

STATE LEVEL BANKERS' COMMITTEE, BIHAR

**42ND REVIEW MEETING
FOR THE QUARTER ENDED 30TH SEPTEMBER, 2012**

VENUE: HOTEL CHANAKYA, PATNA

DATE: 10.11.2012 TIME: 10.30 AM



CONVENOR:

STATE BANK OF INDIA

SLBC DEPARTMENT (5TH FLOOR)

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**STATE LEVEL BANKERS' COMMITTEE
42ND MEETING**

NOTES ON AGENDA ITEMS

AGENDA-I

**CONFIRMATION OF MINUTES OF THE
41ST STATE LEVEL BANKERS' COMMITTEE MEETING
HELD ON 17.08.2012**

The House may please confirm the Minutes of the 41st State Level Bankers' Committee meeting held on the 17th August, 2012.

AGENDA-II

ACTION TAKEN REPORT ON THE 41ST SLBC MEETING

[1] ACTION POINT- Banks should put in concerted efforts to ensure achievement of targets set under ACP for FY: 2012-13.

(Action: All Banks)

ACTION TAKEN: - Due to focussed attention provided by all banks operating in the State an amount of Rs. 19064.82 Crore was disbursed during the period under review, registering Y-o-Y growth of 38.50%. During the corresponding period last year, banks could disburse loans amounting to Rs.13765.33 Crore. Controlling Head of all banks are requested to monitor the low-performing Branches in the coming quarters so that the target under ACP is achieved.

[2] ACTION POINT- KCC should be provided to all eligible & willing farmers of the State. Applications under KCC to be procured from all willing, eligible and non-defaulter farmers of the State.

(Action: Agri Deptt., GoB & All Banks)

ACTION TAKEN: - In the light of the directives issued by the Ministry of Finance, Government of India, Controlling Head of all banks have been requested to arrange to provide Kisan Credit Card to all eligible and non-defaulter farmers. Modified Common Application Form, format of affidavit (for loan upto Rs. 50,000) and Checklist for KCC loan have been provided to the Agri Department, GoB with a request to circulate the same at the district-level to ensure generation of loan applications from all eligible farmers. The same is also uploaded on the website of SLBC. Banks have been advised to provide KCC upto Rs. 50,000 to eligible farmers on the strength of Affidavit (instead of LPC) and Current Rent Receipt.

In the review meeting of Secretary, Financial Services, GOI and Chief Secretary, GOB with Banks and Insurance Companies held at Patna on 26th July, 2012, it was decided that Government will provide the complete application of KCC and Banks will expedite the process of issuance of KCC.

The Agriculture Department, GoB has sent lists of existing KCC holders and list of all defaulters, provided by banks, to District Agriculture Officers of all districts for utilization of these lists during generation of KCC applications.

[3] ACTION POINT- All the crop loans disbursed should invariably be covered under crop insurance. The claims of agriculture crop insurance should be credited into the beneficiary's account within 15 days of receipt of claim and

no interest should be charged in the loan account of borrowers on the claim amount, for the period beyond 15 days from the date of receipt till date of credit. Such interest amount already applied should be refunded to the beneficiaries.

(Action: All Banks)

ACTION TAKEN: - Controlling Head of all banks operating in the State have been requested to instruct their operating functionaries to ensure to cover all the crop loans under crop insurance and the claims of agriculture crop insurance should be credited into the beneficiary's account within 15 days of receipt of claim and no interest should be charged in the loan account of borrowers on the claim amount, for the period beyond 15 days till date of credit and if such interest amount already applied should be refunded to the beneficiaries. Controlling Head of all banks operating in the State have also been requested to instruct their operating functionaries to ensure submission of statement of crop insurance at monthly intervals to the Insurance Companies. It should also be ensured that the statement so submitted is complete in all respects.

[4] ACTION POINT- Banks should timely claim interest subvention for prompt repayment in KCC accounts.

(Action: All Banks)

ACTION TAKEN: - Controlling Head of all banks operating in the State have been requested to instruct their operating functionaries to ensure to timely claim interest subvention for prompt repayment in KCC accounts. Bank wise data is placed at **page no. 7E** for information of all concerned.

[5] ACTION POINT- ATM Cards should be issued to all eligible KCC holders.

(Action: All Banks)

ACTION TAKEN: In the revised KCC, it is incorporated in the scheme itself to issue smart cards/ ATM cards to KCC holders. Accordingly, Banks have been requested to start implementing the instructions. 37959 ATM cards to KCC holders have been issued so far. (page no.28E)

[6] ACTION POINT- Banks to install more number of ATMs and issue more ATM cards.

(Action: All Banks)

ACTION TAKEN: - Controlling Head of all banks operating in the State have been requested to arrange to install more number of ATMs and issue more ATM cards to their eligible customers. 2266 ATMs installed and 6972694 ATM Cards have been issued so far. (page no.7A & 7B)

[7] ACTION POINT- All concerned Banks to finalise and send their plan of installing ATMs in the State to SLBC on the basis of the roll out plan for ATMs, district and month-wise devised by Bank of Baroda.

(Action: All Concerned Banks)

ACTION TAKEN: Controlling Head of all banks operating in the State have been requested to arrange to finalise and send their plan of installing ATMs in the State to

SLBC on the basis of the roll out plan for ATMs, district and month-wise devised by Bank of Baroda. A copy of Bank wise District wise roll out plan provided by BOB is placed at **page no. 7C & 7D** for information of all concerned.

[8] ACTION POINT- Financing under SHG and JLG model to be given more impetus.

(Action: All Banks)

ACTION TAKEN: The Controlling Head of all Banks have been requested to give more impetus to financing under SHG and JLG model. Banks have credit-linked 12002 SHGs during the review period of F.Y. 2012-13 with total Bank-finance of Rs. 82.37 Crore. The total finance of 56.13 Crore has been given to 5396 JLGs during the review period of F.Y. 2012-13.

[9] ACTION POINT- All concerned Banks should put in concerted efforts for covering all the 3052 unbanked villages having population of 1600 to 2000 by providing banking facility by March, 2013.

(Action: All Concerned Banks)

ACTION TAKEN: Controlling Head of all banks operating in the State have been requested to put in concerted efforts for covering all the 3052 unbanked villages having population of 1600 to 2000 by providing banking facility by March, 2013. Till September, 2012, only 74 unbanked villages have been provided with banking facility.

[10] ACTION POINT- Lead District Managers to get the village list, having population of 1600 to 2000, ratified by their DLCCs and send the DLCC approved list to the SLBC.

(Action: All LDMs)

ACTION TAKEN: - As per information received by SLBC only in 8 districts so far, the list has been ratified by the DLCC (Araria, Arwal, Kaimur, Bhojpur, Jamui, Madhipura, Nawada & Rohtas). The LDMs of the remaining 30 districts are requested to get the list of villages ratified by DLCC latest by 30th November, 2012 and send the DLCC approved list to the SLBC.

[11] ACTION POINT- All concerned Banks should put in concerted efforts for setting up Brick and Mortar branches/USBs in all the identified villages with population above 5000 by October, 2012.

(Action: All Concerned Banks)

ACTION TAKEN: - Controlling Head of all banks operating in the State have been requested to put in concerted efforts for setting up Brick and Mortar branches/ USBs in all the identified villages with population above 5000 by October, 2012. Till September, 2012, only 916 villages with population above 5000 out of 1695 villages have been covered.

[12] ACTION POINT -SLBC to convene a review meeting on F.I. on monthly basis.

(Action: SLBC)

ACTION TAKEN: - SLBC is convening a review meeting of F.I. on monthly basis. In September, the meeting was held on 21/09/2012 & Meeting for October was held on 3/11/2012.

[13] ACTION POINT- LIC to convene a meeting with LDMs and BCAs in each and every district within one month in order to saturate the district with micro insurance products and submit a report to SLBC.

Action: LIC)

ACTION TAKEN: - LIC has been requested to convene a meeting with LDMs and BCAs in each and every district to saturate the district with micro insurance products and submit a report to SLBC.

[14] ACTION POINT- Banks/LDMs to ensure opening account of at least one member of each household in the district and verify the completion of the task from the voter's list.

(Action: All Banks & LDMs)

ACTION TAKEN: Banks/LDMs have been requested to ensure opening account of at least one member of each household in the district and verify the completion of the task from the voter's list. Voter's list has been provided by the State Government and it has been sent to all LDMs for distribution as per Service Area villages/wards to all branches.

[15] ACTION POINT- The functioning/ conduct of CSPs of BCs should be monitored and reviewed at periodical intervals.

