

राज्य स्तरीय बैंकर्स समिति , पश्चिम बंगाल : STATE LEVEL BANKERS' COMMITTEE , WEST BENGAL

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Ref. No: SLBC/WB/Sub Committee Meeting on MSME/ 652 /2021

Date:06.07.2021

- 1) The Member Banks under SLBC, West Bengal
- 2) The LDMs in West Bengal
- 3) Line Department, GoWB

Re: Minutes of the SLBC Sub-Committee Meeting on MSME held on 05.07.2021.

In accordance with the advice of Dr. Amit Mitra, Hon'ble Finance Minister, GoWB in course of the 152nd SLBC meeting held on 22.06.2021, a meeting of the SLBC sub-committee on MSME was held through virtual mode on 05.07.2021. The meeting was participated by Sri Rajesh Pandey, Principal Secretary, Micro & Small Scale Enterprises and Textiles Deptt, GoWB, Sri Devi Prasad Karanam, Director, MSME Deptt, GoWB, Sri Nikhil Nirmal, Director, Deptt. of Textiles (Handloom etc.), Sri Manas Dhar, Special Secretary & Director, Institutional Finance, GoWB, Sri V. Sivakumar, Director, KVIC, Sri Kamalesh Kumar, General Manager NABARD, Sri Sudip Bhattacharjee, AGM, RBI and other dignitaries of the Line Departments and representatives of major member Banks.

Sri Sakshi Gopal Saha, General Manager, SLBC West Bengal, welcomed all the participants in the meeting and he acknowledged the tremendous efforts of all member banks including the extended support received from the Govt. Department for boosting up MSME sector despite difficulties faced on account of COVID-19 pandemic situation, thus achieving 97% of MSME ACP target of FY 2020-21 by 31.03.2021.

The key issues discussed along with the action points emerged in the meeting are enumerated below:

At the outset, Sri Rajesh Pandey, Principal Secretary, Micro & Small Scale Enterprises and Textiles Deptt, GoWB congratulated the member banks of SLBC, West Bengal for exhibiting outstanding performance during last financial year despite adverse impact due to pandemic situation. However, he highlighted some key points, which are mentioned below:

- i) Banks to take special focused initiative towards MSME target achievement for FY 2021-22.
- ii) Banks to prioritize in sanctioning of Weavers' Credit Card as fresh lending in this segment will not only support the identified entrepreneurs but it would also assist in achieving MSME lending target. He stressed upon the member banks to extend their support to this sector and thereby allowing them to receive the benefit of 4% additional interest subvention being provided by the GoWB over and above of 6% interest subvention provided by Central Government.
- iii) Banks to focus on Sishu Category of PMMY loans, as this segment is very much needy and adversely affected by Covid 19 pandemic. Performance in PMMY is required to be improved substantially.
- iv) GoWB is developing a web portal to capture credit flow to MSME sector.

He suggested all member banks to dispose of all PMMY & Weavers Credit Card loan proposals by end of July. He requested SLBC to organize another VC within July' 2021 to review the progress made by banks in this score.

The agenda wise discussion and the action points emerging thereof are appended below:

1) ACP Target 2021-22:

Sri Sakshi Gopal Saha, General Manager, SLBC informed the house that, in the last 152nd SLBC meeting, Dr. Amit Mitra, Hon'ble Finance Minister, GoWB suggested for fixation of annual target of Rs.1.02 lakh crore for FY 2021-22. Accordingly, the target has been revised to Rs.1.02 lakh crore from the target of Rs.97425 cr fixed earlier. The revised target has already been shared to member banks for necessary allocation to their branches. However, taking into account the potentiality, scope and opportunities available in the state towards lending in MSME and past performance of all member banks in spite of pandemic situation as well, Sri Saha expressed his optimistic view of achieving the revised target for FY 2021-22 with proactive participation of the member banks. Anticipating increased demand for credit requirement in MSME sector in the post pandemic scenario, Sri R. Pandey suggested banks to strive hard to surpass the target by the end of this FY.

(Action point 1: Member Banks)

2) Karma Sathi Prakalpa:

Sri Saha briefly enumerated the salient features of Karma Sathi Prakalpa, a subsidy linked scheme introduced on 09.09.2020 by the state of West Bengal to provide gainful employment opportunity for the enthusiastic entrepreneurs in rural & urban areas by setting up of new manufacturing, service & trading activity. Earlier, it was limited to WB State Cooperative Bank. Sri R. Pandey requested the house to adopt the scheme for effective implementation by all member banks. However, Sri Saha requested to adopt the same in the next VC to be conducted by July'2021 as proposed earlier and feedback on the scheme raised by member banks will be collected by this time.

(Action point 2: Member Banks)

3) Progress in Handloom Weavers scheme:

Sri Manas Dhar, Director & Special Secretary, Institutional Finance, GoWB reiterated that with the benefit of 4% additional interest subvention being provided by the GoWB over and above of 6% interest subvention provided by Central Government, the entrepreneurs will get loan at 2% effective rate of interest. District wise & bank wise Weavers Mudra pending list will be sent to SLBC very soon for further sharing amongst member banks.

Sri Saha narrated that out of 8222 no of sponsored Weavers Mudra proposals, banks have sanctioned only 896 no amounting Rs.4.14 cr, returned 3003 no of proposals and 4323 no of proposals are lying pending at different bank branch level. Sri Saha requested member banks to take necessary steps to dispose of all pending proposals at the earliest and latest by 31.07.2021 and to ensure that no proposal is being rejected on flimsy ground.

