



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

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Ref. No: SLBC/WB/150<sup>th</sup> SLBC Meeting / 2021

Date: 06.01.2021

- 1) The Member Banks under SLBC, West Bengal,
- 2) The LDMS in West Bengal,
- 3) Line Departments, GoWB.

**Re: Minutes of the 150<sup>th</sup>SLBC, West Bengal meeting on 29.12.2020**

The 150<sup>th</sup> SLBC meeting was held on 29-12-2020 in a virtual mode to review the progress made in various banking parameters till quarter ending September, 2020. After a brief inaugural speech by Sri. A. K. Jha, Convener, SLBC West Bengal, the meeting had commenced under the chairmanship of Dr. Amit Mitra, Hon'ble Finance Minister of GoWB and Sri R. Puri, CGM, Punjab National Bank. Dr. M.V.Rao, ACS, Panchayat & Rural Development Deptt & Cooperation, Dr. Manoj Pant, ACS, Finance Dept, Sri Sunil Kumar Gupta, ACS, Agriculture Department, Sri Anurag Srivastava, Director, Micro & Small Scale Enterprises Department, Sri Sushobhan Sinha, RD, RBI, Sri Ranjan Kumar Mishra, CGM SBI LHO and Sri A.R.Khan, CGM, NABARD, were among other notable dignitaries in the meeting.

At the outset, welcoming the participants, Hon'ble Finance Minister Dr. A.Mitra appraised the Banks for their collective response to the KCC saturation Campaign by clocking the figure of sanctioning more than 12 lakh KCC to the non-loanee farmers of the state during the Kharif season. However, he emphasized on focusing the target of covering all the sponsored cases of KCC during the ongoing Rabi season also. Apart from KCC financing he also deliberated on the present status of financing in MSME, Animal Husbandry, Fishery, Dairy and SHG (NRLM & NULM) sectors as well as the needs and strategy to boost up advances in these segments. His deliberations was supplemented by the related departmental Secretaries/Heads and banks to arrive at various action points which emerged during the course of discussion. The agenda wise gist of the discussion and action points emerging thereof are appended below:

**1. KCC saturation campaign :**

Hon'ble Finance Minister Dr. Amit Mitra mentioned that the progress in terms of sanction of KCC by different banks stood at 13.79 lakh against 22.02 lakh number of applications sponsored by the state government concerning non-loanee farmers. He advised to take all necessary steps so that the leftover 8 lakh Non-loanee farmers are sanctioned with KCC by the Banks in the current Rabi season under the ongoing KCC campaign. He sought active participation of all the stake holders to complete the task.

In this regard He emphasized on the following points:

- 1) District wise, sub division wise camp mode campaign for KCC saturation to be organized by Line departments.
- 2) To push up the average lending in terms of accelerating the disbursement figure.
- 3) Banks should also ensure renewal of the existing KCC cases depending on eligibility.

**(Action point 1: Line Department & Member Banks)**

Dr. M. Pant, ACS, Finance also opined that all the banks should send the rejected proposals to their respective district coordinators so that necessary rectifications can be done by the Line department officials at earliest and also noted that there is a time lag between sanction and disbursement of the KCC cases. Since all due diligences have already been done during sanction, disbursement should happen immediately after the sanction. **(Action point 2: Member Banks)**

## **2. Agriculture Lending :**

Regarding deployment of Rs. 16641 crore upto September,2020, with achievement of only 22% of the yearly target of Rs. 77236 crore, Dr. Mitra expressed his disappointment and termed the performance of Banks in Agriculture lending as poor.

Sri S. K. Gupta, ACS-Agriculture also expressed his concern regarding the below par performance of the Banks in this particular sector. However, he urged the Banks to ensure substantial improvement in lending under Agriculture before completion of the present financial year.

**(Action point 3: Member Banks)**

Sri S. Sinha, RD-RBI Kolkata emphasized that district and block level credit plan should be a part of regular agenda in DCC/DLRC and BLBC meetings to strengthen the monitoring aspect regarding achievement against ACP target of the state. In this regard Convenor informed the house that all LDMs have already been advised to strictly implement the same.

Sri A.K. Khan from NABARD informed the bank to take the advantage of area based scheme in Agriculture allied, Agri processing, Agri infrastructure by financing individual farmer, SHG and JLG also to create more family based enterprises to improve the rural livelihood. He mentioned about availability of re-finance from NABARD against lending in these segments. However, Sri Puri, CGM, PNB stated that the Banks at present are not having any liquidity problem and accordingly the Banks are rather taking advantage of the reverse repo window for channelizing its excess liquidity.

Hon'ble Finance Minister advised the SLBC Convenor to arrange a sub-committee meeting in coordination with the ACS Finance and CGM, NABARD within first week of January 2021 to draw up a proper strategy for boosting up the Animal Husbandry, Fishery and Micro food processing sector and the total Agriculture as a whole.