(Action: All Banks)

ACTION TAKEN: As per information received, the outlets opened by BCs are being visited by bank officials and their performance is being monitored at regular intervals. Further, banks have also opened Financial Inclusion Centres (FICs) and these FICs have become the Nodal Point for monitoring the performance of CSPs on regular basis. Senior Officials of Banks are also visiting the CSPs.

Banks have been directed by GOI to identify an officer for visiting the CSPs on a fixed day and time, for minimum one day (in case of villages with population above 2000) and all 6 days (in case of villages with population above 5000) in a week with a Laptop with VPN connectivity in order to carry out non-cash transaction while BCAs are to do cash transaction.

[16] ACTION POINT- Appropriate steps should be initiated to address security related concerns of the banks.

(Action: State Government)

ACTION TAKEN: - The State Government is requested to initiate requisite steps to address security related concerns of banks. This needs attention of the State Govt. in view of the spate of bank robberies, murder of bank officials in the recent past.

[17] ACTION POINT- Appropriate steps to be initiated by SDCs-Banking to dispose of the Top 10 Certificate Cases of each district.

(Action: SDC-Banking & State Government)

ACTION TAKEN: - SDCs-Banking of respective districts are requested to dispose of the Top 10 Certificate Cases of districts on priority basis.

[18] ACTION POINT- Modalities for effective implementation of EBT guidelines in the State to be finalized.

(Action: RBI, State Govt. & Banks)

ACTION TAKEN: - A meeting of Bankers and State Government officials was convened at Chief Secretary's office on 21st August, 2012 wherein a decision was taken to start the E payment on a pilot basis by 7 Banks having lead responsibilities in the State in one district each. "Old Age Pension" scheme has been chosen as the only scheme for e-payment and format for providing the data by Government of Bihar to the Banks have been provided by SLBC. The process of e-payment will start on receipt of particulars from Government of Bihar.

[19] ACTION POINT- State Government to complete the task of computerization /digitization of land records in all districts and to commence the facility of online creation/release of charge as it would further facilitate bankers in granting of loan to farmers in a hassle-free manner.

(Action: State Government)

ACTION TAKEN: - State Government has been requested for early computerization of land records. It will take care of the problem of fake LPC and also enable bankers to do Agriculture finance in a convenient and hassle-free manner. It is learnt that computerisation of land records has been completed in 10 districts of the State but no right for online creation and deletion of charge has been given to the bankers.

State Government is requested to complete the task of digitization of land records in all districts and also provide the facility of online creation/release of charge so that loan disbursement could be facilitated in the State.

STATE LEVEL BANKERS' COMMITTEE, BIHAR

KEY INDICATORS**(ALL BANKS)**

(Rs. in Crore)

SL. No.	ITEMS	MAR'12	SEPT'11	SEPT'12	BENCH-MARK
1	DEPOSITS	138163.08	122934.42	143222.65	
2	ADVANCES	45356.81	39021.08	47782.33	
3	ADVANCES INCLUDING ADVANCES GRANTED TO UNITS IN BIHAR BY BRANCHES OPERATING OUTSIDE BIHAR	48212.88	40889.33	53114.28	
4	ADVANCES INCLUDING RIDF	50703.87	43002.57	55795.15	
5	CD RATIO	36.70	34.98	38.96	
6	PRIORITY SECTOR ADVANCES	32247.11	27506.96	35265.09	
7	SHARE OF PSA IN TOTAL ADV(SL.NO.2) (%)	71.10%	70.49%	73.80%	40 %
8	AGRICULTURAL ADV.	18290.07	16270.91	20697.56	
9	SHARE OF AGL. ADV IN TOTAL ADV (SL.NO.2) (%)	40.32%	41.70%	43.32	18 %
10	MSME ADV.	6823.10	6250.89	8626.04	
11	SHARE OF MSME ADV. IN PSA (%)	21.16%	22.72%	24.46%	
12	ADV. TO WEAKER SEC.	13023.27	9732.29	11834.87	
13	SHARE OF WEAKER SEC. IN PSA (%)	40.39%	35.38%	33.56%	25 %
14	DRI ADV.	91.92	57.38	73.97	
15	SHARE OF DRI ADV IN TOTAL ADV (SL.NO.2) OF MAR'12 (%)	0.25%	0.16%	0.16%	1 %
16	ADV. TO WOMEN (DISBURSEMENT)	1840.76	690.66	1027.87	
17	SHARE OF ADV. TO WOMEN IN DISBURSEMENT (%)	5.68%	5.02%	5.39	5 %
18	TOTAL NUMBER OF BRANCHES	4860	4650	4962	
A	RURAL	2898	2784	2926	
B	SEMI-URBAN	1070	1004	1105	
C	URBAN	892	862	931	

AGENDA-III

REVIEW OF PERFORMANCE UNDER ANNUAL CREDIT PLAN: 2012-13

The performance of all banks under the Annual Credit Plan 2012-13 during the quarter ended September 2012 is as follows:-

(Rs. in Crore)

Banks	Target	Achievement	% Ach.
Comm. Banks	38028.05	14824.60	38.98
Co-op. Banks	2322.12	222.01	9.56
RRBs	11050.22	4018.21	36.36
Total	51400.39	19064.82	37.09

Sector-wise break-up of targets and achievement:

(Rs. in Crore)

Sector	Target	Achievement	% Ach.
Agriculture	25400.52	8630.84	33.98
MSE	3400.03	2055.30	60.45
OPS	4600.56	1695.82	36.86
TPS	33401.11	12381.96	37.07
NPS	17999.28	6682.86	37.13
Total	51400.39	19064.82	37.09

Bank-wise and district-wise position is furnished on **Page- 12 A to 12 E.**

COMPARATIVE PERFORMANCE UNDER ACP As on September, 2012 vis-a-vis September, 2011

(Rs. in Crore)

Banks	2012-13			2011-12			YOY increase in disb. (%)
	Target	Ach.	% Ach	Target	Ach.	% Ach	
Comm	38028.05	14824.60	38.98	31591.19	10765.94	34.08	37.70
Co-op	2322.12	222.01	9.56	2018.74	205.60	10.18	7.98
RRBs	11050.22	4018.21	36.36	9590.07	2793.79	29.13	43.83
Total	51400.39	19064.82	37.09	43200.00	13765.33	31.86	38.50

SECTOR-WISE PERFORMANCE:

(Rs. in Crore)

Sector	2012-13			2011-12			YOY increase in disb.(%)
	Target	Ach.	% Ach	Target	Ach.	% Ach	
Agl.	25400.52	8630.84	33.98	21101.95	6039.35	28.62	42.91
MSE	3400.03	2055.30	60.45	2441.25	1301.33	53.30	57.94
OPS	4600.56	1695.82	36.86	4600.45	1485.00	32.28	14.20
TPS	33401.11	12381.96	37.07	28143.65	8825.68	31.36	40.29
NPS	17999.28	6682.86	37.13	15056.35	4939.65	32.81	35.29
Total	51400.39	19064.82	37.09	43200.00	13765.33	31.86	38.50

Comparative performance shows that the overall achievement during the period under review is 37.09%, as against 31.86% recorded during the corresponding period last year. Further, in absolute terms, banks have disbursed substantially higher quantum of loans during the period under review, as compared to the amount disbursed in the corresponding period last year. It will be seen that RRBs and Commercial Banks have recorded impressive growth, particularly RRBs, in their loan disbursements vis-a-vis their performance over the same quarter last year. In case of sector-wise growth, it will be observed that advances to Agri & MSE segments have increased significantly in the quarter under review.

REVIEW OF ACP TARGET OF CO-OPERATIVE BANKS & COMMERCIAL BANKS

The issue of higher target given to Co-operative Bank was discussed in the 41st SLBC meeting held on 17th August, 2012 on the ground that the ACP target achievement of Co-operative bank was at 19.32% during the financial year 2011-12, but its target was enhanced by Rs. 300.91 Crores (15.03%) for F.Y. 2012-13 . In order that performance of the State is not adversely affected due to higher target given to Co-operative bank, it was decided in the last SLBC meeting to revise the ACP target of Co-operative bank and proportionately increase the target of major Commercial Banks.

The following mentioned table indicates the proposed revision in ACP target of Co-operative bank and major Commercial banks. If the proposal receives approval of the House, the target of the concerned banks would stand accordingly revised.

