

**MINUTES OF 158th MEETING OF STATE LEVEL BANKERS' COMMITTEE, PUNJAB
Held on 31.12.2021 through Video Conference**

CONVENER:

PUNJAB NATIONAL BANK

The **158th Meeting** of the **State Level Bankers' Committee, Punjab** to review the performance of banking system in the State of Punjab for the quarter ended **September 2021** was held on **31.12.2021 through Video Conference** from **11:00 A.M onwards** under the **Chairmanship** of **Sh. Swarup Kumar Saha, Executive Director, Punjab National Bank; Sh. K.A.P. Sinha, I.A.S, Principal Secretary Finance, Government of Punjab** was the Chief Guest of the meeting and **Sh. Jyoti Kumar Pandey, Regional Director, RBI** was the Guest of Honour. Besides, the meeting was attended by **Madam Garima Singh, IRS, Secretary Finance cum Director, Institutional Finance & Banking, Punjab; Dr Rajiv Siwach, Chief General Manager, NABARD, Chandigarh; Shri Kiranjit Shorey, General Manager, Corporate Office, Punjab National Bank; Shri Sumanta Mohanty, Zonal Manager, Punjab National Bank, Ludhiana Zone & Convenor-SLBC Punjab** and Senior Officers from RBI, NABARD, State Government, Banks, Financial Institutions and various Corporations.

The list of participants is as per **Annexure-I**.

At the outset, Shri Sumanta Mohanty, Zonal Manager, Punjab National Bank, Ludhiana Zone & Convenor-SLBC Punjab in his welcome address extended a warm & hearty welcome to **Sh. K A P Sinha, Principal Secretary Finance, Government of Punjab; Sh. Swarup Kumar Saha, Executive Director, PNB; Sh. Jyoti Kumar Pandey, Regional Director, RBI; Madam Garima Singh, IRS, Secretary Finance cum Director, Institutional Finance & Banking, Punjab; Dr. Rajiv Siwach, Chief General Manager, NABARD; Dr. Anil Yadav, GM, RBI; Shri Kiranjit Shorey, General Manager, Corporate Office, PNB** and Senior Officers from RBI, NABARD, State Government, Banks, Financial Institutions, various Corporations.

He said the Govt of India has taken various steps and launched different schemes like Emergency Credit Line Guarantee Scheme, PMFME, Agriculture Infrastructure Fund (AIF), Animal Husbandry Infrastructure Development Fund (AHIDF), Fisheries Infrastructure Development Fund (FIDF) etc. under Atmanirbhar Bharat Package. These schemes will not only help in the development of Infrastructure in Agriculture/Dairy/Fisheries but also to bring the economy on track by providing financial assistance to the affected public.

Simultaneously there are other important aspects which need to be taken care of like financial literacy, digitalisation of banking services, implementation of annual action plan,

annual credit plan, social security schemes to deliver the benefits to poor and under-privileged in true spirit.

Further, discussing about the progress of the banks in the state, he mentioned that the banks has given upward progress in most of the parameters in comparison to the previous quarter like PMSVANidhi disbursement is 32.85% in comparison to 30.66% in last quarter. There is 5% increase in sanction of PMFME applications in comparison to June quarter sanctions.

Priority sector is at 55% against the target of 40%. There is absolute growth of Rs.4510 crores in agriculture during this quarter despite the challenge of Farmers agitation.

Jansuraksha schemes have shown tremendous growth like PMSBY achievement is 167% in comparison to 40.29% and PMJJBY progress is 119% in comparison to 36.06% of June quarter and APY has also shown same pace of growth i.e. 22% in comparison to 8% of June quarter.

NPA of the banks has declined to 8.34% from 11.21% of last quarter.

Although Annual Credit Plan and CD Ratio did not show desired results due to Farmers Agitation and Covid situation but he assured that in the December quarter, a positive growth will be witnessed.

He further briefed about the Guidelines of Election Commission and requested all the bankers to follow the same keeping in view the ensuing legislative assembly election in the state.

Sh. Swarup Kumar Saha, Executive Director, Punjab National Bank in his key note address extended a hearty welcome to distinguished guests Sh. Jyoti Kumar Pandey, Regional Director, Reserve Bank of India; Madam Garima Singh, IRS, Secretary Finance cum Director, Institutional Finance & Banking; Sh. Anil Yadav, GM,RBI; Dr. Rajiv Siwach, Chief General Manager, NABARD; along with senior executives from State Government, Banks, Financial Institutions, RBI, NABARD and other offices.

He said besides reviewing the performance of the banks in the state for the Q.E. Sept 2021, we will be determining the future roadmap for attaining the targets set by the regulatory and other authorities. Touching upon the revolving matrix on economic conditions in the country, he said various preventive measures has been taken by the Government of India & Reserve Bank of India in terms of providing relief to the economy. Proactive actions have been taken to ensure that the relief and measures reach & benefit all strata of population ever since the pandemic impacted the economy.

Due to these initiatives, the economy has gradually started to come back to normalcy. The real GDP expanded by 8.4 % in Q2 FY 2021-22 following a growth of 20.1% during Q1. The momentum of activity facilitated by expansion of vaccination coverage, subsiding of new infections and demand from various segments of the economy. The manufacturing and services index continues to move in the positive zone besides other

indicators such as electricity demand, railway freight traffic, port cargo, toll collections, and petroleum consumption raised at robust level in the months of October November suggesting normalisation of economic activities.

Keeping in view the revival in demand and the macroeconomic environment, RBI has retained GDP forecast for FY 2021-22 at 9.5 %. However, uncertainty in inflation trajectory and emergence of infections due to new mutation of the virus may have some impact going ahead.

