

# **STATE LEVEL BANKERS' COMMITTEE, BIHAR**

**48<sup>TH</sup> REVIEW MEETING**

**FOR THE QUARTER ENDED 31<sup>ST</sup> MARCH, 2014**

**VENUE: HOTEL CHANAKYA, PATNA**

**DATE: 27.05.2014      TIME: 10.30 AM**



**STATE BANK OF INDIA**

**SLBC DEPARTMENT (5<sup>TH</sup> FLOOR)**

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**STATE LEVEL BANKERS' COMMITTEE  
48<sup>TH</sup> MEETING**

**NOTES ON AGENDA ITEMS**

**AGENDA-I**

**CONFIRMATION OF MINUTES OF THE  
47<sup>TH</sup> STATE LEVEL BANKERS' COMMITTEE MEETING  
HELD ON 28.02.2014**

The House may please confirm the Minutes of the 47<sup>th</sup> State Level Bankers' Committee meeting held on the 28<sup>th</sup> February 2014.

**ACTION TAKEN REPORT ON THE ACTION POINTS OF 47<sup>TH</sup> SLBC MEETING HELD ON 28.02.2014 AT PATNA**

**[1] ACTION POINT – Banks should put in concerted efforts to ensure achievement of target set under ACP for FY: 2013-14.**

**(Action: All Banks)**

**ACTION TAKEN:** - Due to sincere efforts made by Banks in the State, ACP achievement till March'14 has been to the tune of 91.95% of the annual targets. The Banks in the State have extended credit of Rs. 57007 Crore during the FY 2013-14 which is 28% more than the disbursement of Rs. 44521Cr made during the same period last year. The Bank and District-wise ACP achievement is placed at page no. 9A to 9D of the Agenda Book.

**[2] ACTION POINT – Banks to monitor branch-wise performance to improve ACP achievement. The data related to zero performing branches should be provided by all banks along with the actions taken/ proposed to be taken by the Bank.**

**(Action: All Banks)**

**ACTION TAKEN:** - The Banks are monitoring the performance of the branches on regular basis. ACP achievement of all districts has shown improvement over their performance during the same period last year. In two districts viz. Bhojpur and Siwan the CD Ratio is less than 25%. All banks are requested to focus on the low performing districts to improve their performance.

**[3] ACTION POINT – The Banks should give focus on issuance of new and renewal of KCC and also increase financing in other Agri. areas such as Dairy, Fishery, other Allied activities, etc. in order to achieve the ACP target for Agri. segment.**

**(Action: All Banks)**

**ACTION TAKEN:** - During the FY 2013-14 the Banks in the State have provided finance of Rs.28770 Cr under Agriculture as compared to finance of Rs. 21567 Cr provided by the Banks during the same period last year. Thus there has been 33% growth in credit extension under Agriculture segment by the Banks during the FY. Financing under KCC, Rural Godown, Farm Mechanisation etc. has also witnessed improvement over that of last year.

**[4] ACTION POINT - Implementation of Interest-Subvention scheme in the accounts of SHGs to be ensured so that the SHG borrowers get the benefit of the scheme. Interest to be applied at the rate of 7% in SHG accounts which are NRLM compliant.**

**(Action: All Banks, SRLM & Canara Bank)**

**ACTION TAKEN:** - All Banks are requested to implement the Interest-Subvention scheme in the accounts of SHG so that the SHG borrowers get the benefit of the scheme.

**[5] ACTION POINT – The procedure outlined in the Dairy scheme with regard to claim of subsidy amount viz. joint forwarding by Dairy Officer and Branch Manager to be reviewed and fresh notification to be issued.**

**(Action: Animal & Fishery Resources Department, GoB)**

**ACTION TAKEN:** - The joint forwarding of subsidy proposal has been envisaged in the scheme, in order that the subsidy is claimed only when the disbursement is made as per the scheme.

**[6] ACTION POINT - LPC to be issued on new standardized formats for convenience of all concerned.**

**(Action: Revenue and Land Reforms Department, Government of Bihar)**

**ACTION TAKEN:** - The Revenue Authorities are requested to ensure that LPC is issued on new standardized formats for convenience of all concerned.

**[7] ACTION POINT – Participation in SLBC sub-committee meetings by reasonably senior officials of Banks, say of AGM rank, must be ensured.**

**(Action: All Banks)**

**ACTION TAKEN:** -. All Banks are requested to ensure participation of reasonably senior level official, in the state level meetings.

**[8] ACTION POINT – The issue of hike in Stamp Duty should be revisited for small value non- Agri loans and other matters like DRI, WCC, PMEGP, Deceased payment etc.**

**(Action: State Govt.)**

**ACTION TAKEN:** - The State Govt. is requested to revisit the hike in Stamp Duty for non-Agri loans such as DRI, WCC, PMEGP etc.

**[9] ACTION POINT - The issue of inclusion of RRBs under CGTMSE to be taken up with Govt. of India.**

**(Action: Industry Dept. GoB)**

**ACTION TAKEN:** - The Industry deptt has been requested to take up the issue of inclusion of RRBs under CGTMSE.

**[10] ACTION POINT – Target under PMEGP scheme to be achieved and claim of margin money to be expedited.**

**(Action: All Banks)**

**ACTION TAKEN:** - The achievement of Banks during the FY 2013-14 under the PMEGP scheme has grown by 43.16% over that of 2012-13.

**[11] ACTION POINT – The PMEGP beneficiaries should be given training at the RSETIs and the Bank branches should sponsor potential borrowers for training to RSETIs as well as visit the RSETIs during training programme for selection of eligible persons for financing under PMEGP and other relevant schemes.**

**(Action: PMEGP Imp. Agencies - KVIC, DIC, KVIB, RSETIs & Banks)**

**ACTION TAKEN:** - All concerned viz. Bank branches, RSETIs, KVIC, DIC and KVIB need to play a coordinating role so that the PMEGP beneficiaries get training at the RSETIs.

**[12] ACTION POINT- Banks to report error free and consistent data to all the agencies. All banks to designate a nodal office for providing data to different forums. The name of Nodal office, Nodal officer with contact no. to be advised to all Banks, LDMs and other stake holders.**

**(Action: All Banks)**

**ACTION TAKEN:** - The name and contact no. of nodal officer of each Bank is placed at page no. 36B of the Agenda Book.

**[13] ACTION POINT – SBI, under the guidance of RBI to arrange to develop software for real time reporting of data by all Banks.**

**(Action: SBI & RBI)**

**ACTION TAKEN:** - The Banks in the state are of the view that CBS does not capture the disbursement data which is required for SLBC purpose. Accordingly, at the present juncture it may not be possible to operationalise the system to directly collect the entire data required for SLBC purpose from the CBS system of Banks.

**[14] ACTION POINT – Target of opening 750 branches during the FY to be met by the Banks in the State. Un-banked Gram Panchayats to be given priority while opening branches by Banks in rural areas.**

**(Action: All Banks)**

**ACTION TAKEN:** - During the FY 2013-14, the Banks in the State have opened 658 branches, which is much more than the average 307 branches Banks in the state have been opening every year during the last five years.