NAME OF BANK	PRESENT ACP AGRI TARGET (IN CR.)	REVISED ACP AGRI TARGET (IN CR.)	DIFFERE NCE (IN CR.)	REVISED ACP TARGET (IN CR.) (2012-13)	% INCREASE OVER ACP TARGET OF F.Y. 2011-12
State Co-op. Bank	2303.25	2000.00	(-)303.25	2000.00	(-) 0.12
State Bank of India	3611.46	3708.90	97.44	10850.52	21.47
Central Bank of India	2476.02	2519.92	43.90	4888.32	21.47
Punjab National Bank	2673.39	2723.62	50.23	5593.85	21.46
Canara Bank	600.65	622.76	22.11	2461.98	21.46
UCO Bank	969.05	987.30	18.25	2032.05	21.47
Bank of Baroda	674.49	686.50	12.01	1337.70	21.47
Union Bank of India	419.97	428.67	8.70	969.01	21.47
Bank of India	958.81	981.93	23.12	2574.82	21.47
Allahabad Bank	928.92	948.79	19.88	2213.38	21.47
United Bank of India	379.37	386.96	7.61	845.86	21.47

AGENDA-IV

EDUCATION LOAN

One of the main priorities of banks operating in the State is to provide education loan to all the meritorious and needy students to enable them meet the expenses of higher studies not only in the State but also outside the State in India and abroad.

Loan amounting to Rs 431.00 Crore were sanctioned to 14592 students and loan amounting to Rs. 345.39 Crore were disbursed among 16081 students under Education Loan during the first half of the current financial year. Bank-wise performance is furnished on **Page-12F & 12G**.

The achievement of all banks taken together is 36.48% of the targets allocated i.e. 40000 (in number) for F.Y.2012-13. The Sub-Committee of SLBC has finalised the common eligibility criteria, checklist, application form etc. and has been advised to all banks, LDMs of all districts and State Government. Controlling Head of all banks are requested to provide further impetus to financing under Education Loan so that the target set under the Scheme is achieved.

Department of Financial Services, Government of India has drawn attention towards inordinate delay in disposal of Education loan applications, requirement of Grievance Redressal Mechanism and appropriate disposal of loans for Vocational Courses. A copy of letter No. 1(1)/2011-CP dated 14.09.2012 received from Department of Financial

Services, Government of India is placed at **Page No.12H to 12I**. All concerned are requested to adhere to the instructions of the GOI in this regard.

Department of Financial Services, Govt. of India vide its letter no. F.18(15)/2012-CP dated 31st October, 2012 (copy placed at **page no.12J to 12K**) has advised the Public Sector Banks to adopt and implement the Indian Banks' Association's model loan scheme for Vocational Education and Training(copy placed at **page no.12L to 12P**). All Banks are requested to allocate the target for providing loan for Vocational Education and Training to the selected the branches under the overall target of Education Loan given to them. A copy of the target given to the branches be advised to SLBC for record.

HOUSING LOAN

Loan amounting to Rs. 469.72 Crore was sanctioned to 5053 beneficiaries by Banks during the review period of F.Y. 2012-13. Out of these, Housing Loan upto Rs. 15 Lac with project cost upto Rs. 25 Lac was provided to 1553 beneficiaries. The bank-wise performance during the review period is placed at **Page No.12G**.

AGENDA-V

PM'S NEW 15-POINT PROGRAMME FOR WELFARE OF MINORITY COMMUNITY

In accordance with the guidelines issued by the Government of India in this regard, Banks have to ensure that within the overall target for Priority Sector lending, 15% of PSA is provided to Minority Communities.

With this objective in view, 121 minority concentrated districts in the country have been identified exclusively for monitoring the credit flow to minority communities. In Bihar, the following seven districts are identified for the purpose :-(i) Kishanganj (ii) Araria (iii) Purnea (iv) Katihar (v) Sitamarhi (vi) Darbhanga, and (vii) West Champaran .

In these identified districts, total priority sector loans outstanding as on 30.09.2012 was Rs. 5207.50 Crore (No. of borrowers: 793685) out of which loans amounting to Rs.2171.69 Crore (41.70% of PSA) were provided to 257511 (32.44% of PSA) borrowers belonging to minority communities. The amount provided to Minority communities by banks in the above mentioned districts ranges from 27 to 76%. Thus, all the districts have achieved the target of providing more than 15% of their priority sector loans to the persons belonging to minority communities.

District-wise performance regarding loans extended to minority communities in the identified districts is furnished on **Page-12Q**.

AGENDA-VI

FINANCIAL INCLUSION

The Government of India has issued "Strategy and Guidelines on Financial Inclusion" from time to time. The various issues covered under the strategy are as under:

1. PERIODICAL UPDATION OF SERVICE AREA PLAN ON DISTRICT WEBSITE:

The name and contact No. of BCAs, name and designation of Bank Officials identified for weekly/daily visits is required to be added in the Service Area Plan of the district. Further, Service Area Plan needs to be periodically updated to account for appointment of new BCAs, change of BCAs, change of identified Bank Officials for visit etc. All Lead District Managers have already been requested to ensure that the Service Area Plan with requisite details is prepared and uploaded on the district website and also updated regularly on a monthly basis whenever any change takes place.

While Service Area Plan has been uploaded on the district website of all districts, the revised format containing information as elaborated in the above paragraph is yet to be confirmed by the districts. A line of confirmation regarding uploading of modified format and its regular updation be sent by LDMs to the SLBC by 26th November, 2012.

A copy of the modified District Service Area Plan is placed at **Page No.17A** of Agenda Book for information of all concerned.

2. ALLOCATION OF ENTIRE GRAM PANCHAYAT TO BCs (CSPs) BY BANKS:

Entire Gram Panchayat should be allocated to BCs (CSPs) by banks to ensure viability of CSPs. In this regard, Controlling Head of all banks operating in the State have been requested by SLBC to allocate the entire Gram Panchayat to the Business Correspondents appointed/ engaged by them, for opening banking outlets in their allotted villages to comply with the instructions of the Ministry of Finance.

3. PREPARATION OF STATE/DISTRICT FINANCIAL SERVICES PLAN:

The Comprehensive Annual Financial Service Plan is to be prepared at both the State & District level to ensure coverage through banking, rural development, insurance etc. in the State.

At the State level, in this connection, several meetings with the Nodal Officer of Life and Non-Life Insurance Companies, NABARD officials and major Banks of the State have been held. The Life and Non-Life Insurance Companies have been requested to bring out their approach paper with a plan to saturate the State with micro insurance products.

LDMs are also advised to convene a meeting of Insurance Companies, NABARD officials and banks in their districts and prepare a Comprehensive Financial Service Area Plan of their districts with regard to banking and insurance related coverage of the districts.

4. EXTENSION OF BANKING SERVICES TO VILLAGES HAVING POPULATION OF 1600 to 2000 BY MARCH 2013:

3052 unbanked villages with population of 1600 to 2000 have been identified and advised to concerned LDMs and banks, which are to be covered by providing banking facility by March, 2013. All LDMs have been advised to get the list ratified by their DLCCs by 30th June, 2012. However, as per information received only in 8 districts so far, the list has been ratified by the DLCC (Araria, Arwal, Kaimur, Bhojpur, Jamui, Madhipura, Nawada & Rohtas). The LDMs of the remaining 30 districts are requested to get the list of villages ratified by DLCC latest by 30th November, 2012.

Banks have covered 74 unbanked villages out of 3052 villages by providing banking facility thereat. All Banks are requested to cover the allotted villages by providing banking facility by March, 2013 and send us the month-wise schedule of covering the allotted villages as well as the progress report of previous month at the earliest. Bank-wise allotted list & progress report is placed at **Page No. 17B** for information of the House.

5. EXTENSION OF BANKING SERVICES TO VILLAGES HAVING POPULATION OF MORE THAN 2000:

Banks have covered all 9206 un-banked villages with population above 2000 in the State.

As per the guidelines of Department of Financial Services, Government of India, One Bank officer has to visit the CSP in the FI village on a predetermined day and time at-least once a week. The frequency of visit may be raised depending upon the business potential. It should be ensured that the same person visits the outlets regularly in order to build the confidence of local people on these outlets. The transport facility should be provided to the bank officials for visiting the villages.

6. OPENING OF A BRICK AND MORTAR BRANCH IN VILLAGES HAVING POPULATION OF 5000 & ABOVE:

Brick and Mortar branches/Ultra Small branches have to be opened by 31st October, 2012 in all un-banked villages having population of 5000 & above in under-banked districts (all districts except Patna in Bihar) and in Patna district all villages having population of 10000 & above. Banks have covered 916 unbanked villages out of 1695 villages by establishing Brick & Mortar Branches/USBs as on 30th September, 2012.