Speaking about the Govt. of India's campaign to ensure saturation cover of all eligible persons for the three Prime Minister Jansuraksha schemes i.e. PM Jeevan Jyoti Bima Yojana, PM Atal Pension Yojna & PM Suraksha Bima Yojna, he requested all the bankers to connect every entitled individual with Govt. Insurance and pension schemes. He also requested the Banking fraternity to identify and proactively reach out to all those who do not have any bank a/c and move ahead with a mind-set of cent percent achievement. For this purpose, information from UIDAI can be used as a source to identify all those who have attained adulthood.

Further, apprising the house of performance under PMJDY, he said there are 80.40 Lakh accounts having deposit of more than Rs.3500 Cr. in the state. The average deposit in a PMJDY account in Punjab state is Rs.4368/- which is more than the national average of Rs.3312/-. He thanked all the members of SLBC Punjab for contributing to the opening of these PMJDY accounts and showed confidence that they will successfully achieve the saturation under the drive responding to our honorable Prime Minister's call. Member banks to ensure saturation cover of beneficiaries under PMJDY and PMMY in the eligible age groups.

As on 30.09.2021, a total of 1.03 Cr enrolments have been done under Social security schemes. He requested the member banks to expeditiously dispose of pending claims (132-PMSBY & 71-PMJBY), review the rejected claims and put concerted efforts to achieve saturation.

Talking about the initiatives, he said Govt. of India launched schemes like Agriculture Infrastructure Fund (AIF), Animal Husbandry Infrastructure Development Fund (AHIDF), Fisheries Infrastructure Development Fund (FIDF) etc. under Atmanirbhar Bharat Package which will help in development of infrastructure in Agriculture, Dairy and Fisheries in the state.

Further, Reserve Bank of India introduced certain development and regulatory policy measures to deepen digital payment systems and ensure financial inclusion. It has been decided to introduce a framework to carry out retail digital payments in offline mode across the country i.e even when internet connection is low or not available. In view of importance of IMPS in domestic payments, per transaction limit has been increased from Rs.2 to 5 lakhs for channels other than SMS & IVRS which will further provide additional facility to customers and improve/facilitate digital payments.

Coming to the performance under the Annual Credit Plan, he said the banks in the state have disbursed 70,721 cores i.e. 64% of annual targets under ACP for FY 2021-22 as on 30.09.21. The achievement under Agriculture and MSME sector was 59% & 76% during

this period. Besides achievement under Non priority sector stands at 65%. He congratulated the Banks and LDMs of Amritsar & Faridkot district for achieving more than 100% of their allocated targets of total priority sector under ACP.

The Banking business under various segments as on Sept 21, total deposits increased by 11.91% and advances by 9.94%. Advances in MSME grew by 7.72%, Agriculture by 2.18%, priority sector goal achieved was at 56.51% and weaker sector registered a growth of 19%. The CD Ratio however decreased to 58.33% from 59.66% YoY which is a matter of concern. The chairman SLBC Punjab called upon all the LDMs and the member banks to take necessary steps to achieve the national average of CD ratio.

Credit facilities to the tune of Rs.1720 Cr. have been sanctioned to more than 3.2 Lakh beneficiaries under the Mudra Yojna up to first half year and 89% target of Sept quarter have been achieved. More than 1.25 Lakh KCC have been sanctioned by the banks amounting to Rs.5398 crores during current financial year achieving 25% of annual targets. Besides more than 51000 KCC amounting to Rs.618 Cr have been sanctioned to dairy farmers. Under PMEGP, 808 projects of Rs.28 Cr giving employment to 6500 individuals have been approved by the banks in current Financial year. Members banks to expedite the sanction of eligible cases.

Under PMSVANidhi, banks in the state have received more than 1 Lakh applications out of which 38447 have been sanctioned and disbursement has been made in 34475 cases as on 10.11.2021 which is 89.6% of sanctioned applications. Besides more than 17000 applications are under process for which banks are requested to expedite the processing.

The Indian Food processing industry has a wide variety of food products and largest production base. The Govt. of India has launched PM formulation of Micro Food processing scheme under the AtmaNirbhar Bharat and Vocal for Local campaign to provide technical, financial and business support to these units. Out of total 80 applications received, 35 cases amounting to Rs.11.17 Cr have been sanctioned as on 07.10.2021 and 45 are pending for which member banks were requested to dispose of at the earliest.

In terms of the adoption of Digital payment system, Kapurthala and SAS Nagar were identified for 100% digitalisation and the progress of coverage of individuals as of now is 74.58 & 80.78% respectively. Member banks and concerned LDMs to make concerted efforts for 100% achievement.

As the Grievance Redressal Mechanism is critical for the Banking sector, the house was apprised of the newly launched Integrated Ombudsman Scheme "One Nation One Ombudsman" which makes the jurisdiction neutral and strengthens the Grievance Redressal system. The Banking Fraternity was requested to set higher standards of service and ensure redressal in time.

While concluding, the Chairman SLBC Punjab thanked the state Govt., RBI, NABARD for their excellent support and guidance over the years and assured full cooperation on behalf of all the member banks to State Govt. & all other stakeholders for strengthening & uplifting the socio economic position of Punjab state.

Sh. Jyoti Kumar Pandey, Regional Director, RBI welcomed the dignitaries, The banking fraternity and State govt. departments. To begin with, he apprised the house that on 12th Nov 21, Honorable Prime Minister launched Retail Direct scheme. It is onerous responsibility of Banking fraternity to make people aware of the scheme wherein individuals will be able to access trade and transactions in Govt. securities through online methods in safe and secure way which will also open another avenue for online investments by retail investors. So he urged upon all the banks to propagate this scheme.

Further, the second scheme which was launched at the same time is Integrated Ombudsman Scheme with an auspicious vision of "One Nation One Ombudsman". It is privilege to share with all the members that the Central Receipt and Processing Center is based at Chandigarh only. The complainants all over the India can lodge the complaint just by dialing toll free number and have access to status of their complaints. The scheme thus makes the jurisdiction neutral and strengthens the Grievance Redressal system.