**[15] ACTION POINT – The District Administration to give adequate attention towards disposal of Certificate Cases, execution of Possession Notices under SARFAESI Act and action against the big defaulters of the district so that Banks may recover their dues from the defaulters.**

**(Action: All SDC Banking)**

**ACTION TAKEN:** - The District Administration has been requested to give adequate attention towards disposal of Certificate Cases, execution of Possession Notices under SARFAESI Act and action against the big defaulters of the district so that Banks may recover their dues from the defaulters. In the SLBC Sub Committee meeting on Industries held on 30.10.2013, it has been decided to hold two monthly meetings in each district. One meeting to discuss Recovery and progress under Certificate Cases filed by Banks and the other to discuss all other issues related to Banks viz. Education Loan, PMEGP, WCC etc in each district. SDCs (Banking) are requested to convene both the monthly meetings on regular basis. The State Govt has advised all the DMs to ensure that SDC(Banking) of the districts implement the above decision of holding these two monthly meetings regularly.

**[16] ACTION POINT – The Animal Husbandry Deptt to organise a meeting for awareness on Dairy and Fishery schemes.**

**(Action: Animal Husbandry Dept., GoB)**

**ACTION TAKEN:** -The Animal Husbandry Deptt. organised an awareness meeting in which representative of implementing Banks, their nodal Branch Manager, District level Dairy Officer and State Govt. officials participated.

**STATE LEVEL BANKERS' COMMITTEE, BIHAR**

**KEY INDICATORS**  
**(ALL BANKS)**

(Rs. in Crore)

<b>Sl. No.</b>	<b>ITEMS</b>	<b>March'13</b>	<b>March'14</b>	<b>Bench-mark</b>
1	DEPOSITS	161035.62	183458.24	
2	ADVANCES	55254.21	66687.77	
3	ADVANCES INCLUDING ADVANCES GRANTED TO UNITS IN BIHAR BY BRANCHES OPERATING OUTSIDE BIHAR	62293.74	74717.83	
4	ADVANCES INCLUDING RIDF	65364.22	78678.00	
5	CD RATIO	40.59	42.89	
6	PRIORITY SECTOR ADVANCES	38969.39	48005.69	
7	SHARE OF PSA IN TOTAL ADV (SL.NO.2)(%)	70.53%	71.99%	40%
8	AGRICULTURAL ADV.	22537.76	25379.65	
9	SHARE OF AGL. ADV IN TOTAL ADV (SL.NO.2) (%)	40.79%	38.06%	18%
10	MSE ADV.	8525.12	11042.33	
11	SHARE OF MSE ADV. IN PSA (%)	21.88%	16.56%	
12	ADV. TO WEAKER SEC.	13916.93	17510.92	
13	SHARE OF WEAKER SEC. IN PSA (%)	35.71%	36.48	25%
14	DRI ADV.	79.26	72.36	
15	SHARE OF DRI ADV TOTAL ADV (Sl.No.2) of March (%)	0.17%	0.13%	1%
16	ADV. TO WOMEN (DISBURSEMENT)	3338.08	4444.90	
17	SHARE OF ADV. TO WOMEN IN DISBURSEMENT (%)	7.50%	7.79%	5%
18	TOTAL NUMBER OF BRANCHES	5270	5908	
A	RURAL	3143	3468	
B	SEMI-URBAN	1149	1362	
C	URBAN	978	1078	

## AGENDA-III

### **REVIEW OF PERFORMANCE UNDER ACP 2013-14 DURING THE FINANCIAL YEAR 2013-14**

The performance of Banks under the Annual Credit Plan 2013-14 is as under:-

(Rs. in Crore)

<b>Banks</b>	<b>Target</b>	<b>Achievement</b>	<b>% Ach.</b>
Comm. Banks	47938	43573	90.90
Co-op. Banks	802	310	38.64
RRBs	13260	13124	98.98
<b>Total</b>	<b>62000</b>	<b>57007</b>	<b>91.95</b>

Sector-wise break-up of targets and achievement:

(Rs. in Crore)

<b>Sector</b>	<b>Target</b>	<b>Achievement</b>	<b>% Ach.</b>
Agriculture	30286	28770	95.00
SME	4820	6238	129.40
OPS	5723	4978	86.98
TPS	40829	39986	97.93
NPS	21170	17022	80.40
<b>Total</b>	<b>62000</b>	<b>57007</b>	<b>91.95</b>

Bank-wise and district-wise position is furnished on **Page- 9A to 9D.**

### **COMPARATIVE PERFORMANCE UNDER ACP** **As on March' 2014 vis-a-vis March' 2013**

(Rs. in Crore)

<b>Banks</b>	<b>2013-14</b>			<b>2012-13</b>			<b>YOY increase in disb. (%)</b>
	<b>Target</b>	<b>Ach.</b>	<b>% Ach</b>	<b>Target</b>	<b>Ach.</b>	<b>% Ach</b>	
Comm	47938	43573	90.90	38028	33701	88.62	29%
Co-op	802	310	38.64	2322	338	14.55	-08%
RRBs	13260	13124	98.98	11050	10482	94.85	25%
<b>Total</b>	<b>62000</b>	<b>57007</b>	<b>91.95</b>	<b>51400</b>	<b>44521</b>	<b>86.62</b>	<b>28%</b>

**SECTOR-WISE PERFORMANCE:**

(Rs. in Crore)

Sector	2013-14			2012-13			YOY increase in disb. (%)
	Target	Ach.	% Ach	Target	Ach.	% Ach	
<b>Agl.</b>	30286	28770	95.00	25400	21567	84.90	33%
<b>MSE</b>	4820	6238	129.40	3400	4325	127.21	44%
<b>OPS</b>	5723	4978	86.98	4600	4094	88.90	22%
<b>TPS</b>	40829	39986	97.93	33400	29986	89.77	33%
<b>NPS</b>	21170	17022	80.40	18000	14535	80.75	17%
<b>Total</b>	62000	57007	91.95	51400	44521	86.62	28%

Comparative performance shows that the overall achievement during the period under review is 91.95%, as against 86.62% recorded during the corresponding period last year. In absolute terms, Banks have disbursed substantially higher quantum of loan (57007Cr. i.e 128% of last year) during the period under review, as compared to the amount disbursed in the corresponding period last year. It will be seen that the Commercial Banks & RRBs have recorded impressive growth in their loan disbursements vis-a-vis their performance over the same period last year while there has been decline in the loan disbursement of Co-operative Banks. In case of sector-wise performance growth in MSE and Agri segments, has been quite impressive.

**LEAD BANK SCHEME: STRENGTHENING OF MONITORING INFORMATION  
SYSTEM (MIS)**

In terms of RBI's instructions in this regard the LBS MIS- I, II & III of the state has been prepared and is placed at page No. 9E to 9H of the Agenda Book for information of the House.

LBS-IV and V which relates to financial inclusion is also placed at page no. 9I to 9P of the Agenda Book.

**ANNUAL CREDIT PLAN: 2014-15  
TARGET 2014-15**

The ACP target of the state for FY 2014-15 has been fixed at Rs.74000 Crore which is 19.35% increase over last year's target of Rs 62000 Cr.

On the basis of deliberations held during various meetings organised in this regard, the ACP target has been distributed among Banks.

The Bank-wise and district-wise ACP target of FY 2014-15 is placed at page No. 9Q to 9W of the Agenda Book for information of all concerned.

## **AGENDA-IV**

### **BRANCH OPENING 2013-14**

During the 44<sup>th</sup> SLBC meeting, held on 11<sup>th</sup> May 2013 at Rajgir, the Hon'ble Finance Minister had desired that Banks operating in Bihar should open 750 new branches during the Financial Year 2013-14.

Against the annual target of opening 750 branches, Banks in the state have opened 638 branches during the financial year 2013-14.

Though the Banks could not achieve the target set for opening of branches but the performance of Banks in this regard took a quantum jump in the year 2013-14. The average no. of Banks branches opened in the State during 2007-08 to 2012-13 was 307 per year which increased to 638 during 2013-14.

