

**United Bank of India
Lead Bank Division
Head office
Convener
State Level Bankers' Committee for West Bengal**

Minutes of the 123rd State Level Bankers' Committee Meeting for the State of West Bengal held on 23rd December 2013.

The 123rd Meeting of the State Level Bankers' Committee, West Bengal was held on 23rd December 2013 at Williamson Magor Hall of Bengal Chamber of Commerce & Industry, Kolkata where performance of the banks for the half year ended September 2013 was reviewed. The meeting was graced by **Dr. Amit Mitra, Hon'ble Finance Minister** of the State. Amongst the other dignitaries **Ms. Archana Bhargava, Chairperson & Managing Director of United Bank of India, Chairperson, SLBC, West Bengal, Shri B.P. Kanungo, Regional Director, RBI, Ms Anna Roy, Director, Deptt. of Financial Services, Ministry of Finance, Govt. of India and Nodal Officer of SLBC for West Bengal, Shri H.K. Dwivedi, Principal Secretary, Finance, Sri S.Padmanavan, CGM, NABARD, Shri Ariz Aftab, Secretary, SHG & SE, GoWB, Smt. Roshni Sen, Secretary, Women & Social Welfare, GoWB, Shri A.K.Das, DIF & Special Secretary, GoWB** were also present. **Top executives of State Government, RBI, NABARD and Banks also participated in the meeting. A list of participants of the meeting is enclosed.**

At the outset, Shri Manas Dhar, General Manager, UBI and convener, SLBC West Bengal welcomed all the participants to the meeting. Shri Dhar greeted Hon'ble Finance Minister on behalf of SLBC(WB) and expressed that it was a privilege that Hon'ble Finance Minister of the State remains present in all the SLBC meetings and always guides the SLBC with his valuable opinions.

He greeted and introduced **Ms. Anna Roy, Director, Deptt. of Financial Services, Ministry of Finance, Govt. of India** before the House who attended SLBC meeting of the State for the first time. Thereafter, Shri Dhar requested **Ms. Archana Bhargava, CMD, UBI** to deliver her welcome address to the house.

Ms. Bhargava, CMD, UBI and Chairperson of SLBC(WB) prior to delivering her welcome address greeted Hon'ble Finance Minister of the State on behalf of SLBC(WB). She greeted all top executives of RBI, NABARD, State Government and Banking fraternity. Her briefing inter alia included the following points.

- She praised the efforts made by the Bankers to increase the CD ratio of the State from 63% as on September, 2012 to 66% at the end of September 2013 registering an Y-O-Y increase of 3% and an increase of 1% over March 2013. Based on past trend, her expectation was that the CD ratio will improve further during the next two quarters.

- While mentioning Hon'ble Finance Minister's desire in the 122nd SLBC meeting to increase CD ratio of 9 districts of the State that are still having CD ratio below 40% by 5% as at March,2014 over the level of June, 2013, she informed the house that as on 30th September 2013 CD ratio of Jalpaiguri and West Medinipur district has increased by 6% and 3% respectively over their June 2013 position and all of remaining 7districts have shown growth in CD ratio by 1% over that of June 2013. She urged upon the Banks to accept this challenge and go all out to achieve the target with concerted efforts.
- In the 2nd phase of extending DBT scheme, Govt. of India has identified Howrah & Coochbehar districts for its implementation. She informed the house that District Administration has reported that both in Howrah and Coochbehar districts up to 13-12-2013, accounts of all the beneficiaries have been opened.
- Ms. Bhargava, Chairperson of SLBC praised the laudable effort on the part of the Department of Micro & Small Scale Enterprises & Textiles, Govt. of West Bengal to organize MSME business Conclave " SYNERGY MSME -2013" in the month of September 2013 where United Bank of India and other major Banks of the State participated and organized credit delivery camps. In respect of Credit flow to MSE sector, she informed the house that up to September 2013, Banks have disbursed Rs. 8900 crore under MSE sector which is 55% of the target registering 104.57 % growth in credit flow on Y-O-Y basis.
- In respect of issuance of fresh KCC during 2013-14, though Banks could issue 2.17 lac fresh KCC during the half year ended September 2013, from data collected up to 15-11-2013, it is revealed that the position of issuing fresh KCCs has improved considerably and reached 5.99 lakh. She expressed hope to achieve the target of issuing 12 lac KCCs during the year. She opined that it would be helpful for the Banks to issue fresh KCCs if the District Authorities can identify all eligible farmers not covered by KCC and submit the list to the Banks/LDMs in line with the decision taken in the meeting of Hon'ble Chief Minister on 21st December ,2012.
- The performance of the Banks in the matter of SHGs credit linkage was not satisfactory for the half- year ended September 2013 as only 33299 fresh SHGs have been credit linked during the period against atarget of 1.50 lakh. With a view to achieving the target, she referred to the decisions like formation of of Sub-committee on SHG at DCC level, credit linkage through holding of credit camps etc .taken at the Sub-committee meeting on SHG held on 7th November 2013 and urged upon the Bankers to percolate the decisions down to the branch level and monitor the progress meticulously during next three months.
- In the 122nd SLBC meeting it was suggested that Banks would open Brick & Mortar branches in unbanked GPs in phases and prepare road map accordingly. United bank of India has recently opened 50 branches in 17 districts of the State ,out of which 34 branches cover unbanked GPs. In this respect, she conveyed thanks to State