He further said that another important point is recently the Election Commission had visited the state of Punjab in anticipation of impending Elections and the chief election commissioners wanted to take stock of preparedness of all the agencies including the regulatory and enforcement agencies. The Election Commissioner expressed his concern over any cash transactions which could be explicitly or implicitly associated with and need to be observed. As election commission has said most of the times, Bonafide Banking Channel is actually used for such transactions, so the banks/enforcement agencies should notice any sudden spurt in cash transactions. Take note of any unusual cash transaction not backed by any bonafide transaction, not being transported from prescribed mechanisms, transactions of suspicious nature if any as these could be investigated by the investigating agencies. We need to substantiate the fact that a Robust mechanism is there in the state. Transactions from banking sector should only be to account holders only otherwise they should be recorded with complete assurance and proof of authenticity. Any deposit or withdrawal the bank is doing with RBI is through currency chest only. So all the transactions should only be through approved/recognized channels only as beside other factors, the cash plays a very significant role in elections anywhere in the country.

Putting forth his concern over the issues of ACP Targets Vs Achievements, he said while we have been doing good as compared to most least developed states in the country, but the achievement of 64% under ACP and 59% in Agriculture is a matter of concern. Punjab being the leading state as far as agriculture is concerned, but these figures do not justify the fact. The member banks need to pull up and do honestly good work to improve the figures as the Financial year is closing soon. Also there is need to set better targets in future which will make everyone happy including the policy makers.

Another matter of concern is poor participation by the Banks & local Govt officials in the Block Level Bankers' Committee meetings and absence of quality data at BLBC Forums. He stressed that from RBI's perspective, everyone should clearly know that these BLBC meetings are the building blocks for any kind of plan be it ACP or any other plan and poor participation by Banks or local Govt officials aggregates to one of the major factors indicating that graph of the state economy is not going up.

Also recently major issue has come up at BLBCs with the trend of clubbing number of blocks together to hold the meetings. It should be noted with concern that problems of different blocks cannot be amalgamated and given same treatment as the policy of One shoe Fits all is not realistic and will not benefit any of the stakeholders at block level. Take each block as an independent entity in itself and give them special treatment if we want to see an upward trajectory of economic growth of state. BLBC Forums need to be activated and concerned Lead District managers have an important role to play in this. These factors should really need to be looked into for the serious economic development of the state.

He stressed upon that when the SLBC meets at the Apex level, we really need to take into account the achievement by the Banks and other stakeholders in some of the very very basic schemes propagated by the Govt. of India which benefits every individual on the street like Atal Pension Yojna, PM Suraksha Bima Yojna, PM Jeevan Jyoti Bima Yojna. These schemes will typically benefit the last man in the society and we should be looking at optimization of profit and not the maximization of profit.

As development Banking continues to be the focus, the commercial banks both public & private need to pull up their socks. The purpose of the SLBC is to look into the overall betterment of the society and these are the schemes which will improve the backbone of the society.

As far as Financial literacy and Financial Inclusion is concerned, the state has been making good progress with 25 CFLs already working in 13 districts of Punjab. The banks currently involved are PSB & PNB and responsibility lies to maximize access of beneficiaries out of these CFLs. He further expressed concern that the CD Ratio in the state has fallen to 57% from 62% in Rural area and in semi urban area from 53 to 47%. Also in some of the districts like SBS Nagar, CD RATIO has fallen from a low of 26% to lower of 19%.

Belonging to a state which historically has been a hub, the cradle of agriculture and the cradle of economic development, we need to strategize and take urgent active steps to restore the economic glory of the state. Although the state has done well in areas like Digitalization of Land records, advances to MSME sector has picked up, total advances YoY has increased but there is need to focus on grey areas where we need to perform for the upward trend of economic growth to start.

Sh. K A P Sinha, I.A.S, Principal Secretary Finance, Government of Punjab, Chief Guest of the meeting, said SLBC forum has to be productive and relevant always and asked the banks to deliberate on bottlenecks if any for poor performance under some schemes so that they can be flagged and taken up with Govt. of India as well for taking corrective measures. The Banks need to communicate properly with the targeted groups under various schemes so that people should not suffer for any kind of inefficiency at bank's level.

The govt. of India has launched the social security schemes for the welfare of people and banks need to make extra efforts, take initiatives to convince the beneficiaries as the

implementation is in our hands. Further as there is huge Agriculture Infrastructure Fund deficit in the state and performance of many of the banks is zero under the scheme, NABARD to come up with some restructuring to improve the performance. Coordinate with PUNSUB, PUNGRAIN, FCI, Warehousing corporation for constructing godowns with additional capacity & see the possibility of convergence as huge potential is there.

He further impressed upon that in many of schemes like Agro Food Processing, KCC to fisheries, PMFME, Stand up India, the performance of most of the banks is consistently zero and if in every quarter same response of improving in next quarter will be received from banks, the people are not going to be benefitted, the economy is not going to get any boost.

Referring to the issue of correctness of data, he said bankers should go through the figures which have been projected and come prepared at SLBC with valid reasons for poor performance under different parameters. They should give feedback about the bottlenecks also so that solution can be given. Also learn from the success stories of those banks who have performed well.

He wished all the participants a happy & prosperous new year and said it is hoped that better figures will be projected from coming year with improved performance under various parameters.

Madam Garima Singh, IRS, Secretary Finance cum Director, Institutional Finance & Banking, Punjab appreciated the banks for the crucial role played during the Covid times. Before the economy could be out of it, we are again facing another challenge. So she appealed all the bankers that need of the hour is to give whole hearted commitment towards service of society and dedicatedly work on all the schemes launched by the Govt. to actually make a difference through the SLBC forum. Talking about the areas of concern she said we need to improve the agriculture infrastructure, also the declining CD ratio cannot be afforded by any state & it also shows the vulnerable sections are not getting the required facilities. The state is viewing this forum very seriously as not only the scheme wise but bank wise performance will also be reviewed. So the banks especially the Private ones need to see life beyond Profits and bring solace to the mankind in these tough times by contributing towards important criterias.