The Bank-wise target and achievement during the financial year 2013-14 is placed at page No. 10A for information of the House.

The Bank & District-wise information on Branch Network, ATM Network, ATM Card issued and Point of Sale Terminals is placed at Page No. 10B & 10C for information.

The minutes of the 21<sup>st</sup> Sub-Committee meeting of SLBC on Branch Opening and IT Enabled Financial Inclusion held on 28.03.2014 is placed at page no. 10D to 10J for information of the House.

## **AGENDA-V**

### **EDUCATION LOAN**

Providing Education loan to 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 is one of the priorities of the Banks in the state.

A copy of the Bank-wise target and achievement there against is placed at page No. 11A of the Agenda Book.

During the financial year 2013-14, Education Loan amounting to Rs 1386.23 Crore have been sanctioned to 35729 students. As compared to last year's (2012-13) performance of providing Rs. 883.41 Cr Education loan to 29663 students, this year there has been an increase of 20% in terms of no. of students extended Education Loan and 57% in terms of amount of financial assistance provided to students. The performance of Banks has thus recorded growth over last year. However considering that the target of financing under Education Loan had been doubled from 40000 to 80000 for the FY 2013-14, the achievement of Banks against allotted target has been only to the tune of 45%.

The Government of India also gives target for Education loan to all the states, in terms of outstanding no. of accounts and amount to be reached at the end of the fiscal. It was 120257 and Rs. 2840.52 cr for the year 2013-14 for the state of Bihar. Against the growth target the achievement of Banks was 83% in terms of no. and 113% in terms of amount.

<b>Education Loan Outstanding</b>	<b>No.</b>	<b>Amount</b>
Level as on 31.03.2013	104571	2470.02
Targeted level for 31.03.2014	120257	2840.52
Actual Level as on 31.03.2014	117573	2886.93
Increase in level during 2013-14	13002	416.91
Target for increase in 2013-14	15686	370.50
% achievement of growth target	83%	113%

The Bank-wise data of outstanding Education Loan advances is placed at page no. 11B of the Agenda book for information of the House.

### **HOUSING LOAN**

Loan amounting to Rs.2024.77 Crore was sanctioned to 19288 beneficiaries by Banks during the F.Y. 2013-14. Out of these, Housing Loan amounting to Rs. 1855.86 Cr has been disbursed among 19460 beneficiaries. The Bank-wise performance during the review period is placed at Page No. 11C.

## AGENDA-VI

### 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 (PSA), 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 (PSA) outstanding as on 31.03.2014 was Rs.7050.96 Crore (No. of borrowers: 1018612 ) out of which loans amounting to Rs.3233.21 Crore (46% of PSA) were provided to 417631 (41% of PSA) borrowers belonging to minority communities. The amount provided to Minority communities by Banks in the above mentioned districts ranges from 29 to 76%. Thus, all the districts have achieved the target of providing more than 15% of their priority sector loans to persons belonging to minority communities.

District-wise performance regarding loans extended to minority communities in the identified districts is furnished below.

LENDING TO MINORITY COMMUNITIES							
AS ON 31 <sup>st</sup> March'2014							
SL. No.	Minority Concentrated Districts in Bihar	Priority Sector Advance		Out of (A) Total Advances to Minority		%age Share of Minority Advance ( B to A )	
		(A)		(B)			
		No.	Amt. (in Lacs)	No.	Amt. (in Lacs)	No.	Amt.
1	ARARIA	68622	70481	50094	42289	73	60
2	PURNEA	117269	132542	50426	55668	43	42
3	KATIHAR	192513	92294	53904	38763	28	42
4	KISHANGANJ	72779	52080	53129	39581	73	76
5	DARBHANGA	262291	153269	112785	75102	43	49
6	SITAMARHI	70396	89574	17599	25976	25	29
7	WEST CHAMPARAN	234742	114856	96244	45942	41	40
	<b>TOTAL</b>	<b>1018612</b>	705096	417631	323321	41	46

## AGENDA-VII

### FINANCIAL INCLUSION & DIRECT BENEFIT TRANSFER

The Government of India has been issuing Guidelines on Financial Inclusion from time to time. The various issues covered under the GOI guidelines are as under:

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

As per instructions of Govt. of India Dist. Service Area Plan (DSAP) has been prepared and uploaded on the respective District website by all the LDMs. DSAP has to be periodically updated to account for appointment of new BCAs, change of BCAs, change of identified Bank Officials for visit etc.

2. Department of Financial Services (DFS), Ministry of Finance, GoI has placed the Geographical Information System (GIS) module in public domain. The module has the facility of viewing Population range and Distance based Proximity graph with respect to availability of Bank Branches, BCA, ATMs, Currency Chest and Clearing Houses in a particular region and has facilities for identification of distribution of banking amenities in that region. It has been observed that there are wide variations in Data entered in GIS modules by LDMs with respect to Branches, BCA engaged, ATM installed, Currency Chests and Clearing Houses opened with the data available on RBI website or being reported by Banks.

All Lead District Managers are again requested to verify the details in GIS data entry module and take corrective actions wherever necessary. The data in GIS module should be updated periodically at least on a monthly basis as advised earlier.

Banks having Lead Bank responsibility are requested to monitor GIS data updation in their lead districts and send monthly compliance to SLBC for reporting to DFS.

#### **2. EXTENSION OF BANKING SERVICES TO VILLAGES HAVING POPULATION OF 1600 to 2000:**

3052 unbanked villages with population of 1600 to 2000 were identified and advised to concerned LDMs and Banks, for providing banking facility by March, 2013.

Banks have, till March 31st 2014, covered 2732 of these unbanked villages by providing banking facility thereat. Banks which are yet to cover the allotted villages are requested to cover the remaining villages by providing banking facility at an early date. Bank-wise allotment & progress as on 31.03.2014 is placed at Page No. 17A for information of the House.

### **3. EXTENSION OF BANKING SERVICES TO ALL THE REMAINING UNBANKED VILLAGES IRRESPECTIVE OF POPULATION CRITERIA BY MARCH, 2016:**

Reserve Bank of India has instructed for providing banking facilities in all the remaining unbanked villages irrespective of population criteria i.e. all villages with population below 2000 by March, 2016. All Banks have submitted their Roadmap for providing banking services in villages with population below 2000. The total No. of such identified villages is 27343. Till March'2014 in **9294 as against the target of 11403** villages for 2013-14 were covered by the Banks. Bank-wise allotment and progress as on 31.03.2014 is placed at Page No17B for information of the House.

### **4. OPENING OF A BRICK AND MORTAR BRANCH/USB IN VILLAGES HAVING POPULATION OF 5000 & ABOVE:**

As on 31st March, 2014 **1694** villages out of allotted 1695 villages have been covered. 143 villages have been covered by Brick & Mortar Branches and 1551 villages have been covered by USBs. One village is yet to be covered by United Bank of India in Begusarai District. United Bank of India is requested to complete the task at the earliest.

However, the USB data is based on weekly visit by the Bank Officials, as against the instructions of GoI for visit on all working days with laptop having VPN connectivity.

The State Govt. has given instructions to the district authorities to provide required space for opening of branches/USBs to Banks. Banks may utilise the Panchayat Sarkar Bhawan for opening CSPs/USBs/Branches in Gram Panchayats.

Bank-wise details of villages covered vis-a-vis villages allocated to them are furnished on Page No 17C.

### **5. 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 is responsible for implementation of the Scheme in the district.