Government to State Government for arranging space for the branches in the Panchayat offices very quickly. BGVB, sponsored RRB of UBI had also opened 6 branches in unbanked GPs. As per information reached to SLBC Convener bank, Dena Bank and Canara Bank have also approached Govt. of West Bengal for premises support for opening of branches in unbanked GPs.

- As a Banker, She expressed her deep concern over the recovery scenario prevailing in the State. The level of NPA of all the member Banks is gradually reaching to an alarming level. A huge number of applications are pending with the District Magistrates for approval to take physical possession of the charged properties under the purview of SARFAESI ACT. She also emphasized on appropriate police protection and assistance for taking physical possession of the charged properties after obtaining the approval from the District Magistrates. She drew the attention of the State Government to the fact that police assistance is not being available to the Banks despite repeated requests, ultimately frustrating the purpose of initiating recovery process through SARFAESI Act. She requested the State Government to look into the matter so that requisite police assistance is provided promptly to the Banks' recovery team.

Finally, Mrs Bhargava expressed her confidence that the collective effort of all concerned on every sphere can only facilitate speedy implementation of economic development in the State.

Thereafter, **Ms. Bhargava** with the permission of **Dr. Amit Mitra, Hon'ble Finance Minister** requested **Sri Manas Dhar, GM, UBI & Convener of SLBC** to quickly cover the agenda items of the meeting through power point presentation.

Shri Manas Dhar, General Manager(Prisec& FI) and Convener of SLBC(WB) undertook the following Agenda wise discussion through Power Point Presentation and requested the members to interact on the issues.

1. Confirmation of proceedings of the 122nd Special SLBC meeting for West Bengal held on 22nd August 2013 : Confirmed by the house.

2. Review of status of compliance of Major Action Points emerged in the 122nd SLBC Meeting held on 22nd August 2013.

i. Banks are to make efforts to raise CD ratio of the State at the level of 70 at the end of March 2014. – Already discussed .

ii) 9 Districts having CD ratio below 40% must increase CD ratio by another 5% by March 2014 - Already discussed in detail.

iii) With a view to covering all eligible farmers of the State the target of issuance of KCC for the year 2013-14 would be 12 Lakh (NO)- Revised Bank wise distribution of targets against issuance of KCC was circulated from SLBC desk amongst member Banks & LDMs through circular dated 23rd August 2013. The progress in issuance of fresh KCC during the year as already been discussed.

iv) Short term credit to fish farmers up to Rs.50000/- would be covered through KCC. The Banks are to instruct the branches accordingly.

- The SLBC has already communicated through its letter no. LBD/SLBC(WB)/2450 dated 13th September 2013 about this decision to member Banks for issuing instruction and guidelines to the branches accordingly.

v) The target for MSE credit under ACP 2013-14 to be upwardly modified to the extent of 20% growth on previous year's target (Rs 13500 crore) that stands at Rs. 16200 crore. The SLBC will revise bank wise distribution of targets immediately.