Bank-wise details of villages covered vis-a-vis villages allocated to them are furnished on **Page No.17C**. However, this data for coverage of villages provided by the Banks requires to be revised in view of recent instructions of GOI as contained in letter no.F.No.21/13/2009-FI-(Pt.) dated 1st August,2012 which clarifies that the USB in villages having 5000 and above population should be managed full time by at least one bank officer with laptop having VPN connectivity on all the working days in a week in lieu of weekly visit by a bank officer as per earlier guidelines.

7. ESTABLISHMENT OF ULTRA SMALL BRANCHES IN LWE AFFECTED DISTRICTS" UNDER THE GUIDELINES FOR INTEGRATED ACTION PLAN (IAP) FOR SELECTED TRIBAL & BACKWARD DISTRICTS UNDER THE STATE COMPONENT OF BACKWARD REGIONS GRANT FUND (BRGF):

Under Financial Inclusion various measures have been initiated by the Government of India regarding establishment of Ultra Small Branches (USBs) in all FI villages (above 2000 population) including Left Wing Extremism (LWE) affected areas. Ministry of Home Affairs has identified 15 districts in Bihar as Left Wing Extremism (LWE) affected. The Planning Commission has also formulated guidelines for Integrated Action Plan (IAP) in some selected tribal and backward districts under the State component of Backward Regions Grant Fund (BRGF). 9 LWE districts (Arwal, Aurangabad, Gaya, Jamui, Jehanabad, Kaimur, Munger, Nawada & Rohtas) in Bihar also figure in the Planning Commission list for IAP. As per IAP guidelines, a committee headed by District Collector/District Magistrate and consisting of the Superintendent of Police of the District and District Forest Officer are responsible for implementation of the Scheme.

Funding of Capital Cost for establishing the USBs, amounting to Rs. 1.40 lacs per USB has been included by the Planning Commission as permissible project under IAP. LDMs of concerned 9 district have been requested to approach the District Magistrate for funding of capital cost for the establishment of USBs in the identified villages having population of above 2000.

A copy of letter No. F.No. 20/57/2010-FI dated 28th August, 2012 with all its enclosures received from Department of Financial Services, Government of India is placed at **Page No. 17D to 17G** for information of all concerned.

8. PLAN FOR COVERAGE OF HILLY, TRIBAL AND DESERT AREA IN THE DISTRICT:

In terms of instructions of GOI, LDMs have been requested to identify hilly and tribal areas, if any, in their district and prepare a plan for coverage of all such villages by BCs of the respective Banks as per service area. The plan, duly approved by DLCC must be forwarded to SLBC for ratification. However, it must be ensured that each BC Agent is

assigned a sub-service area within the service area of the branch and Gram Panchayat shall be retained as a unit.

9. OPENING ACCOUNT OF EACH HOUSEHOLD IN THE DISTRICT:

Under Financial Inclusion, various measures have been initiated by Government of India and Reserve Bank of India and are being implemented by all Banks in the State in order to open the account of at least one member of each family. In order to achieve 100% FI in the districts, branches need to verify the existing account holders with the voters' list and in case of any family not having any account, the same need to be opened at an early date. LDMs have also been advised to coordinate the efforts of the banks branches in this regard and ensure that each family has at least one bank account. The soft copy of voters list of all districts has been received from the State Government and the same has been forwarded to all LDMs to enable them send the voters list to the respective service area branch and ensure that account of at least one member of each household is opened by banks. As per Government of India instructions, the Urban area should also be assigned to different banks on the basis of wards and banks assigned the responsibility in the specific ward of the Urban area would be responsible for ensuring that every household has at least one bank account. LDMs have been requested to assign the responsibility of specific ward of Urban area to different Banks as per their presence thereat and provide the ward-wise voters list to the branch having responsibility of specific ward. The branch should furnish a certificate of having opened the account of each household in their service area villages, to the LDMs so that coverage of all households through account opening could be ascertained.

Department of Financial Services, Government of India vide its letters No. F.No. 6/23/2012-FI dated 24th July 2012 & 3rd August, 2012 (placed at **Page No.17H to 17O** of the Agenda Book) has clarified that all families must have one account in a bank on Core Banking Solution and having NEFT facility. Based upon this letter, SLBC Bihar has advised Controlling Head of all Banks and all the Lead District Managers of the State for opening the accounts of all Households by the branches based on the service area of the branches. A format for reporting the monthly progress by the LDMs and Banks has also been devised by SLBC and sent alongwith the above referred letter. All LDMs are again requested to provide the voters list of the service area villages/wards to the concerned branches so that coverage of the villages/wards could be completed.

A copy of SLBC letter No. SLBC/PP/44 & 45 dated 19th September, 2012 alongwith format for monthly reporting of data is placed at **Page No. 17P to 17S** of the Agenda Book for ready reference of all concerned.

10. OPENING ACCOUNT OF MIGRANT LABOURERS & STREET VENDORS/HAWKERS IN URBAN AREAS:

All banks have also been requested to arrange to open bank accounts of all eligible persons including migrant labourers and street vendors/hawkers, who are working within 500 metres of the branches in urban and metro areas, through branch or CSPs so that financial inclusion and remittance in urban area could be facilitated. In this regard, the Lead District Managers of all districts have also been requested for initiating necessary steps and sensitizing the branches in their district so that account of all migrant labourers and street vendors/hawkers could be opened.

11. ELECTRONIC BENEFIT TRANSFER:

The issue of Electronic Benefit Transfer has been discussed with the State Government at various levels. The state government has been requested to instruct the concerned Departments to provide the list of beneficiaries of the 35 social welfare schemes to the Controlling Head of Banks to enable them to suitably instruct their branches for opening of their accounts so that the fund transfer can be done electronically. The Reserve Bank of India, Regional Office, Patna is further requested to play a coordinating role for early implementation of the EBT Scheme in the State.

A meeting of Bankers and State Government officials was convened at Chief Secretary's office on 21st August, 2012 wherein a decision was taken to start the E payment on a pilot basis by 7 Banks having lead responsibilities in the State in one district each. "Old Age Pension" scheme has been chosen as the only scheme for e-payment and format for providing the data by Government of Bihar to the Banks have been provided by SLBC. The process of e-payment will start on receipt of particulars from Government of Bihar.

A copy of the minutes of the meeting on EBT held on 21st August, 2012 is placed at **Page No. 17T to 17U** for information of the House.

AGENDA-VII

GOVT. SPONSORED SCHEMES/ PROGRAMMES

(A) BIHAR GROUND WATER IRRIGATION SCHEME (BIGWIS)

Bihar Ground Water Irrigation Scheme (BIGWIS) is being implemented by the Department of Minor Water Resources, Government of Bihar in co-ordination with NABARD, Regional Office, Patna with the objective of providing irrigation facility to the needy farmers. Against the target of 44520, total of 7219 applications for loans amounting to Rs. 36.20 Crore were sanctioned by banks during the period under review. Further, as regards disbursement, a total of 7062 applications were disbursed, amount involved being Rs. 34.01 Crore. Bank-wise performance during the review period of current FY. 2012-13 is furnished on **Page-19A**.

NABARD, Regional Office, Patna has reported that so far only 54074 units have been sanctioned an amount of Rs. 202.41 Crores. This is based on the progress report and utilisation certificates submitted by banks. NABARD has further expressed its concern that the participating banks except SBI, are not submitting monthly progress report of BIGWIS to NABARD. All Banks are requested to submit the information on monthly basis to NABARD so that up-to-date position of the State could be arrived at. A copy of NABARD letter No. NB/BIHAR/ICD/1167/BIGWIS/2012-13 dated 31st October, 2012 is placed from **Page No.19B to 19C** for information of all concerned.

(B) PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME (PMEGP)

Against the physical target of 6290 projects, banks have sanctioned only 152 projects and amount of margin money involved being Rs. 352.44 Lac upto 16.10.2012 in the current financial year, as per information provided by KVIC, Patna. Considering the yearly target of utilisation of Margin Money at Rs. 14468.88 Lac, the performance of banks need accelerated improvement in the remaining months of the current financial year. All concerned viz. Sponsoring agencies and banks are requested to pay more focussed attention towards financing under the Scheme. The performance under the Scheme should also be reviewed in DLCC meetings and effective measures should be initiated for improving the performance of poorly performing branches. The concerned agencies are requested to sponsor more PMEGP applications so that performance of banks could be improved. The information received from KVIC, Patna on applications forwarded to and loan sanctioned by banks is provided at **Page No.19D to 19H** for information of all concerned.