Dr Rajiv Siwach , Chief General Manager, NABARD in his address extended a warm welcome to Sh. Swarup Kumar Saha, Executive Director, PNB & Chairman SLBC ; Sh. Jyoti Kumar Pandey, Regional Director, other dignitaries and the participants from various banks, departments and institutions. Beginning with the GLC performance of state, he apprised the house that the Ground level credit achievement under priority sector has come down to 63% for Sept 21 against 75% during corresponding period last year. So in absolute terms there is a decrease of Rs.9158 crores. The Agriculture and MSME has also shown negative growth however some growth is there in other priority sector. The ground level credit disbursement last year was Rs.89000 crore against the current corresponding of Rs.70000 crore.

Talking about agriculture term loan in particular, he apprised that agriculture term loan is very significant for the growth of agriculture in state and there is a negative CAGR of 10%. As the same is coming down consistently from last 3 years, banks need to make more efforts in this.

He further said that AIF is a very good scheme which is yet to pick up in the state. There is a target of Rs.4700 crores for 5 years and banks can take advantage of 3% Interest subvention in scheme. There is some progress in the state with total number of projects being 200 with sanction amount of Rs.96 Cr. He requested the banks to come forward and share their success story under the scheme. NABARD has shared the unit cost with all the banks and all the activities which are feasible in the state.

Commenting about the Scale of Finance, he said it has been observed that many banks are not following it and they are Over Financing which leads to multiple financing. Banks are requested to adhere to Scale of Finance so that there is no over financing and farmers are unnecessarily not burdened with debt.

Further speaking about the success of JLGs in the state, he informed that NABARD has sanctioned JLG promotional grant for 22 JLGs to 6 banks and also entered an MOU with SBI. All the banks were requested to explore the possibilities of JLG promotion as the scheme has very well been received by all engaged in economic activities.

He further said NABARD has been providing liquidity support to rural financing institutions during Covid period and this has provided ground level assistance to farmers. We also need to focus on KCC, Animal Husbandry and Fisheries. PNB, PSB, SBI & PGB are doing well and other banks were also requested to come forward. The Farmer Produce Organization is another very important programme for the country and NABARD recently conducted State level Coordination Committee meeting for the same. The progress under PMFME was also discussed in detail in the meeting. He informed that the scheme is picking well in the state, 35% subsidy component is there in the scheme and it can also be implemented through FPOs.

A lot of support is available under Financial Inclusion Fund from NABARD, however banks are not coming forward so the funds are lying unutilized. There is scope for financing financial literacy centers, financial literacy camps , POS machines, MICRO ATMs or some Nukkad natak for creating financial awareness among farmers . So he requested the commercial banks to send proposals so that grant can be given under FIF for these issues.

NABARD has also been collaborating with RSETIs where 100% grant is given for any skill development programme. Under the Stand Up India programme, NABARD has 5 cluster offices who are collaborating with Entrepreneurs and providing finance. He further added that additional scientific warehousing facilities are required in the state as open storage godowns need to be phased out by 2024 and this is an opportunity for bankers to fund

4 state level agencies i.e. Punjab state warehousing corporation, PUNGRAIN, PUNSUB & Markfed.

Item No.1	Confirmation of minutes of 157th meeting of State Level Bankers' Committee (Punjab)
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The House confirmed the e-mailed/circulated minutes of above meeting as no comments/suggestions were received.

The Agenda Items were discussed as under: -

Item No. 2.1	PM Street Vendors Atma Nirbhar Nidhi (PM- SVANidhi) a special Micro Credit Facility Scheme
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As on 11.10.2021, total of 104956 applications were uploaded on the portal, out of which Banks have sanctioned 38447 applications and 34475 applications have been disbursed. There are 731 applications on the portal which banks have not yet picked up for sanction. Moreover 48626 applications have been returned/rejected by banks citing various reasons.17152 applications picked up by banks are yet to be sanctioned/dispursed.

Shri K.A.P. Sinha, Chief Guest observed that as compared to the last 2-3 SLBC meetings, the performance in the current quarter is comparatively better , specially the Public sector banks have shown quite satisfactory performance as many of the banks have more than 90% achievement.

However, the performance of private banks except IDBI is below par, Indusind Bank, ICICI, & Yes Bank being the non-performers. He then enquired from the Nodal Officers of Private Banks like, the reason for the poor performance especially the point of sanctioning when there is negligible disbursement. It was assured that the sanctioned cases will be disbursed the next quarter.

Shri Sinha said the applicant not coming back cannot be considered as the reason of rejection as coming again and again for a meagre amount of Rs.10000 will add up to his cost. Also the govt. has extended all kind of facilities primarily because of the fact that the scheme has proved to be very beneficial. So basically the Private sector banks need to be more proactive and improve their performance.

Action: All Banks

Item No. 2.2	Emergency Credit Line Guarantee Scheme (ECLGS)
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Out of 200562 net eligible borrowers, Banks have sanctioned credit facilities to 158217 borrowers which comes to 78.88%. However, disbursement has been made in 129051 accounts, which comes to 81.56% of sanctioned accounts.Banks were asked to disburse the facility to all eligible borrowers.

Action: All Banks

Item No. 2.3	Credit Guarantee Scheme for Subordinate Debt (CGSSD) for Stressed MSMEs
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In the current economic scenario, the scheme is very crucial for the MSME as it will provide benefit to those MSMEs which are in financial stress even though they may be commercially viable, by providing them the funds for infusion in the form of equity.

Till now, 11 Banks has reported financing under the scheme, sanctioning personal loans to 147 borrowers amounting Rs.8.58 crores. All banks are requested to identify eligible borrowers and ensure to offer the facility to all.

Action: All Banks

Item No. 2.4	Special Drive for issuance of KCC to Dairy farmers attached with Milk Societies (Milkfed)
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Shri K.A.P. Sinha, Chief Guest observed that performance of many banks in KCC to dairy is dismal. Few of the reasons informed by banks were receiving of multiple applications from same family, some Farmers turning defaulters or eligible ones not turning up for getting loans. All the banks were requested to put more sincere efforts and improve their performance.