- The Bank-wise distribution of targets against MSE was revised by SLBC accordingly and communicated to member Banks and LDMs through circular No. LBD/SLBC(WB)/Target/2398/2013 dated 23rd August 2013. Achievement in MSE sector under ACP-2013-14 already discussed and ratified by the house.

(vi) One big conclave on MSME will be organized in the month of September 2013 by the Deptt.of of MSME & Textiles , Govt.of West Bengal where all Bankrs and other stake holders would participate.

- Already discussed.

vii) Implementation of DBT in 2 districts identified in the 2nd phase of extending DBT scheme by Govt.of India. – Progress already discussed..

viii) Sub –Committee meeting of SLBC on Agriculture & MSE is to be organized to discuss the relevant issues in the month of September 2013.

- The meeting of the Sub-Committee of SLBC on Agriculture & SME was held on 7th November 2013.

viii) Credit Linkage to SHGs : Already discussed.

Agenda 3. Financial Inclusion Plan- Setting up of Banking outlets in all the identified villages with population less than 2000 – Opening of Brick & Mortar Branches in 5% of the identified villages(28140) having population less than 2000. Already covered and house noted the achievement.

Agenda 4. Achievement under Annual Credit Plan (2012-13) and 2013-14 (Up to September 2013)

Already covered and house noted the achievement.

Agenda 5. Performance of Banks in Key Areas in West Bengal for the half year ended on September 2013

The house noted the performance of the banks under different sectors.

Agenda 6. CD Ratio, Issuance of KCC, GCC, creation of on –line charge by banks on land holdings, Education loan, housing loan, Agriculture loan.

The house noted the development /achievements under all the parameters. Details of the performance of Banks under different **schemes including KCC, GCC, Education loan, Housing loan** have been given in the annexure of the Agenda book

Agenda 7. Direct Benefit Transfer – Already discussed in detail.

Agenda 8. Progress of Credit Linked Self-Employment Programme (SEP)

The house noted the performance of Banks for the year ended on September 2013.

Agenda 9. Financing the Minority community and backward classes.

The total outstanding advance to Minority Community has reached 16% of the total priority Sector Advance as on 30.09.2013 The house noted the progress.

Agenda 10. Recovery performance of Banks & NPA position

Already covered. However the house noted the overall recovery percentage consisting of three broad sectors, viz, Agriculture, MSE and OPS as on 30.09.2013 . The sector wise and scheme wise recovery position was reviewed. The house noted that the recovery mechanism was not functioning properly and the NPAs are on the rise. Enforcing recovery through SARFAESI act was discussed earlier.

Agenda 11. Adequate Support from the Government for Quick Enforcement of SARFAESI Act :

- Already covered under speech of the Chairperson of SLBC, Ms. Archana Bhargava.

Agenda 12. Kanyashree Prakalpa.

Shri Manas Dhar,GM (UBI) & Convener SLBC (WB), mentioned Kanyashree Prakalpa as a flagship scheme of the State Government and informed the house that Banks are opening the accounts of the beneficiaries on war footing to implement the scheme successfully. United Bank of India has alone opened more than 2 lakh accounts already under this scheme.

Comments By:

Shri H.K. Dwivedi, Principal Secretary, Finance, GoWB mentioned that lot of support has been received from the Banks for launching this scheme successfully. He expected that 24 lakh beneficiaries may come under the purview of this scheme. He emphasized on convergent effort for smooth functioning of the scheme.

Smt. Roshni Sen, Secretary, Women & Social Welfare GoWB mentioned some points in respect of implementation of Kanyashree Prakalpa at the field level and requested the Banks to look into the issues.

- i) The Bank branches are not using the common form of account opening as designed for this scheme.
- ii) The branches are not opening accounts on camp mode basis. A huge number of filled in account opening forms are lying at the branch level.
- iii) After opening of accounts ,inordinate delay is happening for delivering the pass books to the beneficiaries.

Agenda 14 . FLC Activities & RSETIs

As on 30.09.2013, there are 27 No. of FLCs are operational in the State. The Banks having Lead district responsibility have set up FLCs in all the LDM offices. The house noted the performance of FLCs for the quarter ended September, 2013 which has been annexed in the Agenda Note book. 19 RSETIs are also in operation in the State.