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 cost under IAP. LDMs of concerned 9 districts have been requested to approach the District Magistrate

for funding of capital cost for the establishment of USBs in the identified villages having population over 2000. Controlling Head of all Banks in the State are requested to ensure early lodgement of claim with the district authorities.

We have also requested the Principal Secretary, Department of Finance, Government of Bihar to advise the District Magistrates of the relevant 9 districts to arrange for funding of capital cost for establishment of USBs in the identified villages having population over 2000.

### **STATUS OF ESTABLISHMENT OF ULTRA SMALL BRANCHES IN LWE AFFECTED DISTRICTS:**

The Banks in Bihar have completed the task of establishment of 3306 USBs in 15 LWE affected districts.

The data submitted by Banks, placed at Page No 17D show that as against 3306 villages with population over 2000 in all 15LWE affected districts, Banks have covered all the villages by converting their functioning BC into USBs .

Banks are requested to lodge claims for obtaining reimbursement in the 9 LWE affected districts coming under IAP, if not claimed, so far.

### **6. DIRECT BENEFIT TRANSFER**

Government of India has decided to provide Direct Cash Transfer facility to the beneficiaries of certain selective schemes in all the districts of the State in a phased manner. In the 1<sup>st</sup> phase only 3 districts of the state, viz. Arwal, Sheohar & Sheikhpura have been identified.

SLBC and Banks have been advised to undertake mapping of Gram Panchayats based on the concept of Sub-Service Area (SSA).

Each SSA should comprise of 1000-1500 households, i.e. 4000-6000 population. Each SSA is to be covered by a Banking outlet.

The present status of coverage of SSA in the three districts (Arwal, Sheohar & Sheikhpura) is furnished hereunder:

Sr No.	Name of the District	Number of Gram Panchayat (GPs)	Number of Sub Service Areas (SSAs)	Existing and Proposed Banking Coverage Through (No. of SSAs and Panchayats)							
				Existing Bank Branch		Existing Functional BCAs		Existing Functional CSCs		Proposed BCAs/CSCs	
				5		6		7		8	
				SSAs	GPs	SSAs	GPs	SSAs	GPs	SSAs	GPs
	2	3	4	5a	5b	6a	6b	7a	7b	8a	8b
1	Arwal	69	106	25	25	81	44	0	0	00	00
2	Sheohar	53	98	14	14	78	39	0	0	06	00
3	Sheikhpura	54	80	13	13	67	41	0	0	00	00
	<b>TOTAL</b>	<b>176</b>	<b>284</b>	<b>52</b>	<b>52</b>	<b>226</b>	<b>124</b>	<b>0</b>	<b>0</b>	<b>06</b>	<b>00</b>

278 out of the total 284 SSAs in these 3 districts are covered as under:-

By branch- 52

By BCAs- 226

The remaining 6 unbanked sub service areas have been allotted among banks for coverage as under-

Banks/ Districts	Sheohar
BOI	05
Canara Bank	01
<b>TOTAL</b>	<b>06</b>

All identified Sub-Service areas were to be covered by Banks on or before 31<sup>st</sup> Aug'2013. The concerned Banks should ensure to cover these uncovered SSAs at the earliest, as scheduled time has already elapsed.

**i. Scheme-wise Beneficiary details:**

Out of 20956 beneficiaries of the identified schemes in the three districts, accounts of 19217 beneficiaries have been opened by the Banks. The remaining 1739 beneficiaries list, pertaining to Sheohar district is referred to the district administration for removal of some anomalies pointed out by the Banks. The accounts will be opened by the concerned Banks on receipt of amended list. The Aadhar/ NPR number seeding has not been done in the accounts as the district administration has not provided the verified Aadhar/ NPR number of these beneficiaries. The status with regard to scheme-wise account opening and seeding of Aadhar number in the accounts is placed at page No. 17E & 17F of the Agenda Book for information of the House. It is requested that district administration may be advised to provide all required support to the Banks in connection with correction/ modification in beneficiary's list and providing Aadhar/ NPR number to enable Banks seed the Aadhar No. in the accounts.

All LDMs are advised to obtain the list of beneficiaries from the line deptt./District Administration and after incorporating the account no of each beneficiary the list should be provided to the concerned line deptt./district administration. This list of beneficiaries along with their account no. should be authenticated by the line deptt./district administration and it should be kept by the LDM and a copy provided to the concerned Banks for their record.

**ii. Branches, ATM & Debit Cards:**

Apart from providing banking infrastructure in the unbanked sub service areas, Government of India had advised for installation of ATM at all branches in these three districts by 30<sup>th</sup> June'2013 and issuance of debit card to all eligible beneficiaries by 31<sup>st</sup> May'2013.

As per information received from the LDMs of the three districts, there are 44 branches in these three districts without having on-site ATMs. As on 31.03.2014 6787 beneficiaries out of the total 20956 beneficiaries of DBT have been issued with ATM Cards. Banks need to issue Debit Card to all eligible beneficiaries.

The details with regard to No. of branches not having ATMs is placed at page No 17F of the Agenda Book for information of the House.

As the time line of both the tasks is already over all Banks are once again requested to establish ATMs at all branches and issue Debit cards to all eligible beneficiaries at an early date. The sponsoring Banks of the RRBs are requested to take up the matter of installation of ATMs in all RRB Branches in the three DBT districts with their respective Corporate/Head Offices as the matter of installation of ATMs in Branches is pending mostly in RRBs.

**AGENDA-VIII****GOVT. SPONSORED SCHEMES/ PROGRAMMES****(A) PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME (PMEGP)**

Against the physical target of 5590 projects, the Banks in the State could sanction 3695 projects amount involved being Rs. 240.66 crore which is 66% of the target. While during the same period in the last financial year Banks had sanctioned only 2581 projects. Thus growth of 43.16% has been registered YoY in terms of projects sanctioned.

The information on loan sanctioned & disbursed by Banks is placed at Page No. 18A of the Agenda Book for information of the House.

**(B) NATIONAL URBAN LIVELIHOOD MISSION (NULM)-SELF EMPLOYMENT PROGRAMME**

The performance under National Urban Livelihood Mission (NULM), would be monitored against the target of financing Self Employment Programme under the scheme. All Banks are requested to dispose the applications for urban SHG financing received at their end.

## AGENDA-IX

### **FINANCE TO SELF HELP GROUPS (SHGs)**

SHGs play a very crucial and effective role in providing timely and adequate credit and other financial services to the vulnerable and weaker sections resulting in overall economic development of the society and Banks play a facilitating role through credit linkages to them. Banks have credit-linked 41714 SHGs during the financial year 2013-14, with total Bank-finance of Rs. 310.72 Crore. Bank-wise SHG credit-linkage during the financial year 2013-14 is furnished on Page 20A. Year-wise performance under SHG Financing is given hereunder:

**(Rs. in Crore)**

Year	Number of SHGs Credit Linked	Amt. of Finance
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	29593	193.39
DURING 2012-13	30297	197.68
DURING 2013-14	41714	310.72

It is evident that SHG financing during the financial year 2013-14 has grown by 38% in terms of no. & 57% in terms of amount over previous year. Banks need to pay more attention to credit linkage of SHGs and work in tandem with JEEVIKA and WDC to achieve the desired level of growth in this hugely potential business segment.

In the 46<sup>TH</sup> SLBC meeting dated 20.11.2013, uniform Savings Linkage and Credit Linkage format for first dose of financing to SHGs was adopted by the House.

