | | Branch Manager, Dakshin Bihar Grameen Bank |
| 68 | | Sri Anirudh Prasad | | Branch Manager, State Bank of India |
| 69 | | Sri Shashi Shekhar Verma | | Branch Manager, State Bank of India |
| 70 | | Sri Awadhesh Jha | | Branch Manager, State Bank of India |
| 71 | | Sri A K Choudhary | | Branch Manager, Canara Bank |
| 72 | | Sri S A Kumar | | Branch Manager, Canara Bank |
| 73 | | Sri Nishant Kumar | | Branch Manager, Allahabad Bank |
| 74 | | Sri Sanjay Kumar | | Branch Manager, Central Bank of India |
| 75 | | Sri Mithilesh Kumar | | Branch Manager, UBI |
| **Others: -** | | | | |
| 1 | | Sri Mukesh Chandra Sharan | | PC-FI, Jeevika |
| 2 | | Sri A.K. Thakur | | Consultant (F.I), Jeevika |
| 3 | | Sri P.K. Agrawal | | President, Bihar Chamber of Commerce |
| 4 | | Sri K.P.S. Keshri | | President, Bihar Industries Association |
| 5 | | Sri Madan Pathak | | State Mission Manager, NULM |
| 6 | | Sri Rajesh Kumar Singh | | ADG/ UIDAI, Patna |
| 7 | | Sri Ashish Kumar | | SRP, UIDAI |
| 8 | | Sri Rajeev Sood | | DGM, SIDBI |
| 9 | | Sri Thomas Antony T | | Regional Chief, HUDCO |
| 10 | | Sri Arun Kumar Jha | | Dy. Chief Post Master (Admin) |
| 11 | | Sri Manoj Kumar | | GM (EB), BSNL |
| 12 | | Ms Puja Upadhyay | | Manager, PFRDA |
| 13 | | Sri Ravi Bhushan | | Sub Inspector, CID |
| 14 | | Sri Deep Chand Yadav | | Office Assistant, National Horticulture Board |
| 15 | | Sri Bipin Kumar Verma | | BCCI, Patna |
| 16 | | Sri Sunny Kumar | | AIC, Patna |
| 17 | | Sri Arvind Sinha | | Education Department, Govt. of Bihar |

= O = O = O = O = O =