Comments By:

Sm. Anna Roy, Director , Deptt.of Financial Service, MoF, GoI urged upon the sponsoring Banks of RSETIs to monitor the functions of RSETIs effectively that will improve grading position of RSETIs.

Thereafter, **Ms. Archana Bhargava, Chairperson of SLBC** requested **Dr. Amit Mitra, Hon'ble Finance Minister** to deliver his key note address.

Dr. Amit Mitra, Hon'ble Finance Minister of West Bengal at the outset welcomed each one of the participants in the meeting and expressed his pleasure for remaining present in the SLBC meetings where it becomes possible to interact with the bankers and Govt .officials at a time.

Shri Mitra then requested the Secretaries , present in the meeting representing different Govt.Deptts. to introduce themselves. At the time of introduction, **Shri Mitra** primarily interacted with the concerned Secretaries on certain issues like Kanyashree Prakalpa,, SHG, Anandadhara etc. After the introduction part was over, he straight way went to the following deliverables.

- i) The CD ratio should be raised to the level of 70% at the end of March ,2014 and the Banks should commit in this regard.
- ii) In 9 districts of the State where CD ratio is still below 40%, the concerned Lead Banks of respective districts will prepare definite action plans and strategies to increase the CD ratio and to take it to the level of 40 at the end of current financial year.
- iii) It is heartening to mention that United Bank of India has opened branches in 34 unbanked Gram Panchayats of the State very recently. Bangiya Gramin Vikash Bank has also opened 6 branches in unbanked GPs. But what about other Banks. There are still 849 unbanked GPs. Dr . Mitra requested the Banks to submit the list of unbanked GPs where they are willing to open branches, to SLBC Convener Bank within 7 days.

So far as space is concerned, Dr. Mitra assured for arranging the same immediately.

Comments By:

Sm. Anna Roy, Director, Deptt. of Financial Services, MoF, GoI : While the State Government is so co-operative and proactive, she expressed displeasure over the attitude of Banks. She opined that while the Sub –Service Area plan of all the districts is completed then why Banks are lagging behind and expected that list should immediately reach to the Government.

iv) With a view to implementing the Kanyashree Prakalpa successfully, and evaluating the progress he proposed for holding of monthly meeting on Kanyashree that will be conveyed by the Secretary of concerned Department. With regard to use of standardized common account opening form uniformly by the bank branches, he requested the Secretary, Child & Women Welfare to arrange printing of forms as per requirement and send those to SLBC Convener Bank for distribution amongst the member Banks.

v) Dr.Mitra emphasized on convergence to achieve the target of issuance of 12 lakh fresh KCC during this financial year.

vi) He proposed to conduct a meeting of all Banks shortly ,if possible within 7 days to discuss the progress on SHG credit linkage and identify the Banks which are lagging and why.

Comments by:

Dr.Arij Aftab , Secretary, SHG & SE : He mentioned the decisions of the meeting of Sub-committee of SLBC on SHG held on 7th November ,2013 taken with a view to achieving the target of 1.50 lakh SHG credit linkage by March ,2014. As suggested by the Hon'ble Finance Minister, he assured to monitor the progress Bank-wise and District wise in the next Sub-Committee meeting, to be held in the month of January, 2014.

vii) He expressed his dissatisfaction in the matter of percentage credit flow of priority sector to Minority community , SC/ST beneficiaries and women entrepreneurs. He proposed to form 3 Sub-committees of SLBC to monitor the disbursement of loan to these three sectors so that Minority Communities and backward classes receive a fair and equitable portion of credit within the overall target of the Priority sector.

viii) In respect of execution of SARFAESI Act for recovering bad loans, Dr .Mitra asked the Banks to follow stipulated norms and guidelines of the said Act and not to involve undesirable persons in the process at any cost. He requested the Banks to submit the

list of pending cases to Government and the Government must take suitable steps in the desirable cases.

The Hon'ble Finance Minister finally summarized the aforesaid discussed points , expressed satisfaction for threadbare discussion and desired that all should join hands together to improve the economic scenario of the State.