This common format was placed in the Agenda Book of 46<sup>th</sup> SLBC meeting and also circulated among Banks with a request to adopt the same after taking concurrence of their respective Head Office, if required. This was reiterated in the 21<sup>st</sup> SLBC sub-committee on SHGs and RSETI held on 28.03.2014, with a request to convey their confirmation of adoption of format to SLBC by 30.04.2014. However, only a few Banks have sent their confirmation. A copy of the minutes of the Sub-Committee meeting, is placed at page no. 20B to 20E for information of the House.

The Reserve Bank of India has already advised the detailed guidelines for operationalisation of the Interest Subvention Scheme under NRLM for SHG credit and the same was also placed in the Agenda Book of the 47<sup>th</sup> SLBC meeting. All Banks are requested to provide the stipulated interest- subvention to all eligible SHG accounts at their end.

### **JOINT LIABILITY GROUP**

Against the yearly target of 60,000 units, all Banks could sanction 30232 numbers of JLGs amounting to Rs. 340.09 Crores during the review period of F.Y. 2013-14.

The Bank-wise performance under JLG is placed at Page No 20F for information of the House.

## AGENDA-X

### KISAN CREDIT CARD (KCC)

#### **REVIEW OF PROGRESS AS ON 31.03.2014**

A summarised statement of Kisan Credit Cards issued by Commercial Banks, RRBs and Co-operative Banks, vis-à-vis their respective targets, during the FY 2013-14 is given below:

<b>Banks</b>	<b>Target (No.)</b>		<b>Sanctioned (No.)</b>		<b>% Achievement</b>	
	<b>New</b>	<b>Due for Renewal</b>	<b>New</b>	<b>Renewal</b>	<b>New</b>	<b>Renewal</b>
Comm. Banks	909186	569407	675107	520589	74.25	91.43
RRBs	535348	535672	387658	775033	72.41	144.68
Co-op. Banks	55466	908533	11325	145051	20.42	15.97
<b>TOTAL</b>	<b>1500000</b>	<b>2013612</b>	<b>1074090</b>	<b>1440673</b>	<b>71.61</b>	<b>71.54</b>

It is evident from the above Table that Banks operating in the state have sanctioned loans to a total of 2514763 beneficiaries (New-1074090 & Renewal-1440673) under KCC amounting to Rs. 17183.68 Crore during the FY 2013-14 while during the same period last year, only 2231786 beneficiaries were extended loans under KCC, the amount involved being Rs.14626.88 Crore.

Thus, Y-o-Y growth of 13% and 17% has been witnessed in terms of no. of KCCs issued and amount of finance extended, respectively. Bank-wise & District-wise performance is furnished on Page No. 23A & 23B.

#### **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 has been provided to the Agri Department, GoB with a request to circulate the same down the line to facilitate generation of loan applications from all eligible farmers. The Agriculture Department, GoB has been requested to provide village-wise list of eligible farmers to Banks, to enable them to extend credit facility to all such farmers.

Banks should finance KCC upto Rs. 50,000/-, without insisting for LPC, and instead of LPC, Affidavit and current rent receipt should be demanded by Banks. While the State Government has also issued instructions to its field level functionaries to facilitate generation of loan application forms, complete in all respect, the Banks need to continue their endeavour for generating KCC loan applications from all eligible farmers and the services of BC Agents may also be utilised for the purpose.

The State Government has devised two types of formats of LPC on the basis of amount of loan.

- i. For loan amount upto Rs 1 lakh.
- ii. For loan amount above Rs 1 Lakh.

The Revenue & Land Reforms Department, GOB is requested to arrange for timely issuance of the LPCs complete in all respect on the new formats, by the Revenue Authorities at the Circle level.

### **ISSUANCE OF ATM CARDS TO KCC HOLDERS**

As per the revised KCC scheme circulated by RBI, all KCC borrowers are to be issued ATM cum Debit Cards. The Bank-wise information on ATM Cards issued to KCC borrowers is placed at page No 23C of the Agenda Book for information of the House. All Banks are requested to ensure that ATM cards are issued to all eligible KCC borrowers both at the time of new sanction as well as renewal of KCC.

### **CROP INSURANCE SCHEME**

As per information received from Patna Regional Office of Agriculture Insurance Company of India Ltd, total of 1516143 farmers have been provided the crop insurance cover, the sum insured being Rs. 2227.18 Crores and the area covered being 1553631 Hectares by Agriculture Insurance Company of India Ltd. The information on crop insurance received from the different Insurance companies are as under:

<b>NAME OF THE INSURANCE COMPANY</b>	<b>NO. OF FARMERS WHOSE CROPS INSURED</b>	<b>AREA (IN HA.)</b>	<b>SUM INSURED (IN CR)</b>
<b>Agriculture Insurance Company Of India Ltd</b>	1516143	1553631	3540.60
<b>Chola Mandalam</b>	361846	361524	157.12
<b>Tata AIG General Insurance Co. Ltd.</b>	112049	130372	90.60
<b>TOTAL</b>	1990038	2045526	3788.32

Thus, as per information received from the above three insurance companies, a total of 1990038 farmers have been provided crop insurance cover, the sum insured being Rs. 3788.32 Crores and the area covered being 2045526 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 of receipt of claim till the date of credit in the account. In case of interest being applied on the claim amount credited with delay beyond 15 days, 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, Tata AIG General Insurance Co. and M/s Chola Madalam is furnished on Page No. 23D to 23N.

The Banks are also requested to provide the list of all insured farmers to the insurance companies to enable them furnish the same to the State Government for release of premium subsidy.

### **DAIRY, FISHERY & POULTRY**

Banks have sanctioned loans amounting to Rs 328.95 Crore to 19943 beneficiaries under various Dairy schemes, Rs. 25.28 Crore to 2834 beneficiaries under Fishery schemes and Rs. 43.08 Crore to 1997 beneficiaries under Poultry schemes during the FY 2013-14. Bank wise performance is furnished on page no. 23o to 23Q.

The Animal & Fisheries Resources Department, Government of Bihar has brought out the Integrated Dairy Development Scheme and the guidelines for implementation along with list of cattle suppliers and the approved Haat has been circulated. Banks participating in the scheme are requested to give due attention towards disposing all applications received by them so that financing under the scheme increases in the state, in future. The data with respect to financing by Banks under 'Samagra Gavya Vikas Yojna' as provided by Dairy Development Directorate is placed on Page No. 23R to 23U of the Agenda Book.

### **FARM MECHANISATION**

Against the disbursement target of Rs.1848.60 Crore for the year 2013-14, Banks have sanctioned loans amounting to Rs. 611.51 Crore to 14120 farmers for purchasing farm equipments. While during the same period last year Banks could sanction loans amounting to Rs 461.38 Crore to 14959 farmers, registering Y-o-Y growth of 32.54% and -5.61% in terms of amount sanctioned and no. of farmers financed respectively. As regards disbursement, loans amounting to Rs.447.97 Crore were provided for purchasing farm implements to 14118 farmers. Bank-wise target and performance is furnished on Page no. 23V for information.

### **ADVANCES GRANTED TO UNITS PROVIDING STORAGE FACILITY**

Banks have sanctioned loans amounting to Rs. 143.19 Crore to 277 farmers for storage facility during the financial year 2013-14 while during the same period last year Banks could sanction loans amounting to Rs 92.63 Crore to 144 farmers, registering Y-o-Y increase of 54.58% and 92.36% in terms of amount sanctioned and no. of farmers financed respectively.

Bank- wise target and performance is furnished on Page No. 23W for information.