Sri Dhar suggested for arranging camps at different block levels, under Duare Sarkar campaign, where BLBC will invite all member banks to dispose of all weavers' mudra loan proposals with help of local administration.

Sri Nikhil Nirmal, Director, Deptt. of Textiles (Handloom etc.) highlighted that performance of PNB & SBI under the scheme is not at par though these banks have major presence in the state.

(Action point 3: Member Banks)

4) Progress in MSME Cluster:

Sri Saha narrated the house that so far 252 clusters have been adopted and out of 10949 no of sponsored proposals, banks have sanctioned 9078 no of proposals amounting Rs.281.80 cr.

Sri Sudip Bhattacharjee, AGM, RBI enquired about completion of branch mapping of these clusters. Sri Dhar informed that branch mapping of these clusters are in process; once it is completed, cluster financing will get the momentum.

Sri Kamallesh Kumar, General Manager, NABARD informed the house that NABARD has promoted 2 OFPOs namely Sutirtha Global Producer Company Limited & Soumarya Universal Producer Company Limited for collectivization of artisans, providing quality raw materials and better marketing avenues. Member banks may consider financing the above companies as their operations have been stabilized and



they are in need of credit to upscale their operations. He further appraised that NABARD can also associate and support training of discipline specific requirement of skilled manpower through their partner agencies who are accredited under the National Skill Development Corporation of Government of India in the various MSME clusters of the Govt. of West Bengal.

(Action point 4: Member Banks)

5) Progress in PMMY & PMEGP:

Sri Saha narrated that Banks have disbursed total Rs.28429.06 cr under PMMY during FY 2020-21 as against Rs.26259.20 cr during FY 2019-20 thus posting a positive Y-O-Y growth of 8.26%. But, finance under Sishu category has decreased from previous year. He urged upon the banks to be focused on Sishu category specially.

Sri Saha requested KVIC to provide the PMEGP target for FY 2021-22 at the earliest for onward sharing to member banks. He also requested KVIC to look into the 54 no of referred back PMEGP cases of different banks, so that the subsidy amount can be released by agency at the earliest which will help banks for further disbursement of loan.

(Action point 5: Member Banks & KVIC)

6) Development of a web-portal to capture credit flow to MSMEs:

Sri M. Dhar informed the house that development of the portal is under process in similar line with KCC IMS portal with an extra column for capturing disbursed amount. Necessary information will be provided to SLBC on activation of the portal.

(Action point 6: Line Department)

7) RBI's measures for MSMEs hit by 2nd wave of Covid-19:

Sr Saha appraised the house that RBI has issued several circulars to give relief measures to MSMEs affected due to 2nd wave of Covid-19 pandemic. RBI has allowed restructuring facility for borrowers having aggregate MSME exposure up to Rs. 50 crore and classified as 'Standard' as on 31st March 2021.

He briefly enumerated that RBI has decided to extend a special liquidity facility of Rs 16,000 crore to the Small Industries Development Bank of India (SIDBI) to support funding requirements of MSME, particularly smaller ones and other businesses. Sri P. S. Manoj, DGM, SIDBI informed the house that the detailed guideline is awaited.

Sri Saha also informed the house that under the revised guidelines of RBI, retail and wholesale trade will be treated under MSME sector which also get benefit from priority sector lending.

(Action point 7: Member Banks)

8) Sector wise target & achievement under MSME:

Sri M. Dhar requested SLBC to discuss the matter separately with member banks as the total process depends upon individual bank's readiness of capturing sector wise data (like Agro & Food based, Chemical based, Plastic based etc.) from their respective MIS.

(Action point 8: SLBC)

The meeting ended with vote of thanks by Sri S.G. Saha to the Chair & the participants.

(Sri Nabin Kumar Dash)
Chief General Manager &
Convener, SLBC West Bengal



List of participants in MSME Sub Committee Meeting held on 05.07.2021 through VC

Sl No.	Name	Designation	Organisation
1	Sri Rajesh Pandey	Principal Secretary	Micro & Small Scale Enterprises and Textiles Deptt, GoWB
2	Sri Devi Prasad Karanam	Director	MSME Deptt, GoWB
3	Sri Nikhil Nirmal	Director	Deptt. of Textiles (Handloom etc.)
4	Sri V. Sivakumar	Director	KVIC
5	Sri Manas Dhar	Director & Special Secretary	Institutional Finance, GoWB
6	Sri Kamalesh Kumar	General Manager	NABARD
7	Sri Sakshi Gopal Saha	General Manager	SLBC, West Bengal
8	Sri Sudip Bhattacharjee	Asstt. General Manager	RBI
9	Sri Sudeep Das	General Manager	BGVB
10	Sri P. S. Manoj	Deputy General Manager	SIDBI
11	Sri Sinku Paridha	Asstt. General Manager	State Bank of India
12	Sri A. K. Mishra	Asstt. General Manager	UCO Bank
13	Sri A.F.M. Nazmul Huq	Asstt. General Manager	Union Bank of India
14	Sri A. K.Senapati	Asstt. General Manager	Central Bank of India
15	Sri Sumit Basu	Chief Manager	SLBC, West Bengal
16	Sri Subrata Roy	Chief Manager	Indian Bank
17	Sri Dinesh Kumar	Chief Manager	Central Bank of India
18	Sri Abhijit Mandal	Senior Manager	Bank of India
19	Sri Dhruvajyoti Deb	Senior Manager	Punjab National Bank
20	Sri Debashis Sutradhar	Senior Manager	Canara Bank