The major action points emerged in the meeting are as under:

- The CD ratio of the State should be raised to the level of 70% at the end of March ,2014 and the Banks should commit in this regard.(**Action: Banks**)
- In 9 districts of the State where CD ratio is still below 40%, the concerned Lead Banks of respective districts will prepare definite action plans and strategies to increase the CD ratio and take it to the level of 40 at the end of current financial year. The LDMs will also monitor the issue in the Sub committee of DCC meticulously.(**Action: Banks/LDMs**)
- There are still 849 unbanked GPs. In the 122nd SLBC it was decided that Banks would submit road map for opening of Brick & Mortar branches in the allotted unbanked GPs. The Banks are to submit the list of unbanked GPs where they are willing to open branches, to SLBC Convener Bank within 7 days and SLBC will forward the list to State Government within 10 days. State Government will arrange the space immediately. (**Action: Banks/Convener ,SLBC**)
- The Secretary , Child & Women Welfare, Govt.of West Bengal will arrange holding of monthly meeting on “Kanyashree” with a view to monitoring the progress in the matter of account opening and other related issues. The Banks will attend the meeting with monthly progress report. With regard to use of standardized common account opening form uniformly by the bank branches, the Secretary, Child & Women Welfare will arrange printing of forms as per requirement and send those to SLBC Convener Bank for distribution amongst the member Banks.(**Action: Secretary, Child & Women welfare, Banks**)
- Banks and concerned line departments of the State will give convergent effort to achieve the target of issuance of 12 lakh fresh KCC during this financial year.(**Action: Banks & State Agril. Deptt.**)
- A meeting of all Banks to be conveyed shortly ,if possible within 7 days to discuss the progress on SHG credit linkage and identify the Banks which are lagging and why. The Banks will attend the meeting with updated district wise position of credit linkage of

SHG. (Meeting of Sub-committee of SLBC on SHG to be held in 2nd week of January.2014) (**Action: SLBC Convener, Banks & Secretary, SHG, SE**)

- 3 Sub-committees of SLBC are to be constituted immediately to monitor the disbursement of loan to Minority Communities , SC/ST beneficiaries and women entrepreneurs so that these sectors receive a fair and equitable portion of credit within the overall target of the Priority sector. (**Action: SLBC Convener , Banks & concerned State Deptts.**)
- In respect of execution of SARFAESI Act for recovering bad loans, the Banks are expected to follow stipulated norms and guidelines of the said Act and not to involve undesirable persons in the process at any cost. (**Action: Banks**)
- The Banks will instruct the branches to dispose the pending proposals sponsored under Weavers Credit Card scheme and disburse the already sanctioned cases immediately.(**Action : Banks**)
- The FLCs would conduct more outdoor Financial Literacy camps with focus on financially excluded people. FLCs would also submit the quarterly statement as per specific format to SLBC positively within 5th of the subsequent month after the end of a quarter. (**Action: FLCs & Banks**)

Vote of Thanks :

Shri Manas Dhar,GM (UBI) & Convener SLBC (WB) while expressing his privilege to offer vote of thanks, conveyed heartfelt thanks to Dr. Amit Mitra, Hon'ble Finance Minister of the State for attending the SLBC meeting and sparing his valuable time in the deliberations to guide the SLBC on different running issues. He specially thanked Ms. Archana Bhargava , CMD of UBI & Chairperson of SLBC(WB) for her keen interest in all the concurrent issues of the SLBC. Shri Dhar conveyed thanks to all the dignitaries on the dais, senior officials of the State Government, RBI, NABARD , Banks and other Agencies for attending the meeting and taking active part in the deliberations. He conveyed his special thanks to Shri B.P.Kanungo, RD RBI, Shri S. Padmanavan, CGM, NABARD for attending and enriching the meeting with the valuable views . He thanked also Shri Ariz Aftab, Secretary, SHG& SE, Shri A.K. Das, DIF, GoWB , Smt Roshni Sen, Secretary, Women & Social Welfare, GoWB and other Senior Officials of the State Government for raising some very pertinent issues and assured that the banks will give due importance to all those points. In fine, he once again thanked all the participants for attending the meeting.