## AGENDA-XI

### CD RATIO (As on 31.03.2014)

(Rs. in Crore)

<b>Bank</b>	<b>Deposits</b>	<b>Advances</b>	<b>CD ratio</b>
Comm. Banks	162687	63617	<b>39.10</b>
Co-op. Banks	2017	1056	<b>52.36</b>
RRBs	18754	10045	<b>53.56</b>
Total	183458	74718	<b>40.73</b>
RIDF	-----	3960	-----
Total (Advances +RIDF)	183458	78678	<b>42.89</b>
Investment	-----	6656	-----
Grand Total (Adv.+RIDF+Inv.)	183458	85334	<b>46.51</b>

As at the end of March'2014, CD Ratio of the state stood at 42.89% which shows an increase of 230 basis points as compared to March, 2013. The incremental CD ratio for the period under review is 59.38. Due to large amount of advances written off every year, CD Ratio has also been adversely affected. If write-off to the tune of Rs.227.61 Crores had not taken place during the period, the CD ratio of the State would have increased by 12 bps. The CD ratio of the State would have improved further, had the State Government utilised the total amount of Rs.9159.71 Crore (as on 31.03.2014) sanctioned under RIDF. As on 31<sup>st</sup> March, 2014 only 43% of the amount sanctioned was utilised by the Government of Bihar.

There are two districts, namely, Bhojpur (22.28%) and Siwan (23.26%) where the 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 no. 27A to 27D.

It is pertinent to mention here that an amount of Rs.8030.06 Crore have been financed to units functioning in Bihar by SBI, PNB, Union Bank of India, Allahabad Bank, Corporation Bank, Indian Overseas Bank, Punjab & Sind Bank, State Bank of Bikaner & Jaipur, ICICI Bank, Federal Bank 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 9<sup>th</sup> November 2005.

**INCREMENTAL CD RATIO AS ON 31.03.2014**

<b>Amt. In Crore</b>	<b>March'13</b>	<b>March'14</b>
Deposits	161036	183458
Advances including RIDF	65364	78678
Incremental CDR	-----	59.38%

**RECOVERY**

A summary of the recovery data (as on 31.03.2014) is given below.

(Rs.in Crore)

<b>Bank</b>	<b>Demand raised</b>	<b>Amount recovered</b>	<b>Recovery %</b>
Comm. Banks	17001	10439	61.40
Co-op. Banks	637	239	37.52
RRBs	4862	4250	87.42
Total	22501	14928	66.34

Recovery percentage is at 66.34% of the total demand raised by Banks as on 31<sup>st</sup> March, 2014. 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 31.03.2014 is furnished on Page No. 27E.

With regard to disposal of top ten certificate cases of the districts, the progress 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 may recover their dues from the defaulters. In the first Sub-Committee meeting of SLBC on Industries held on 30.10.2013, it was decided that monthly meeting should be conducted by SDC(Banking) in each district on Recovery & Certificate Case related issues of Banks. The District Authorities are requested to ensure that monthly meetings are held in all Districts on regular basis & all recovery related issues of Banks are discussed therein. The State Govt. has also issued a letter to all the DMs in this regard.

The State Govt. has instructed all the District Magistrates to organise camps for recovery of Bank's dues. A copy of Director, Agriculture, Govt. of Bihar letter no. 1348 dated: 20.03.2014 written to all the District Magistrates of the state is placed at page no. 27F of the Agenda Book. All Banks having lead Bank responsibility are requested to sensitize their LDMs to keep close liaison with the District Authorities and seek their assistance in recovery of Bank's dues.

### **NPA's & WRITE-OFF**

As on 31.03.2014, overall position of NPAs and the amount of loans written off is as under:

(Rs. in Crore)

<b>Banks</b>	<b>Total Adv.</b>	<b>Total NPA</b>	<b>% of NPA</b>	<b>Amt. written-off</b>
Comm. Banks	55587	2959	5.32	210
Co-op. Banks	1056	244	23.11	0
RRBs	10045	316	3.14	18
<b>Total</b>	<b>66688</b>	<b>3519</b>	<b>5.28</b>	<b>228</b>

NPA of Banks at 5.28% is a matter of great concern. All steps should be taken for bringing the NPA level below 3%.

Amount Written off and Segment-wise details of NPA amount is furnished on Page No. 27G for discussion and review by the House.

### **CERTIFICATE CASES & DISPOSAL OF TOP 10 CASES**

As on 31.03.2014, overall position of Certificate Cases filed by all Banks is furnished below:

(Rs. in Crore)

<b>Banks</b>	<b>Total Cases (No.) As on 31.12.2013</b>	<b>Total Cases (Amount) As on 31.12.2013</b>	<b>Cases filed (No.) (During the quarter)</b>	<b>Cases filed (Amount) (During the quarter)</b>	<b>Cases disposed of (No.) (During the quarter)</b>	<b>Cases disposed of (Amount) (During the quarter)</b>	<b>Pending Cases (No.) As on 31.03.14</b>	<b>Pending Cases (Amount) As on 31.03.14</b>
Comm.	335938	1523.25	7239	198.27	10104	6649	333073	1655.03
Co-op	34585	61.54	8	111	17	46	34576	62.19
RRBs	30087	18.89	1702	169	767	84	31022	19.74
<b>Total</b>	<b>400610</b>	<b>1603.68</b>	<b>8949</b>	<b>201.07</b>	<b>10888</b>	<b>67.79</b>	<b>398671</b>	<b>1736.96</b>

It is evident from the above Table that during the fourth quarter of FY 2013-14, 8949 cases were filed and 10888 cases were disposed off and 398671 cases involving Rs. 1736.96 Crore are pending at different stages. This large amount of bad loans, if recovered and recycled, can further enhance disbursements by Banks. The list containing details of top 10 Certificate Cases of each district has been provided to the SDC-Banking of the respective districts for effecting recovery in these cases. However, very meagre recovery has been made in these accounts despite regular follow up by Banks at the district level. The State Government is requested to instruct the district-

administration of all districts to initiate requisite steps at their end for early disposal of the top 10 Certificate Cases. 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 to the borrowers, for timely repayment of loans.

Bank-wise no. of certificate cases pending with amount is furnished on Page No. 27H.

### **PRIORITY SECTOR LENDING**

As on 31.03.2014, the Benchmark of 40% for Priority Sector 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 71.99% in the State, which is well above the Benchmark. Bank-wise position is furnished on Page No. 27I & 27J.

### **AGRI CREDIT**

At the State level, the ratio of Agri Credit to Total Advances stands at 38.06% as on 31.03.2014, against the national benchmark of 18%. However, a few Banks have failed to achieve the benchmark. Bank-wise position is furnished on Page No. 27I.

### **DIFFERENTIAL RATE OF INTEREST (DRI)**

As on 31<sup>st</sup> March, 2014 the aggregate advances level under DRI Scheme stands at Rs. 72.36 Crore, which is 0.13 % of the total advances of Rs.55254.21Crore as on 31.03.2013. The minimum level of DRI Advances should be 1% of the aggregate advances as on 31<sup>st</sup> March of the previous year.

A total of 3476 beneficiaries were provided loans amounting to Rs. 6.44 Crore under DRI Scheme during the period under review. Out of this, 443 beneficiaries were provided credit support of Rs. 0.82 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. 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 No. 27J & 27K.

### **WEAKER SECTION**

Total loan extended by Banks to the weaker section, as on 31<sup>st</sup> March' 2014 was Rs. 17510.92 Crore out of the aggregate advances of Rs.66678.93 Crore i.e. 26.26% of the total advances, against the benchmark of 10%. Further, as percentage of Priority Sector Advances, the achievement of 36.48% as on 31<sup>st</sup> March is much better than the Benchmark of 25%.