It was further highlighted by SBI that although DBT is in place now in state but only in 20% accounts, they are receiving payment from procurement agencies. So it needs to be looked in where the rest of money is going i.e. whether to Arthiyas or the customer is having multiple bank accounts. Madam Garima Singh assured to address the issue and advised to conduct a meeting of all stakeholders at the earliest.

Action: Banks/ LDMs/ Milkfed

Item No. 2.5	Special Drive for issuance of KCC to Fish farmers launched by Ministry of Fisheries, Animal Husbandry & Dairy
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Fishery department forwarded 737 applications to banks for sanction and disbursement. Out of these applications only 83 applications amounting to Rs.1.61 Cr sanctioned by the Banks.

Shri K.A.P. Sinha, Principal Secretary Finance, GoP observed that the performance of the banks is not satisfactory. All Banks were requested to dispose of the pending applications immediately. Also Banks to encourage the applicants by helping them to remove the discrepancies rather than simply rejecting the applications.

Action: Banks, Fishery Department

Item No. 2.7	CENTRAL SECTOR SCHEME FOR "FINANCING FACILITY UNDER AGRICULTURE INFRASTRUCTURE FUND"
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Banks have received 99 applications under the scheme and have sanctioned 64 of them and 35 are under process. Bank to ensure timely processing and sanction of the proposals received by them.

Shri K.A.P. Sinha, Chief Guest said as there is huge Agriculture Infrastructure Fund deficit in the state and performance of most of the banks is zero under the scheme, NABARD to come up with some restructuring for implementation of scheme in a way that there is improvement in the performance as the storage is also dismal.

Dr Rajiv Siwach, CGM, NABARD, informed that under AIF, there is interest subvention of 3% per annum available only up to a limit of Rs.2.00 Crores loan amount. There is very good infrastructure for agriculture marketing for developing supply chain however limitation on outlay is restricting people as only godown up to 500 metric tonne can be developed with this outlay but that can be at multiple locations.

But the Govt. of India has relaxed the guidelines and now even a private party can have warehouse at 25 different locations within the state. In case of state cooperative federations, there is no such restriction and they can have 'n' number of warehouses. Another amendment is, the initial restriction of only 1 unit up to 2 Cr. by one organization has been removed and now Govt. organizations can have any number of units.

Shri K.A.P. Sinha, Chief Guest said with these kind of amendments, the problem no longer exists. Now the banks need to cover extra miles and immediately get in touch with PUNSUB, PUNGRAIN, FCI, Warehousing corporation for constructing godowns with additional capacity & see the possibility of convergence.

The representative from horticulture informed that we are doing well under AIF however the major problem faced is disbursement of loans is not done timely by the banks.

Action: FCI, NABARD and Dep. Instt. Finance, GoP & Banks

Item No. 2.8	PM Formalisation of Micro Food Processing Enterprises Scheme (PM FME Scheme)
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Banks have received 80 applications under the scheme. Only 35 of them have been sanctioned and 45 applications are still pending with banks.

Shri K.A.P. Sinha showed his concern towards the poor performance under the scheme and asked the banks to work on the scheme for the growth of economy.

Action: Banks

Item No. 3	Overall CD Ratio
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CD Ratio of Commercial Banks in the State decreased from 59.12% as at Sept 2020 to 58.08% as at Sept 2021 thereby showing YOY decline of 1.04 PPs.

Madam Garima Singh expressed concern that a declining CD ratio cannot be afforded by any state.

Sh. Jyoti Kumar Pandey also expressed concern that the CD Ratio in the state has fallen to 57% from 62% in Rural area and in semi urban area from 53 to 47%. Also in some of the districts like SBS Nagar, CD RATIO has fallen from a low of 26% to lower of 19%.

Sh. Swarup Kumar Saha, the chairman SLBC Punjab called upon all the LDMs and the member banks to take necessary steps to achieve the national average of CD ratio.

Action: All Banks & LDMs

Item No. 6	Digitization of Land Records – Creation of Online charge by Banks
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Sh. Jyoti Kumar Pandey, Regional Director, RBI appreciated that the state has done well in Digitisation of Land Records. Linking the digital land record data base with banks and financial institutions will result in creation of online charges in digital land records and facilitate quick processing and sanction of agricultural loans by the banks.

Further, it was pointed by some of the banks that noting of charge should be there to prevent frauds as many cases have been seen in state where people take forged letters to Revenue Department, GoP, get the charge removed and sell the land when the bank debt is still outstanding. So it was requested to Revenue Department to not remove charge until the confirmation comes from concerned Bank's domain.

Action: Revenue Department

Item No. 7	Advances to Micro, Small & Medium Enterprises (MSMEs) in Priority Sector
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Under MSME Advances, there is an increase of Rs.4526 Crores i.e. from Rs.58587 crore as at Sept 2020 to Rs.63114 crore as at Sept 2021 thus showing growth of 7.72%.

To improve MSME advances in priority sector, Shri K.A.P. Sinha, Principal Secretary Finance, GoP asked to get a study conducted through SIDBI on MSME model of state of Punjab as MSME remains the backbone of the economy.

The study was conducted by SIDBI and findings/recommendations were received which were placed as a Table item to deliberate on the issue. The copy of same was also

shared through with all the stakeholders i.e. RBI, DFS, GoP & Convener SLBC to see what recommendations can be implemented in the state.

Action: All Banks

Item No. 7.1	Progress under Prime Minister Task Force - Credit to Micro, Small & Medium Enterprises (MSME)
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There is negative annual growth of -16.52% in number of micro enterprises accounts against the target of 10%. There is negative YoY growth of -2.27% under credit to MSEs as against the target of 20%. The share of advances to micro enterprises to total MSE as at Sept 2021 is 53.73% against stipulated level of 60%.