(C) SWARNJAYANTI SHAHARI ROJGAR YOJANA (SJSRY)

Under the Scheme, loans amounting to Rs. 2.13 Crore were sanctioned to 471 beneficiaries during the period under review while during the corresponding period of last financial year loans amounting to Rs. 2.24 Crore were sanctioned to 429 beneficiaries. Thus, decline of 4.91% and growth of 9.79% were registered Y-o-Y in terms of amount of financial assistance extended and no. of beneficiaries provided

loans under the Scheme, respectively. Further, loans amounting to Rs. 2.08 Crore were disbursed to 464 beneficiaries during the review period of current financial year.

Bank-wise position is furnished on **Page-19I**.

AGENDA-VIII

FINANCE TO SELF HELP GROUPS (SHGs)

Access to timely and adequate credit and other financial services by the vulnerable and weaker sections of the society at an affordable cost is essential for the overall economic development of the society. With this objective in view, SHGs play a very crucial and effective role, and banks play a facilitating role through credit linkages with them. Banks have credit-linked 12002 SHGs during the period under review of current FY 2012-13, with total Bank-finance of Rs. 82.37 Crore. Year-wise performance under SHG Financing is given hereunder:

(Rs. in Crore)

Year	Number of SHGs Credit Linked	Amt. of Finance
UP TO 2000-04	16246	51.82
DURING 2004-05	11769	37.42
DURING 2005-06	18206	31.20
DURING 2006-07	26517	82.54
DURING 2007-08	49738	240.99
DURING 2008-09	25696	211.44
DURING 2009-10	30241	295.05
DURING 2010-11	26055	198.13
DURING 2011-12	22714	179.64
DURING 2012-13 (UPTO SEPT. 2012)	12002	82.37

Bank-wise SHG credit-linkage during the review period of current F.Y. 2012-13 is furnished on **Page- 19J to 19K**.

JOINT LIABILITY GROUP

Against the yearly target of 50,000 units, all Banks could sanction 5396 number of JLGs amounting to Rs. 56.13 Crores during the review period of F.Y. 2012-13.

The Bank-wise performance under JLG is placed at **Page No.19K** for information of the House.

As SHG & JLG are important tools to reach the so far financially excluded rural people, all Banks are requested to enhance financing under these schemes during the current F.Y. 2012-13.

AGENDA-IX

KISAN CREDIT CARD (KCC)

REVIEW OF PROGRESS AS ON 30.09.2012

A summarised statement of Kisan Credit Cards issued by Commercial Banks, RRBs and Co-operative Banks during April-September, 2012, vis-a-vis target for the year 2012-13 is given below:

Banks	Target (No.)		Sanctioned (No.)		% Achievement	
	New	Renewal	New	Renewal	New	Renewal
Comm. Banks	811207	648964	226175	184399	27.88	28.41
RRBs	467081	373665	124610	255240	26.68	68.31
Co-op. Banks	221712	177371	10599	93467	4.78	52.70
TOTAL	1500000	1200000	361384	533106	24.09	44.43

It is evident from the above Table that banks operating in the State have sanctioned loans to a total of 894490 beneficiaries (New-361384 & Renewal-533106) under KCC amounting to Rs. 5964.88 Crore upto 30.09.2012 in the FY 2012-13 while during the corresponding period last year, only 803038 beneficiaries were extended loans under KCC, the amount involved being Rs.4103.21 Crore . Thus, Y-o-Y growth of 11.39% and an impressive growth of 45.37% have been witnessed in terms of no. of KCCs issued and amount of finance extended, respectively.

Bank-wise performance is furnished on **Page- 23A to 23F.**

PROVIDING KCC TO ALL ELIGIBLE AND NON-DEFAULTER FARMERS

In the light of the directives issued by the Ministry of Finance, Government of India, Kisan Credit Card is to be provided to all eligible and non-defaulter farmers. Modified Common Application Form, format of affidavit (for loan upto Rs. 50,000) and Checklist for KCC loan have been provided to the Agri Department, GoB with a request to circulate the same at the district-level to ensure generation of loan applications from all eligible farmers. The same is also uploaded on the website of SLBC. In the meeting on disbursement of KCC loan and holding of camps for Education loan held on 21st May, 2012, it was decided that banks should finance, without insisting for LPC, for KCC upto Rs. 50,000/- and instead of LPC, Affidavit and current rent receipt should be

demanding by banks. In the review meeting held at Patna on 26th July, 2012, it was decided that Government will provide the complete application of KCC and Banks will expeditiously issue KCC.

Further, Agri Department, GoB has been requested to provide village-wise list of farmers. The Agriculture Department, GoB has sent lists of existing KCC holders and list of all defaulters, received from banks, to District Agriculture Officers of all districts for utilization of these lists during generation of KCC applications.

The branches of banks need to continue their endeavours for generating KCC loan applications from all eligible farmers and the services of BC Agents may also be utilized for the purpose. Two camps were held on 12/09/2012 & 10/10/2012 for generation of KCC Loan applications at Block Level in the State. The data relating to the camps is furnished on **page no.23T**

TIMELY ISSUANCE OF LAND POSSESSION CERTIFICATES AND VERIFICATION OF LAND REVENUE RECORDS BY BANK OFFICIALS

The issue of submission of fake Land Possession Certificates (LPCs) by farmers for availing KCC loans and other Agri advances has been brought to the notice of the House on many occasions. Further, issuance of discrepant/ incomplete LPCs by Circle Officers has also been observed. Revenue officials are, in many cases, neither verifying the LPCs nor allowing the Bank officials to view the land record (Register II) in order to ascertain the genuineness of the LPCs submitted by farmers for availing Agriculture Loan. The State Government is requested to issue appropriate instructions to the revenue officials in this regard to facilitate verification of LPCs/Land records.

The operating functionaries may please also be instructed by the State Government for timely issuance of LPCs with all particulars including family-tree (wherever required) and boundary of the land as well as respond in a time bound manner to the request of the Banks for verifying the genuineness of the LPC.

It is learnt that computerisation of land records has been completed in 10 districts of the State but no right for online creation and deletion of charge has been given to the bankers.

State Government is requested to complete the task of digitization of land records in all districts and also provide the facility of online creation/release of charge so that loan disbursement could be facilitated in the State.

CROP INSURANCE SCHEME

As per information received from Patna Regional Office, Agriculture Insurance Company of India Ltd, 323845 farmers have been covered under MNAIS Kharif 2012 while 196320 farmers have been extended the benefit of crop insurance coverage under WBCIS Kharif 2012. Thus, a total of 520165 farmers have been provided the crop insurance cover, the sum insured being Rs. 1300.41Crores and the area covered being

650205.87 hectares by Agriculture Insurance Company of India Ltd. The information on crop insurance received from various insurance companies are as under:

NAME OF THE INSURANCE COMPANY	NO. OF FARMERS WHOSE CROPS INSURED	AREA (IN HA.)	SUM INSURED (IN CR)
Agriculture Insurance Company Of India Ltd	520165	650205.87	1300.41
HDFC ERGO	412110	408242.57	918.55
IFFCO-TOKIO	228982	229237.00	515.78
TOTAL	1161257	1287685.44	2734.74

Thus, as per information received from the above said 3 insurance companies, a total of 1161257 farmers have been provided crop insurance cover, the sum insured being Rs. 2734.74 Crores and the area covered being 1287685.44 hectares.

Controlling Head of all banks operating in the State have been requested to instruct their operating functionaries to ensure to cover all the crop loans under crop insurance and the claims of agriculture crop insurance should be credited into the beneficiary's account within 15 days of receipt of claim and no interest should be charged in the loan account of borrowers on the claim amount, for the period beyond 15 days till the date of credit. In case of interest being applied on the claim amount received by the Branch it should be refunded to the beneficiaries. Controlling Head of all banks operating in the State have also been requested to instruct their operating functionaries to ensure submission of statement of crop insurance at monthly intervals to the Insurance Companies. It should also be ensured that the statement so submitted is complete in all respects.

The position of insurance as advised by Agriculture Insurance Company of India Ltd, HDFC Ergo & Iffco-Tokio is furnished on **Page- 23G to 23M.**

DAIRY, FISHERY & POULTRY

Banks have sanctioned loans amounting to Rs 150.00 Crore to 8568 beneficiaries under various Dairy Development schemes, Rs.24.63 Crore to 622 beneficiaries under Fishery schemes and Rs. 27.50 Crore to 1299 beneficiaries under Poultry schemes during the review period of current financial year. During the same period of last F.Y., Banks had extended loans amounting to Rs. 106.83 Crore to 8326 beneficiaries under various Dairy Development schemes, Rs.5.49 Crore to 412 beneficiaries under Fishery schemes and Rs. 7.52 Crore to 1518 beneficiaries under Poultry schemes. Thus 2.91% increase in no. and 40.41 % increase in amount of dairy units financed, 50.97% increase in no. and 348.63% increase in amount of fishery units financed and 14.43% decrease in no. and 265.69% increase in amount of Poultry units financed has been observed Y-o-Y.