Bank-wise position is furnished on Page No. 27J.

**AGENDA-XII****OPENING OF NO-FRILL ACCOUNTs AND TRANSACTIONS DONE BY BCAs**

As per information received from Banks, a total of 4047560 No-Frill accounts were opened during the FY 2013-14. Thus, a total of 13734235 No-frills accounts have been opened till 31<sup>st</sup> March, 2014. Out of these, 7885776 accounts are operational.

Bank & District-wise details with respect to No Frill accounts opened and transactions carried out by BCAs is furnished on Page No. 28 A to 28D.

**EXTENDING MOBILE BANKING AND INTERNET BANKING FACILITY**

All Banks should extend mobile Banking and internet Banking facility to customers as these are not only cost-effective but also adds to customer-convenience. As per information received by SLBC, all Banks taken together have provided Mobile Banking facility to 1813178 customers whereas the facility of Internet Banking has been provided to 1137280 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-XIII

### **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 with a focus on development of Infrastructure, Credit availability, Advocacy, Livelihood development etc. There are 15 LWE affected districts in Bihar.

Banks operating in these districts are implementing financial inclusion plans on a priority basis for extending Banking facilities to these LWE affected areas. Credit extension by Banks in 2013-14 in these districts is furnished below, which shows improvement in all the districts, over the same period during the last Financial Year:

SL. No.	District	Disbursement under ACP during the year ended 2013-14	Disbursement under ACP during the year ended 2012-13	Growth (%)
		(Rs. in Lakh)	(Rs. in Lakh)	
1	Arwal	31783	23652	34.38
2	Aurangabad	141335	104797	34.87
3	Bhojpur	167029	128440	30.04
4	East Champaran	200762	148553	35.15
5	Gaya	203553	149147	36.48
6	<b>Jamui</b>	<b>67376</b>	<b>43816</b>	<b>53.77</b>
7	Jehanabad	48791	39611	23.18
8	Kaimur	118489	98284	20.56
9	Munger	75595	60180	25.61
10	<b>Nalanda</b>	<b>130259</b>	<b>94750</b>	<b>37.48</b>
11	<b>Nawada</b>	<b>70380</b>	<b>49880</b>	<b>41.10</b>
12	Patna	1034628	822494	25.79
13	Rohtas	190596	141982	34.24
14	Sitamarhi	110235	85408	29.07
15	West Champaran	208457	166850	24.94
	<b>TOTAL</b>	<b>2799268</b>	<b>2157844</b>	<b>29.73</b>

It is evident from the above that Banks have extended higher quantum of credit as compared to last year in the LWE affected districts.

## **AGENDA-XIV**

### **INVESTIGATION OF CYBER FRAUD & COUNTERFEIT NOTES DETECTED BY BANKS**

A meeting of Public Sector Banks was held on 17<sup>th</sup> 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. At the State Head Quarter wing has been established for speedy investigation and disposal of cases related to cyber crime.

## **AGENDA-XV**

### **FUNCTIONING OF RURAL SELF EMPLOYMENT TRAINING INSTITUTES (RSETIs)**

RSETIs are functional in all the 38 districts of the State. They are engaged in skill development of the unemployed youth for undertaking self employment venture/ wage employment. During the financial year 772 training programmes were organised and 21825 youth were imparted training by the RSETIs. Altogether 67881 persons have been trained by the RSETIs in the State by organizing 2327 programmes since inception. The detailed information pertaining to RSETIs in the State is placed on Page No. 31A for information.

Controlling Head of all Banks operating in the State have been requested to arrange to issue instructions to all their branches to sponsor at least 5 trainees in a financial year to the RSETI functioning in the district and also to provide credit-linkage to at least 5 RSETI trained persons in a financial year. This will help the trained youth to start their own venture and also improve the grading of RSETIs as settlement of trainees is a key parameter for grading by GoI.

Under the PMEGP Scheme, the beneficiaries are to be provided with training before loan is disbursed to them. The KVIC, KVIB & DIC are requested to utilise the Training facilities available at the RSETIs so that all beneficiaries under PMEGP are imparted training at RSETIs.

### **LAND ALLOTMENT AT RSETIs**

Reallotment of land in two districts [Sheikhpura & Sitamarhi] in connection with construction of RSETI building is pending. The state government has already advised the District Magistrates of these districts to make available/ reallocate land at the earliest so that building of RSETI may be constructed thereat. At Bhagalpur possession of land has not been taken by the RSETI. All Banks which have been provided with land and fund are requested to start construction of building at the earliest.

### **REIMBURSEMENT OF EXPENSES**

The State Govt. has directed the District Magistrates of all districts for payment of training expenses to concerned RSETIs. However there are still many instances of bills pending with distt. authorities. The Deputy Secretary, MoRD, GoI, New Delhi has advised that MoRD would be reimbursing the cost of training BPL candidate in RSETIs which are graded A/B/AA/AB/BA/BB through the State Rural Livelihood Mission.

The modalities for reimbursement of training expenses of RSETI has been provided by MoRD. The modalities for reimbursement claim in respect of training imparted to BPL trainers during 2013-14 has not yet been advised to Banks. As such no reimbursement claim of expenditure incurred by RSETIs for training BPL youths during 2013-14 has been made. The State Govt. is requested to advise the modus operandi of the reimbursement claim for training imparted since April'2013, to enable Banks lodge claim at the appropriate level.

### **MULTIPLE TRAINING TO AN INDIVIDUAL**

While availing credit under PMEGP, borrowers are required to undergo EDP training. It has come to light that where a youth has already undertaken training in an activity at the RSETI, he/she is again required to undergo training under EDP, at the time of availing bank loan under PMEGP. KVIC and other agencies are requested to look into the matter and issue a clarification, in this regard, so that multiple training to an individual at the RSETI is not given.

**AGENDA-XVI****FUNCTIONING OF FINANCIAL LITERACY CENTRES (FLCs)**

FLCs are functional in all the districts in the State. 153397 persons participated in 3179 outdoor activities undertaken by the FLCs during the FY 2013-14. Further, 42891 persons availed indoor services undertaken by the FLCs during the FY 2013-14. The information pertaining to FLCs in the State is placed at Page No. 32A for information.

As per recent instructions received from the GoI, all rural branches are to conduct at least one financial literacy camp in each month and Financial Literacy Guide, Diary & Poster, designed by RBI, is to be used by the branches in the camp. .

The Financial Literacy materials, as per requirement of Banks and as decided on the 20<sup>th</sup> Sub Committee meeting of SLBC held on 19<sup>th</sup> December 2013, on Branch Opening and IT Enabled Financial Inclusion, has been got printed by SLBC and already distributed among Banks in the state. All Banks should ensure that their rural branches undertake Financial Literacy activities using the Financial Literacy materials at the required intervals. The data with respect to the Financial Literacy initiatives undertaken by the rural branches should be furnished to SLBC on quarterly basis beginning from June 2014 quarter.

**AGENDA-XVII****MEDIUM & SMALL ENTERPRISES**

For developing the Medium & Small Enterprises, the RBI directive to all Scheduled Commercial Banks is as under:-

1. Achieve a 20% year-on-year growth in credit to Micro & Small Enterprises to ensure enhanced credit flow.
2. Allocation of 60% of the MSE advances to the Micro Enterprises is to be achieved in stages viz. 50% in the year 2010-11, 55% in the year 2011-12 and 60% in the year 2012-13 and
3. Achieve a 10% annual growth in number of Micro Enterprises accounts.

The performance of Banks in this regard as on 31.03.2014 is placed at page no. 33A of the Agenda Book.