Banks are advised to open more SME focused branch offices at different MSE clusters which can also act as Counseling Centers for MSEs. Each Lead Bank of a district may adopt at least one MSE cluster.

Action: All Banks

Item No. 7.2	Pradhan Mantri MUDRA Yojana (PMMY)
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Shri K.A.P. Sinha observed that performance of many banks was not satisfactory. Banks having low performance were requested to advise their field functionaries to achieve the allocated target.

Action: Concerned Banks

Item No. 7.4	Prime Minister Employment Generation Programme (PMEGP)
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Banks have achieved 39% of their allocated targets under the scheme for financial year 2021-22. Most of the Private banks have not participated in the scheme despite allocation of targets to them.

Shri K.A.P. Sinha, Principal Secretary Finance, GoP said that the performance of private banks remains a major cause of concern. All the banks are expected to put sincere efforts to achieve targets in the next quarter.

Action: Banks/Pvt. Sector Banks

Item No. 7.6	Stand-up India Programme of Ministry of Finance.
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The Credit facility to only 95 beneficiaries were sanctioned during the quarter ended Sept 2021 by 6346 total number of bank branches in the state.

Shri K.A.P. Sinha said the performance of most of the banks is consistently zero under the scheme and the economy is not going to get any boost if the position remains same. All Banks were requested to finance maximum loans under the scheme.

Sh. Rajiv Siwach, CGM NABARD apprised the house that under the Stand Up India programme, NABARD has 5 cluster offices who are collaborating with Entrepreneurs and providing finance.

Action: All Banks

Item No. 8	Annual Credit Plan 2020-21 Achievements up to 30.09.2021
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ACP achievement of the banks during F.Y 2021-22 up to Q.E ended Sept 2021 has been 59% in agriculture, 76% in MSME and 65% in other priority sector. Banks and LDMs to send their response and suggestions for improvement in performance to achieve ACP targets especially in Agriculture & OPS.

Sh. Jyoti Kumar Pandey said the achievement of 64% under ACP and 59% in Agriculture is a matter of concern. Punjab being the leading state as far as agriculture is concerned, but these figures do not justify the fact. The member banks need to pull up and do honestly good work to improve the figures as the Financial year is closing soon.

The Banks and Lead district Managers of Amritsar & Faridkot district were appreciated for achieving more than 100% of their allocated targets of total priority sector under ACP.

Further Banks and LDMs were asked to follow up with the branches in their command area for improvement in performance to achieve ACP targets especially Agriculture & OPS.

Action: Concerned Banks and LDMs

Item No. 9	Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY).
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The overall performance of State as on 30.09.2021 is 167% in PMSBY & 120% in PMJJBY. The state has shown tremendous growth under the Govt. of India's saturation drive.

The banks were further requested to identify and cover every entitled individual with Govt. Insurance and pension schemes.

A suggestion came up from SBI during the meeting with respect to saturation of social security schemes to adopt a model like Haryana state govt. who are reimbursing the amount of premium to the applicants which in turn has increased the number of enrolments under the scheme to a great extent. If the same can done in Punjab state well, it will definitely ramp up the numbers.

Action: DFS, Concerned Banks and LDMs

Item No. 10	Atal Pension Yojana (APY)
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The overall performance of State as on 30.09.2021 is 22%. State Bank of India was appreciated for their performance being 69% under the scheme. Sharing the strategy for the same, SBI informed that they are using both CSP as well branch channel. Campaigns are being run on monthly basis with competition among business heads. The data is taken on regular basis of all PMJDY accounts which are unsaturated and these customers are being told about the benefits of social security schemes.

Further the claims under the schemes are settled by insurance company in one day after submission of documents. The CSPs are personally felicitated and photographs of top performing BCs are published on daily basis which also instils competition for improvement. Also publicity is done at the time of claim settlement so that community at large is encouraged and made aware that these schemes really help in case of any unfortunate incident.

All the Banks were requested to replicate, make efforts and enroll the maximum applicants in current quarter ending Dec 2021.

Action: All Banks

Item No. 11	National Rural Livelihood Mission (NRLM)- Implementation in the State of Punjab
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Shri Rajiv Siwach, CGM, NABARD informed that very few projects are under coverage of NABARD as most of the SHG projects are under the domain of NRLM. NABARD has sanctioned few projects in skill development and now focussing on livelihood. Since all the women who are trained will be eligible for bank loans, the bankers are requested to be ready for their support.

Action: All Banks

Item No. 14	Centre for Financial Literacy(CFL) project
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Sh. Jyoti Kumar Pandey said as far as Financial literacy and Financial Inclusion is concerned, the state has been making good progress with 25 CFLs already working in 13 districts of Punjab. The banks currently involved are PSB & PNB and responsibility lies to maximize access of beneficiaries out of these CFLs.

Action: Concerned Banks

Item No. 15.1	EXPANDING AND DEEPENING THE DIGITAL PAYMENT ECO-SYSTEM IN KAPURTHALA
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District Kapurthala was identified in the State for expanding and deepening the digital payment eco-system to make it 100% Digitally enabled within one year. The progress of coverage of individuals as of now is 74.58%.

The Chairman SLBC requested the member banks and concerned LDM to make concerted efforts for 100% achievement.

Action: LDM Kapurthala & Concerned Banks

Item No. 15.2	EXPANDING AND DEEPENING THE DIGITAL PAYMENT ECO-SYSTEM IN SAS NAGAR (MOHALI)
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Another district identified in the State for expanding and deepening the digital payment eco-system to make it 100% Digitally enabled was SAS NAGAR (MOHALI). The progress of coverage of individuals as of now is 80.78%.

The Chairman SLBC requested the member banks and concerned LDM to make sincere and concerted efforts for 100% achievement.