Bank-wise performance data is furnished on **Page- 23N to 23P** for discussion and review by the House.

All concerned are requested to put in concerted efforts and initiate appropriate steps for increasing financing under these activities.

With regard to Dairy Entrepreneurship Development Scheme (DEDS), Banks have not received the subsidy portion from the State Government in many cases. Similarly release of subsidy by NABARD is also pending for cases sanctioned during F.Y. 2011-12. NABARD is requested to expedite the process and also clarify the status in this regard for F.Y. 2012-13. In this connection letter No. NB (Bih)/ICD/2229/DEDS/2011-12 dated 17th October, 2012 received from NABARD, Patna is placed on **Page No.23Q** for information of all concerned.

FARM MECHANISATION

Against the disbursement target of Rs.1503.02 Crore for the current financial year, banks have sanctioned loans amounting to Rs. 178.69 Crore to 5906 farmers for purchasing farm equipments during the first half of the current financial year while during the same period last year banks could sanction loans amounting to Rs 133.27 Crore to 4849 farmers, registering Y-o-Y growth of 34.08% and 21.80 % in terms of amount sanctioned and no. of farmers financed respectively. As regards disbursement, loans amounting to Rs.178.41 Crore were provided for purchasing farm implements to 5878 farmers.

Controlling head of all banks are requested to advise their branches to initiate requisite measures so that the targets set under the scheme are achieved.

Bank-wise performance data is furnished on **Page-23R**, for discussion and review by the House.

ADVANCES GRANTED TO UNITS PROVIDING STORAGE FACILITY

In view of the improvement in the production of cereals in the last few years and the need for safe-keeping the agricultural produce, banks are requested to finance for enhancing storage facilities in the State. As per information received, all banks taken together have sanctioned loans amounting to Rs. 45.42 Crore to 53 units during the period under review and Rs. 36.13 Crore were disbursed to 53 units for providing storage facility. During the Ist half of F.Y. 2011-12, loans amounting to Rs.29.85 Crore were sanctioned to 48 units and out of these, loans amounting to Rs. 23.34 Crore were disbursed among 44 units. Controlling Head of all banks are requested to instruct their operating functionaries to intensify efforts for financing such units.

Bank- wise performance is furnished on **Page- 23S**.

AGENDA-X

CD RATIO (As on 30.09.2012)

(Rs. in Crore)

Bank	Deposits	Advances	CD ratio
Comm. banks	124785.63	43420.72	34.80
Co-op. banks	3102.71	2642.92	85.18
RRBs	15334.31	7050.64	45.98
Total	143222.65	53114.28	37.09
RIDF	-----	2680.87	-----
Total (Advances +RIDF)	143222.65	55795.15	38.96
Investment	-----	5262.11	-----
Grand Total (Adv.+RIDF+Inv.)	143222.65	61057.26	42.63

As at the end of September, 2012, CD Ratio stood at 38.96% which shows an increase of 398 basis points as compared to September, 2011. The incremental CD ratio for the period under review is 100.63%. Due to large amount of advances written off every year, CD Ratio has also been adversely affected. The CD ratio of the State may improve further, if the State Government utilise the total amount of Rs.5746.30 crore (As on 30.09.2012) sanctioned under RIDF. As on 30th September, 2012 only 47 % of the amount sanctioned had been utilised by the Government of Bihar.

However, there are four districts, namely, Siwan (21.71%), Saran (23.63%), Bhojpur (24.09%) and Lakhisarai (24.92%) where CD Ratio is still less than 25%. Controlling head of banks having lead responsibilities in these districts are requested to instruct their concerned LDMs to coordinate with all banks operating in these districts and intensify efforts to adopt suitable strategies for improving CD ratio in these districts.

Bank-wise and district-wise details are furnished on **Page-25A to 25E.**

It is pertinent to mention here that an amount of Rs.5331.95 Crore was provided to units functioning in Bihar by SBI, PNB, Union Bank of India, Allahabad Bank, Corporation Bank, Indian Bank, Indian Overseas Bank, State Bank of Bikaner & Jaipur and Axis Bank by their branches operating outside the State and the amount has been taken into account for calculating the CD ratio as per guidelines issued by the Reserve Bank of India vide its circular No.-RPCD.LBS.BC.No.47/02.13.03/2005-06 dated 9th November 2005, which reads as under:

Institution/ Level	Indicator
Individual banks at Head Office	Cu+RIDF
State Level (SLBC)	Cu+RIDF
District Level	Cs

Note:

Cu= Credit as per place of Utilisation

Cs= Credit as per place of Sanction

RIDF= Total Resource support provided to States under RIDF

INCREMENTAL CD RATIO AS ON 30.09.2012

Amt. In Crore	March'12	September'12
Deposits	138163.08	143222.65
Advances including RIDF	50703.87	55795.15
Incremental CDR	-----	100.63%

RECOVERY

A summary of the recovery data (as on 30.09.2012) is given below.

(Rs.in Crore)

Bank	Demand raised	Amount recovered	Recovery %
Comm. Banks	7301.41	4045.90	55.41
Co-op. Banks	985.56	183.75	18.64
RRBs	659.47	461.82	70.03
Total	8946.44	4691.47	52.44

Recovery percentage is at 52.44% of the total demand raised by banks as on 30th September, 2012. The recovery position needs improvement to drive the financing by banks in the State. While the banks are following up with the borrowers for recovery of the dues, the State government is requested to help the banks in their efforts for recovery of Bad Loan. A better recovery culture will act as an incentive for banks to lend more.

Bank-wise position of recovery as on 30.09.2012 is furnished on **Page- 25F to 25G.**

With regard to disposal of top ten certificate cases of the districts, though the list has been furnished to all the SDCs (Banking), the progress with regard to disposal of certificate cases and action against big defaulters has not been very encouraging. The State Government is requested to sensitize the functionaries at district level to give adequate attention towards disposal of certificate cases, execution of Possession Notice under SARFAESI Act and action against big defaulters of the district so that banks are able to recover their dues from the defaulters.

NPA's & WRITE-OFF

As on 30.09.2012, overall position of NPAs and the amount of loans written off is as under:
(Rs. in Crore)

Banks	Total Adv.	Total NPA	% of NPA	Amt. written-off	% of written- off amt. to total advances
Comm. Banks	38088.77	3011.32	7.91	46.54	0.12
Co-op. Banks	2642.92	261.79	9.91	0	0
RRBs	7050.64	403.63	5.72	202.73	2.88
Total	47782.33	3676.74	7.69	249.27	0.52

NPA of Banks at 7.69% is a matter of great concern. Therefore, all efforts need to be made for bringing down the NPA level below 5%.

Bank-wise details are furnished on **Page- 26A to 26C** for discussion and review by the House.

CERTIFICATE CASES & DISPOSAL OF TOP 10 CASES

As on 30.09.2012, overall position of Certificate Cases filed by all banks is furnished below:
(Rs. in Crore)

Banks	Total Cases (Accounts) As on 30.06.2012	Total Cases (Amount) As on 30.06.2012	Cases filed (Accounts) (During the quarter)	Cases filed (Amount) (During the quarter)	Cases disposed of (Account) (During the quarter)	Cases disposed of (Amount) (During the quarter)	Pending Cases (Accounts) As on 30.09.12	Pending Cases (Amount) As on 30.09.12
Comm.	317720	1373.32	2171	22.79	710	5.85	319181	1390.25
Co-op	32980	44.68	-	-	30	0.05	32950	44.63
RRBs	35930	35.12	404	0.75	-	-	36334	35.87
Total	386630	1453.12	2575	23.54	740	5.90	388465	1470.76

It is evident from the above Table that during the quarter ended September 2012, 2575 cases were filed and 740 cases were disposed off and 388465 cases involving Rs. 1470.76 Crore are pending at different stages. This large amount of bad loans, if recovered and recycled, can further enhance disbursements under ACP: 2012-13. The list containing details of top 10 Certificate Cases of each district has been provided to the SDC-Banking of the respective district for effecting recovery in these cases. The district-wise summary position of top 10 Certificate Cases is placed at **Page-26D**. It is evident that very meagre recovery has been made in these accounts, despite the regular highlighting of the lists at the district level. However, in districts where the District Magistrate has taken interest towards disposal of the Certificate Cases, there has been good recovery in the loan accounts. The State Government is requested to instruct the district-administration of all districts of the State to initiate requisite steps at their end for early disposal of the top 10 Certificate Cases of the respective district. At the same time, Block-level recovery camps on the lines of credit camp, need to be organised which will help Banks in improving their asset quality besides conveying a message of **TIMELY REPAYMENT** to the borrowers.