**SMALL ROAD TRANSPORT OPERATORS (SRTOs)**

Against the target of 18000 units, Banks have sanctioned loan amounting to Rs. 673.36 Crore for purchasing 19894 vehicles by SRTOs during the financial year 2013-14. Out of which Rs. 671.76 Crores were disbursed for purchasing 19811 vehicles. During the corresponding period last year loan amounting to Rs. 570.15 Crore was sanctioned for purchasing 18085 vehicles. Thus a Y-o-Y growth of 18% and 10% in terms of amount sanctioned and no. of units financed respectively has been registered. Bank-wise performance is furnished on Page No. 33B.

**ADVANCES GRANTED UNDER CGTMSE COVERAGE**

A total of 30452 units were financed by Banks involving Rs.963.32 Crore with Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) cover during the period under review. Further, as regards disbursement, loans amounting to Rs. 954.40 Crore were provided to 30452 units under CGTMSE cover. Considering the wide scope available for coverage of more loans under CGTMSE, controlling Head of all Banks in the state are requested to instruct their operating functionaries to cover all the eligible units under CGTMSE.

Bank-wise performance data is furnished on Page No. 33C for information the House.

## **AGENDA-XVIII**

### **WEAVERS CREDIT CARD**

Weavers Credit Card (WCC) scheme aims at providing adequate and timely assistance from the Banks 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 valid for both rural and urban areas. Controlling Head of all Banks and LDMs of all districts of the State are requested to initiate requisite steps for proper implementation of the Scheme in the State.

Against the target of 15000, total of only 2003 applications for loans amounting to Rs. 6.62 Crore have been sanctioned by Banks during the period under review. The Bank-wise achievement as on 31.03.2014 is furnished on Page No. 34A.

### **FOOD PROCESSING UNITS**

In the 44<sup>th</sup> SLBC meeting Food Processing industry was identified as focus area for the State

Banks have sanctioned loans amounting to Rs.469.16 Crore to 676 Food Processing Units during the financial year 2013-14. Controlling Head of all Banks are requested to instruct their operating functionaries to intensify efforts for increasing finance to such units.

Bank- wise performance is furnished on Page No. 34B for information.

## AGENDA-XIX

### SECURITY RELATED CONCERN OF BANKS

Many instances of Dacoity, Theft and other security related incidents have been reported by Banks as under:

Incidents of Dacoity /Theft etc.						
Sl. No.	Name of the Bank	Branch Name	District	Date of Incidence	Loss of property (Amount in Lac)	Nature of Incidence
1.	UBGB	Muzaffarpur	Muzaffapur	03.04.2013	5.75	Dacoity
2.	PNB	Baniyapur	Saran	03.04.2013	125.00	Dacoity
3.	PNB	Sitamarhi	Sitamarhi	02.07.2013	25.00	Dacoity
4.	MBGB	Baurisarai	Biharshari	26.08.2013	3.00	Dacoity
5.	Indian Bank	Aurangabad	Aurangabad	28.09.2013	5.37	Dacoity
6.	SBI	AMY Bhita	Patna	11.11.2013	61.28	Burglary
7.	UBGB	Bhalpatti	Darbhanga	15.04.2014	BR. Manager Shot Dead	Dacoity
8.	Union Bank	Fathua	Patna	14.05.2014	100.00	Dacoity

The Above mentioned data suggests 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 secured environment, especially in remote areas.

**AGENDA-XX****DATA INTEGRITY, CONSISTENCY AND REPORTING ISSUES**

In the meeting held with the controlling head of Banks at RBI Patna on 24<sup>th</sup> January, 2014 the issue of data integrity and reporting issues was also discussed. All Banks have been requested to have a common focal point at Zonal Office level who would provide information to all concerned stake holders. A Copy of RBI letter containing the decision taken in the meeting in this regard is placed at page no. 36A of the Agenda Book. The Name and contact details of the officers providing information to SLBC on behalf of their Bank is placed at page no. 36B of the Agenda Book. The data for DLCC etc should also be provided by these officials of the Banks and the LDMs should arrange to contact these officials for obtention of district data related to that Bank for presentation in DLCC meeting.

In the 27<sup>th</sup> Empowered Committee meeting on MSMEs held at RBI Patna on 19<sup>th</sup> March 2014, the issue of data integrity and consistency was again discussed and all Banks were advised to explore the possibility of extracting data as per SLBC requirement from their respective CBS system, in consultation with their I. T. heads and report to SLBC by the end of April'2014. Nine Banks (SBI,CBI,PNB,UBGB,BOB, Canara, UCO, Andhra and Axis Bank) have sent their views to SLBC. Some of these Banks have already taken up this issue with their respective Head Offices. In the opinion of these Banks it may not be possible to operationalise the system to directly collect the entire data required for SLBC purpose from the CBS System of Banks at this Juncture.

**AGENDA-XXI****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 11<sup>th</sup> September, 2012 of the Core Committee of Banks/FIs with CERSAI officials. Accordingly, the CERSAI officials are being invited in the SLBC meetings for discussions on the issues concerning CERSAI.

**ESCALATION IN STAMP DUTY PAYABLE ON SECURITY DOCUMENTS**

The escalation in stamp duty payable on security documents (agreement document) from Rs. 100/- to Rs. 1000/- is acting as a stumbling block in credit dispensation to small borrowers, particularly under retail lending. The State Government is earnestly requested to look into the matter so that the credit growth, particularly under small loan segment, may not get affected.

**SCHEDULE OF SLBC MEETING FOR F.Y. 2014-15**

In terms of Reserve Bank of India guidelines, yearly calendar for conduction of the SLBC meeting during the Year 2014-15 has been prepared. A copy of the same is placed at **Page No. 37A** for information of the House. All Banks and other agencies (Jeevika,AIC etc) are requested to adhere to the timeline for providing information/data to SLBC so that the meetings could be held on schedule.

### **THE ROLE OF LEAD DISTRICT MANAGERS (LDMs)**

The role of Lead District Managers (LDMs) is vital for banking activities in the district. He acts as a coordinating body between the Bank and the district authorities. Some of the key activities which are to be performed by the LDMs are:

- 1) Organisation of District Level Consultative Committee (DLCC) and District Level Review Committee (DLRC) meetings.
- 2) Distribution of ACP among Bank branches in consultation with the district – coordinators of Banks.
- 3) Resolving of complaints related to Banks in the district.
- 4) Liasion with Govt. Officials for recovery of Bank’s dues.
- 5) Proper implementation of all Govt. Sponsored schemes by the Banks in the district.
- 6) Updation of District Credit Plan on the website of district.
- 7) Inputting Correct GIS data in the site of DFS.
- 8) Make NBFC related issues as a part of permanent Agenda item in the DLCC meetings.
- 9) In the District level security committee meetings issues related to security of Banks to be placed/raised.
- 10) Further Financial Literacy Initiatives in the District.
- 11) Ensure holding of BLBC meetings and discussion on all important issues like performance review, security, NBFC etc there in.
- 12) As a permanent member of Local Advisory Committee (LAC) of RSETIs- ensure sponsoring of trainees & their credit linkage by Banks.
- 13) LDMs also have role in organising meetings, visiting CSPs, opening branches etc in the district.

Banks having lead responsibility are, therefore, requested to provide the required infrastructural support to the LDMs so that they are able to carry out their functions in proper manner:-

Provision of

- 1) A support officer
- 2) Clerical Staff
- 3) Sub ordinate Staff
- 4) Computer with internet facility
- 5) Vehicle
- 6) Generator etc.

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