Action: All Banks & Concerned LDM

Item No. 18	Review of National Goals
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Reviewing the performance of banks, Sh. Jyoti Kumar Pandey said that the achievement of 64% under ACP is a matter of concern. Further the CD ratio of the state has also declined. So the banks need to increase the credit by reaching prospective borrowers to meet the ground level credit requirements and great focus should be on agriculture & MSME.

The Chairman SLBC said although as on Sept 21, total deposits increased by 11.91% and advances by 9.94%. Advances in MSME grew by 7.72%, Agriculture by 2.18%, priority sector goal achieved was at 56.51% and weaker sector registered a growth of 19%. The CD Ratio however decreased to 58.33% from 59.66% YoY which is a matter of concern. He requested all the LDMs and the member banks to take necessary steps to achieve the national average of CD ratio.

Banks should focus on development finance and critical lending to priority sector which will all culminate into enhanced economic growth.

Action:All Banks/LDMs

Item No. 22	Position of Claims lodged/Settled under PMJDY and Jan Suraksha Schemes.
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Position of claims was discussed and house took a note of it. It was advised to adopt the suggestion given by SBI of settling the claims within one day of receiving the documents

as this will inculcate faith in the society that these schemes really benefit in case of any unfortunate incident.

All concerned were thus requested to clear the pendency on priority.

Action: All Banks

Item No. 23	Kisan Credit Card (KCC) Scheme
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Banks have sanctioned 70995 KCC accounts amounting to Rs.3051 crores during the Q.E. Sept,2021. To save the farmers from the distress caused by over financing particularly in this segment, banks were requested by Sh. KA.P. Sinha to avoid multiple financing.

Banks are also requested to sanction KCC to all PM-Kisan Beneficiaries of their bank.

Action: All Banks

Item No. 24	Agriculture Advances through Term Loan
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Out of the total Agriculture advances of Rs. 82456 crores, term loan component is Rs.15393 crores which comes to 18.67% which is on the lower side. In other words, infrastructure financing or Capital formation is not being done in rural area, which will ultimately hamper agriculture/ rural income of farmers. Banks were asked to increase share of infrastructure financing or Capital formation in rural area, which will ultimately increase agriculture/ rural income of farmers.

Dr. Siwach said agriculture term loan is very significant for the growth of agriculture in state and there is a negative CAGR of 10%. As the same is coming down consistently from last 3 years, banks need to make more efforts in this.

Action: All Banks

Item No. 24.1	Scale of Finance in Agriculture Advances
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As the over financing in agriculture is adding to the farmer's distress, on the recommendations of The Principal Secretary Finance, GoP the committee to study the issue of over financing in agriculture was reconstituted comprising experts from NABARD, RBI Chair ,the senior revenue officer & SLBC being the convener.

Shri K.A.P. Sinha expressed his concern that the Patwaris in Punjab will write anything with regard to Land holding on lease. Because of this nexus, KCCs of huge amount are issued even when the land actually do not exist and ultimately bankers have to suffer for the recovery. So the committee should come out with findings soon so that corrective action can be taken. Instructions will be issued by the state govt. to all the revenue authorities that they will not give any kind of wrong data and Patwaris must indicate Khasra Number on report without which no credit facility should be sanctioned. Thus it could be easily checked then whether the borrower is having land under cultivation or not. In this way, farmers will also be saved from indebtedness.

It was informed by Sh. Parveen Guglani, DGM, SLBC that meeting of the members will be convened shortly and outcome of same will be shared with all stakeholders.

Action: NABARD, RBI Chair, Revenue Dept.& SLBC

Item No. 27	Farmers Produce Organization
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The FPOs are need of the hour to supplement the income of the farmers and to divert from the tradition. There are 67 FPOs promoted under Government of India PRODUCE Fund and 16 FPOs promoted under Farm Sector Promotion Fund and 26 FPOs under Produce Organization Dev. Fund (PODF) formed with the active coordination of NABARD.

Dr Rajiv Siwach, CGM, NABARD said the Farmer Produce Organization is very important programme for the country and NABARD recently conducted State level Coordination Committee meeting for the same. The PMFME scheme can also be implemented through FPOs as 35% subsidy component is there in the scheme.

Action: Banks/NABARD

Item No. 54	Progress under Debt Swap Scheme.
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Shri J K Pandey, Regional Director, RBI said Debt Swapping is a business decision and commercial banks may not be finding enough opportunities in this, one of the reasons may be focus on other business areas. Basically the scheme is in a very nascent stage as most of the banks have no expertise.

Shri K.A.P. Sinha said the performance indicators show that clarity is not there for the basic concept because of which we are unable to do justice with the scheme and the performance is always zero.

The house took a view and it was decided to remove the item from agenda.

Item No. 57	Progress of Agro Food Processing Industries
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Shri K.A.P. Sinha said that although we keep on talking that tremendous potential is there in Agro Food Processing but no performance is seen. Banks have to be more aggressive as since long no good projects worth mentioning has been seen in Agro processing.

Shri J K Pandey, Regional Director, RBI said we keep on saying that Punjab is an agricultural economy but the state is not doing well in agriculture. There are specific instructions and guidelines to the banks not only for agriculture but forward and backward integration as well like we have been stressing on creation of agriculture infrastructure. There are priority sector guidelines which govern the same and the same needs to be deliberated at BLBC level.

Action: All Banks

***Issues of Concern-**

1. The performance of Punjab & Sind Bank was found below par and the Principal Secretary Finance, GoP took a serious view of same. He advised the bank to improve their performance otherwise it will be reported to the higher authorities of the bank.
2. The Bank of Baroda representative was told to be cautious regarding correction of data and send the updated data within prescribed time to incorporate in meeting agenda.
3. The performance of Indusind Bank was not satisfactory and consistently lowest among all the banks. Ms. Gagandeep Kaur promised for improved performance in all schemes in the next quarter.
4. The performance of most of the Private banks except IDBI was totally dismal under PMSVANidhi scheme. Sh. K.A.P Sinha showed great displeasure. The Pvt. Banks were advised to take note of the concerns and meet the targets.