Bank-wise no. of certificate cases pending with amount is furnished on **Page-26E**.

PRIORITY SECTOR LENDING

As on 30.09.2012, the National Benchmark of 40% for the share of priority sector advances in total advances has been achieved by majority of the banks. The House may notice that the ratio of priority sector advances to total advances is as high as 73.80% in the State, which is well above the Benchmark of 40%. Bank-wise position is furnished on **Page- 27A to 27C.**

AGRI CREDIT

At the State level, the ratio of Agri Credit to Total Advances stands at 43.32% as on 30.09.2012, against the national benchmark of 18%. However, a few banks have failed to achieve the benchmark. Bank-wise position is furnished on **Page- 27A & 27C.**

DIFFERENTIAL RATE OF INTEREST (DRI)

As on 30th September, 2012, the aggregate advances level under DRI Scheme stands at Rs. 73.97 Crore, which is 0.16 % of the total advances of Rs. 45356.81 Crore as on 31.03.2012. In terms of the national benchmark, the minimum level of DRI Advances should be 1% of the aggregate advances as at the 31st March of the previous year. Further, a total of 2161 beneficiaries were provided loans amounting to Rs. 3.83 Crore under DRI Scheme during the period under review. In addition to this, 134 beneficiaries were provided credit support of Rs. 0.27 Crore to complete their dwelling units under Indira Awas Yojana. Banks should provide more loans under the Scheme to the needy and eligible beneficiaries, and ensure maximum coverage of people belonging to SC/ST and women categories, apart from providing Top-up Loans to the beneficiaries of Indira Awas Yojana. The Industries and Rural Development departments of the State Government are requested to sponsor/ help source such proposals. Also, banks should step up financing of the rural artisans like carpenters, blacksmiths, washermen, cobblers etc. under the Scheme.

Bank-wise position is furnished on **Page- 27B & 27D.**

WEAKER SECTIONS

Banks extended financial assistance amounting to Rs. 11834.87 Crore out of the aggregate advances of Rs.47782.33 Crore to Weaker Sections of society, during the period under review, which stood at 24.77% of the total advances, against the benchmark of 10%. Further, as percentage of Priority Sector Advances, the achievement was better at 33.56% against the Benchmark of 25%.

Bank-wise position is furnished on **Page-27B.**

AGENDA-XI

OPENING OF NO-FRILLS ACCOUNTS AND PROVIDING OD-FACILITY AND GENERAL CREDIT CARDS TO NO-FRILLS ACCOUNT HOLDERS

The issue is of immense importance as far as 100% Financial Inclusion is concerned and as such, it has been discussed and reviewed in almost all the review meetings of SLBC. Details of No-frills accounts opened, operational No-frills accounts, Overdraft facility provided and General Credit Card issued to No-frills account holders are placed before the House for more focussed and meaningful interaction. As per information gathered from majority of banks, a total of 1294969 No-Frills accounts were opened during the review period of FY 2012-13. Thus, a total of 11425134 No-frills accounts have been opened till 30th September, 2012. Out of these, 9055611 accounts are operational. Further, overdraft facility has been extended to 428695 No-frills account holders; the amount involved being Rs. 9.08 Crore. Apart from this, 48227 General Credit Cards have been issued to No-frills account holders, with aggregate credit limits of Rs.89.29 Crore.

Bank-wise & District-wise details are furnished on **Page- 28A to 28B.**

The Bankwise and Districtwise details of BCAs engaged & transactions done by them is placed at **page no.28C & 28D** for information of the House

EXTENDING MOBILE BANKING AND INTERNET BANKING FACILITY

For serving large no. of customers banks are required to extend mobile banking and internet banking facility to customers as these are customer friendly and at the same time the cost involved is less than the normal Banking channel. As per information received by SLBC, all banks taken together have provided Mobile Banking facility to 427541 customers whereas the facility of Internet Banking has been provided to 562904 customers. Controlling Head of all banks operating in the State are requested to bestow their attention and initiate requisite steps for extending these facilities to large no. of customers as it would facilitate improvement in service delivery of banks.

Bank-wise information regarding Mobile Banking and Internet Banking facility provided is furnished on **Page- 28E.**

AGENDA-XII

IMPLEMENTATION OF FINANCIAL INCLUSION PLANS IN LWE AFFECTED DISTRICTS

The Government of India is regularly reviewing the progress made in implementing Financial Inclusion in Left Wing Extremist (LWE) affected districts in the State of Bihar. There are 15 LWE affected districts in Bihar as under:

1. Arwal, 2. Aurangabad, 3. Bhojpur, 4. East Champaran, 5. Gaya 6. Jamui, 7. Jehanabad, 8. Kaimur, 9. Munger, 10. Nalanda, 11. Nawada, 12. Patna, 13. Rohtas, 14. Sitamarhi & 15. West Champaran.

Banks operating in these districts are implementing financial inclusion plans on a priority basis for extending banking facilities to these LWE affected areas. The performance of banks towards ACP achievement during the first half of the F.Y. 2012-13 has been as under:

SL.No.	District	Disbursement under ACP during the Ist half of 2012-13 (Rs. in Lakh)	Disbursement under ACP during the Ist half of 2011-12 (Rs. in Lakh))	%Growth
1	Arwal	8918	6325	41.00
2	Aurangabad	44410	26852	65.39
3	Bhojpur	53504	45281	18.16
4	East Champaran	62196	50189	23.92
5	Gaya	58335	42852	36.13
6	Jamui	21424	13372	60.22
7	Jehanabad	16137	11705	37.86
8	Kaimur	42418	33144	27.98
9	Munger	42805	20631	107.48
10	Nalanda	34998	29180	19.94
11	Nawada	14069	13355	5.35
12	Patna	411868	293591	40.29
13	Rohtas	59994	56349	6.47
14	Sitamarhi	29777	26053	14.29
15	West Champaran	61072	43470	40.49

It is evident from the above that banks have extended higher quantum of credit as compared to last year in all the LWE affected districts. The credit extension in Aurangabad, Jamui & Munger districts have improved considerably as growth of more than 50% have been witnessed Y-o-Y, while other districts have also recorded growth over their last year's disbursement. Further, the State Government is also requested to provide necessary infrastructural support to facilitate larger credit extension by banks in these areas.

The Government of India is regularly reviewing the progress made in the LWE affected districts in the fields of development of Infrastructure, Credit availability, Advocacy, Livelihood development. The Secretary, Financial Services held Video Conference with SLBC, NABARD & Life and Non-life Insurance Companies on 10th September, 2012. The minutes of the said Video Conference meeting is provided at **Page No.29A to 29H** for information of the House.

AGENDA-XIII

ESTABLISHMENT OF CLEARING HOUSE FACILITY

The Department of Financial Services (DFS), Ministry of Finance, Government of India (GOI) has advised the SLBC Convenor Banks to take immediate action for establishment of Clearing House facility in the identified centres in consultation with the Lead Bank of the concerned district. A copy of letter of Joint Secretary, DFS, Ministry of Finance addressed to the Chairman, State Bank of India enclosing the list of such 61 centres identified for the State of Bihar is placed on **Page No. 30A to 30C** of the Agenda Book for information of all concerned.

In this connection, Controlling Head of Banks having lead responsibility in the Districts are further requested to instruct their concerned functionaries to coordinate for identification of settlement bank for these centres for establishment of Clearing House and make required follow up for permission for opening of Clearing House with Regional Office of RBI so that establishment of Clearing Houses is completed at an early date.

AGENDA-XIV

INVESTIGATION OF CYBER FRAUD & COUNTERFEIT NOTES DETECTED BY BANKS

A meeting of Public Sector Banks was held on 17th August 2011 at Department of Financial Services, New Delhi regarding Status of Technology Adoption and Integration with the Banking Network. Concern was expressed in the meeting on the slow progress in investigation of Cyber fraud and counterfeit notes being detected by Banks. It was suggested that the issue should be taken up in the SLBC meeting and State Government may be requested to expedite the process of investigation of cyber fraud and other related issues by providing infrastructural support. Further, Controlling Head of all banks operating in the State are requested to bring to the notice of the State Government occurrences of cyber fraud and detection of counterfeit notes so that appropriate steps may be initiated by the Government in this regard.