**(Action point 4: SLBC, Finance, NABARD)**

## **3. MSME Lending :**

Hon'ble Finance Minister Dr. Mitra informed that the achievement under MSME sector stood at 37% of the target at the end of 2<sup>nd</sup> quarter of FY 2020-21. He also taken note of the present status of achievement under MSME lending to the extent of around Rs.45,000 Crore in the state. He praised the member banks for their contribution by way of lending to MSME in spite of the prevailing adverse situation.

He suggested all the member banks to play a more pro-active role to achieve the ACP target by the end of FY 2020-21. He also noted that though banks are doing well in this sector but they are lagging behind in the weaver Mudra section as there are high level of rejection. In this regard, Mr. Srivastava appraised the house that the sanctioned figure is very low against the sponsored cases and as State Government is giving additional 4% interest subvention in this particular section he requested all the member banks to put more efforts in this sector for achieving the goal within the time bound manner.

**(Action point 5: Member Banks)**

Hon'ble Finance Minister Dr. Mitra advised the SLBC convenor to arrange another sub-committee meeting on MSME for effective and real time review of performance as well as to make further strategy to put more momentum in sanctioning under MSME sector. He also requested Mr. Srivastava to take up the export credit element as a topic of discussion and also to ask the National Exporter Association to push up this particular area.

**(Action point 6: SLBC, MSME DEPT.)**

#### **4. NRLM-SHG Advances :**

Dr. Mitra, Hon'ble FM stated that in SHG under WBSRLM, our achievement figure stood at Rs.3629.08 Crore upto September quarter 2021. He advised the Banks to reach the target by the last quarter of FY 2020-2021 apart from ensuring that undrawn balances in the SHG A/cs are disbursed / drawn in full.

Dr. M.V.Rao, ACS P&RD and Co-operation informed the House that the bankers had done a remarkable job in credit linkage of SHGs during the current quarter of FY 2020-21 leaving behind a minimal number of proposals pending which should be cleared off by January 2021.

Mr. M. Dhar, Director-IF, while appreciating the decision of PNB to sanction Rs.6 lakh for each SHG, raised the concern that as per new guidelines issued by PNB, many bank branches of PNB are not able to sanction the SHG loan upto Rs.6 lakh, as the concerned applications are routed to respective loan HUB or PLP resulting in unnecessary delay in sanction. So he requested PNB to kindly resolve the issue by allowing the branches concerned to sanction SHG loan applications at their respective end. He also requested the Banks not to insist on any SHG loan application forms other than the SLBC adopted simplified SHG loan application forms for credit linkage of SHGs.

**(Action point 7: PNB & Member Banks)**

#### **5. CD Ratio :**

The Hon'ble Finance Minister pointed out the requirement for improving the prevailing below 40% CD ratio of 3 Districts (Kalimpong, 24 Parganas North & Hooghly). While he again emphasized the requirement of framing suitable strategies to ensure that these 3 Districts reach the benchmark CD ratio of 40%, he mentioned about Paschim Bardhaman, Howrah, Jhargram and Alipurduar districts which are just above the benchmark CD ratio of 40% and asked SLBC to closely monitor the CD ratio movement in these districts.

Sri A. Jha, CGM PNB & Convenor SLBC West Bengal mentioned that the state CD ratio stood at 62.22% as at September, 2020 and thereby recorded an improvement in CD ratio to the extent of 2.22% over quarter ending June, 2020. He also stated that vis-a-vis quarterly advance growth of 0.96% recorded at national level during quarter ending Sept, 2020, West Bengal has witnessed much higher quarterly growth in advances of 6.04% during the same quarter, which reflects the implementation of the strategies evolved in course of the special SLBC meeting held on 4<sup>th</sup> May, 2020 to combat COVID 19 situation at the ground level by the Banks.

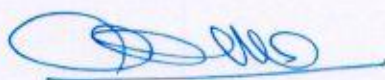
#### **6. Miscellaneous:**

Sri S. Saha, GM, SLBC apprised the house that the tourism department of GoWB has introduced a scheme to provide support to the tourism sector and requested adoption of the same in today's SLBC meeting.

In this regard, Mr. M.Dhar, Director-IF informed that the State Government has introduced a new scheme viz; "PARYATAN SAHAYATA PRAKALPA" through which micro/small units involved in the tourism segment like Home Stay, Tour Operators, Transport Operators, Tourist Boats etc. may avail working capital loans under MUDRA category with a maximum limit of Rs.10 lakh. For availing such loan under the scheme, the units will be eligible for "Interest Subvention" @ 50% of the annual interest expenses for the initial 12 months subject to maximum 4% p.a. The house adopted the scheme since the loans will be allowed under MUDRA segment with additional benefit of interest subvention other than the normally available Guarantee coverage of the Government.

**(Action point 8: Member Banks & SLBC)**

The meeting ended with vote of thanks to the chair & the participants by Sri A.K.Jha.



**(Ashwini Kumar Jha)**  
Chief General Manager &  
Convener, SLBC West Bengal