Thereafter the meeting ended with a vote of thanks delivered by Sanjeev Kumar Dubey, Chairman, Punjab Gramin Bank.

Annexure - I

List of Participants

158th Meeting of SLBC (Punjab) Held on 31.12.2021 at 11.00 A.M

S. No.	Name of participant (Shri/Smt)	Designation/Bank/Department
1	K.A.P Sinha, I.A.S, Chief Guest	Principal Secretary-Finance, Government of Punjab
2	Vinay Bublani, I.A.S	Chief Administrator, PUDA
3	Garima Singh, I.R.S	Secretary, Finance cum Director, Institutional Finance & Banking Government of Punjab
4	J K Pandey	Regional Director, RBI
5	Dr. Rajiv Siwach	Chief General Manager, NABARD
	Punjab National Bank	
6	Swarup Kumar Saha, Executive Director	Punjab National Bank
7	Kanwaljit Shorey, GM	Punjab National Bank

8	Sumanta Mohanty,GM & Convenor SLBC Punjab	Punjab National Bank
9	Mukesh Sethi, DZM ZO Amritsar	Punjab National Bank
Reserve Bank of India		
10	Anil Kumar Yadav, GM	RBI
11	Pronobesh Barua, DGM	RBI
12	Bimal Sharma, AGM	RBI
State Government Departments/Boards/Corporations (Shri/Madam)		
13	Sanjeev Aggarwal, Deputy Director	Department of Institutional Finance & Banking
14	Kamal Goel, Consultant	
15	Gurvinder Singh, Director	Department of Agriculture (Punjab)
16	Narinder Pal, Joint Director	Animal Husbandry(Punjab)
17	Ramandeep Singh, Asst Director	Department of Industries (Punjab)
18	Karnail Singh, Director	Dairy Development Department(Punjab)
19	Amardeep Singh, Sr. Fisheries Officer	Department of Fisheries(Punjab)
20	Vikas Sirohi	NPCI
21	Ashutosh Sardana, DGM	NABARD
22	Sanjeev Mahajan, ADG	UIDAI
23	Balbir Singh GM	SIDBI
24	Kiranjit Singh Tiwana	Revenue Department
25	Baljinder Kaur Bajwa	Registrar Coops. Pb
26	Raman Sharma, SPM	Rural Development
27	Karandeep Singh, Deputy Director	Department of local Bodies
28	K C Roy, Director	KVIC
29	Rajnish Tuli	Punjab Agro
30	Inderjit Singh	Milkfed
31	Charanjit Singh	RSETI
32	Stuti Rucha, Manager	NHB
33	Ravi Pal Singh, Horticulture Deveoplment Officer	Department of Horticulture
Banks (Shri/Madam)		
34	Anil Devani, DGM	State Bank of India
35	Mukesh Verma, DGM	Punjab & Sind Bank
36	S K Sachdeva, DGM	UCO Bank
37	Mr. Rajay Bhasker	Bank of Baroda
38	Shailendra Nath Sheetj, DGM	Canara Bank
39	Sushant Kumar Gupta, AGM	Bank Of Maharashtra
40	Mr. Vivek Agarwal,DZM	Central Bank of India
41	Ashok Patnaik, GM	Indian Bank
42	Shamsur Rehman	Indian Overseas Bank
43	Deshraj Khatik	Bank of India
44	D K Kanvaria,DGM	Union Bank of India
45	Rakesh Joshi Cluster Head	HDFC Bank
46	Ashok Puri Nodal Officer,Vice President	

47	Prabhjeet Purba, Zonal Coordinator SLBC	ICICI Bank
48	Vijay Joshi, DGM	IDBI Bank
49	Sanjeev Verma, VP	AXIS Bank
50	Paramjit Singh Boparai, State bhead	INDUSIND Bank
51	Anandpal Singh, VP	J & K Bank
52	Sanjeev Madan, AVP	Kotak Mahindra Bank
53	Pankaj Kaushik, AVP	YES Bank
54	Umesh Gupta, SDM	RBL Bank
55	Sh. S.K. Dubey	Punjab Gramin Bank
56	Bhaskar Kataria, DGM	Punjab State Co-operative Bank
57	Vivek Jalhotra, Circle Distribution Head	Airtel payment Bank
58	Amit Gupta, AVP	AU Small Finance Bank
59	Anuraj Kumar, Executive Vice President	Capital Small Finance Bank
60	Puneet Srivastva, BOM	Jana Small Finance Bank
61	Vivek Gupta, Circle Head	India Post Payment Bank
62	Vishal Singla, Regional Head	Bandhan Bank
63	Sh Kamal Chugh, Asstt. Vice President	Federal Bank
64	Pawan Lal, Cluster Head Salary	Ujjivan Small Finance Bank
	Lead District Manager(Shri/Madam)	
65	Pritam Singh	Amritsar
66	Mohinder Pal Garg	Barnala
67	Narain Singh	Bathinda
68	Gurvinder Singh	Faridkot
79	Jaswant Singh	Fatehgarh Sahib
70	Rajesh Chaudhary	Fazilka
71	Nitish Wadhwa	Ferozepur
72	Rajan Malhotra	Gurdaspur
73	Tarsem Singh	Hoshiarpur
74	Jai Bhushan Bharmouria	Jalandhar
75	P.P. Siroha	Kapurthala
76	Sanjay Gupta	Ludhiana
77	Kamal Garg	Mansa
78	Bajrangi Singh	Moga
79	Bhagwan Singh	Sri Muktsar Sahib
80	Sunil Dutt	Pathankot
81	Pritpal Singh Anand	Patiala
82	R.K. Jasrotia	Rupnagar
83	Shalini Mittal	Sangrur
84	Upkar Singh	SAS Nagar
85	Ramesh Kumar Sharma	SBS Nagar
86	Nirmal Roy	Tarn Taran
87	Parwinder Kumar Chopra	Malerkotla