AGENDA-XV

FUNCTIONING OF RURAL SELF EMPLOYMENT TRAINING INSTITUTES (RSETIs)

RSETIs are functional in all the districts in the State. 1020 training programmes for various vocations have been organized by RSETIs and 28625 participants have been imparted training. 8615 trainees have set up their self-employment ventures. The information pertaining to RSETIs in the State of Bihar is placed on **Page- 32A** for information.

AGENDA-XVI

FUNCTIONING OF FINANCIAL LITERACY CENTRES (FLCs)

FLCs are functional in all the districts except Khagaria in the State. 85866 persons have been counselled and 4212 camps have been organized in these centres so far. The information pertaining to FLCs in the State of Bihar is placed on **Page -32B** for information.

AGENDA-XVII

INFORMATION ON MEDIUM & SMALL ENTERPRISES

The Reserve Bank of India has sought additional information with regard to disbursement made to MSE sector as the same is sought by members of Parliamentary committee / top management of RBI / GoI on various occasions. The information has accordingly been obtained by the SLBC and the same is placed on Page No. **32C** for information.

Banks are requested to consider financing to clusters indentified by MSME Development Institute, Patna (under Ministry of MSME, GOI) for increasing the pace of MSME finance in the State.

SMALL ROAD TRANSPORT OPERATORS (SRTOs)

Against the target of 12500 units, banks have sanctioned loans amounting to Rs. 166.42 Crore for purchasing 5305 vehicles by SRTOs till September, 2012. Out of it finance of Rs. 161.92 Crore have already been disbursed for purchasing 4910 vehicles during this period. During the corresponding period last year loans amounting to Rs. 137.24 Crore was sanctioned for purchasing 3624 vehicles registering Y-o-Y growth of 21.26% and 46.39% in terms of amount sanctioned and no. of units financed respectively. Bank-wise performance vis-a-vis targets allotted to them is furnished on **Page- 32D**.

ADVANCES GRANTED UNDER CGTMSE COVERAGE

A total of 15519 units were financed by banks involving Rs.573.96 Crore with Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) cover during the period under review while during the corresponding period last year, only 10072 units could be financed by banks involving Rs. 247.37 Crore with CGTMSE cover. Thus, an impressive growth of 54.08% Y-o-Y registered in terms of no. of units while the growth was 132.02% in terms of amount of financial assistance provided. Further, as regards disbursement, loans amounting to Rs. 572.34 Crore were provided to 15520 units under CGTMSE cover. Controlling Head of all banks operating in the state are requested to instruct their operating functionaries to cover all the eligible units under CGTMSE as per extant guidelines of the Reserve Bank of India.

Bank-wise performance data is furnished on **Page- 32E**, for discussion and review by the House.

AGENDA-XVIII

WEAVERS CREDIT CARED

As we all know, the Government of India has implemented a number of Schemes for the development of handloom sector in the past. Based on the past experience in this regard, the Government of India has formulated a new Scheme called Weavers Credit Card (WCC), which aims at providing adequate and timely assistance from the Banking institutions to the Weavers to meet their credit requirements i.e. the investment needs as well as the working capital needs of weavers in a flexible and cost effective manner. The Scheme is to be implemented both in rural and urban areas. Controlling Head of all banks and LDMs of all districts of the State have already been advised by the SLBC to initiate requisite steps for implementation of the Scheme in the State of Bihar.

As per directives from the Government of India, the State Government is requested to do the needful with regard to execution of MOU, audit of Weavers society etc. so that the scheme is implemented in the State.

The Bank-wise Target and Achievement as on 30.09.2012 is furnished on **Page no. 32F** for information of the House.

AGENDA-XIX

SECURITY RELATED CONCERN OF BANKS

Few instances of Murder of employee, Theft and other security related incidents during review period of current financial year, have been reported by banks as under:

Incidents of Daicoty/Loot etc.						
Sl. No.	Name of the Bank	Branch Name	District	Date of Incidence	Loss of property (Amount in Lac)	Life affected/Injury /death (nature of Loss)
1.	PNB	Veer	Patna	20.04.2012	4	Theft
2.	UBI	Rangaon	Munger	08.05.2012	3	Dacoity
3.	UCO Bank	Bounsi	Banka	15.05.2012	22	Dacoity
2.	UBGB	Bheja	Madhubani	22.05.2012	30	Dacoity
3.	SBI	Patliputra	Patna	14.06.2012	-	Murder of employee

From the above, it is observed that criminal activities have increased in the area of operation of banks in general and as such staff members have developed a sense of insecurity. The State Government is therefore requested to expedite the process of raising a special battalion of police personnel for security of banks so that the bankers are able to provide unhindered banking services to the people in a more secure environment, especially in remote areas.

AGENDA-XX

MISCELLANEOUS ISSUES

REGISTRATION OF SECURITY INTEREST WITH CENTRAL ELECTRONIC REGISTRY (CERSAI) MEMBERSHIP FOR CERSAI IN SLBC MEETINGS

The status of filing of transaction by the banks on CERSAI portal needs to be discussed in the SLBC meeting as decided in the meeting dated 11th September, 2012 of the Core Committee of Banks/FIs with CERSAI officials. Accordingly, the CERSAI officials are henceforth being invited in the SLBC meetings so that the issues concerning CERSAI could be discussed in the meeting. A copy of minutes of the meeting dated 11th September, 2012 is place at **Page No.34A to 34D** for information of the House.

REVIEW OF CREDIT LINKED CAPITAL SUBSIDY SCHEME (CLCSS)

The Reserve Bank of India vide its letter No. RPCD.PAT.No. 766/04.01.02 (SME)/2012-13 dated 5th October, 2012 (placed at **Page No. 34E to 34F**) has suggested that progress in implementation of CLCSS scheme needs to be included as one of the

Agenda items in the SLBC meeting. All Banks are requested to come out with issues concerning credit flow to SSI units and implementation of CLCSS by them so that the benefits accrues to the desired units.

The information regarding CLCSS and its implementation by banks would be placed in the Agenda Book from the next SLBC meetings for discussion by the House.

RESPONSIBILITY OF LDMs FOR E-PAYMENT, FLCs & ACCOUNT OPENING

It has been decided by the Department of Financial Services, Government of India (GOI) that LDMs shall be the focal point for co-ordination and monitoring of various activities in respect of all banks functioning in the district. These activities include:

- i. Setting up, functioning and monitoring of Financial Literacy Centre
- ii. Opening of one bank account per family
- iii. Roll-out of ATMs
- iv. Roll-out of BCAs
- v. Promotion of E-payment

All Lead District Managers are requested to follow the instructions/guidelines/circulars issued by the Department of Financial Services, GOI from time to time and ensure their proper implementation in the district.

A copy of letter No. F.No. 2/6/2011-FI dated 5th September, 2012 of Department of Financial Services, GOI received through e-mail is placed at **Page No. 34G to 34H** for information of all concerned.

NATIONAL RURAL LIVELIHOOD MISSION (NRLM)

The ministry of Rural Development, Government of India vide its letter No. I-12011/16/2012-SGSY (C) dated 19th October, 2012 (placed at **Page No.34I to 34J** of the Agenda Book) has advised for constituting a separate Sub-Committee for SHG Bank-linkage. In Bihar, the Sub-Committee for SHG Bank-linkage is already in place and is holding monthly meeting to discuss the progress, implementation, documentation procedures etc. involved in the SHG Bank-linkage programme. At the district level, the Government of India suggested that the SGSY Co-ordination Committee be renamed as NRLM Co-ordination Committee and entrusted the specific role of monitoring the SHG Bank Linkage and the functioning of RSETIs at the district level.

SWARNA JAYANTI GRAM SWAROJGAR YOJANA (SGSY)

In respect of SGSY loans given by banks discrepancies with respect to sanction, disbursement, application of interest on subsidy portion etc. has been raised in the earlier SLBC meetings and all Banks have been requested by SLBC to refund the excess interest applied on the SGSY loans and provide the information in respect of SGSY loans sanctioned between 01.04.2005 to 31.03.2012. The Rural Development Department, Government of Bihar vide its letter No. RD/SRLM/01/11/61 dated 19th October, 2012 (copy placed at **Page No.34K**) has advised that only State Bank of India and Bank of India have provided information on discrepant interest calculation and its refund to borrowers' accounts. All Banks are requested to submit the information on the prescribed format (a copy placed at **Page No.34L** for ready reference) to SLBC at an early date.
