

MINUTES OF THE 156th MEETING OF STATE LEVEL BANKERS' COMMITTEE, PUNJAB Held on 26.06.2021 at Hotel Hyatt Regency, Chandigarh

CONVENER:

PUNJAB NATIONAL BANK

The **156th Meeting** of the **State Level Bankers' Committee, Punjab** to review the performance of banking system in the State of Punjab for the quarter ended **March 2021** was held on **26.06.2021** at **Hotel Hyatt Regency, Chandigarh** 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 this, 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 Arun Kumar Sharma, General Manager, Corporate Office, Punjab National Bank; Shri Sumanta Mohanty, Zonal Manager, Punjab National Bank, Ludhiana Zone & Convener-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**.

Shri Sumanta Mohanty, Zonal Manager, Punjab National Bank, Ludhiana Zone & Convener-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, Chandigarh, Shri Arun Kumar Sharma, General Manager, Corporate Office, PNB** and Senior Officers from RBI, NABARD, State Government, Banks, Financial Institutions, various Corporations.

He requested all the bankers and development agencies present in the meeting to firmly stand with the public particularly with the needy citizens of Punjab State in this time of distress to bring back their livelihood and businesses on track by providing required and speedy credit under various Govt. schemes like Emergency Credit Line Guarantee Scheme, AtmaNirbhar Bharat Programme etc.

Further he requested all the bankers to make all out efforts in improving the CD ratio in the state by adopting specific cluster approach for development of MSMEs & Large Industrial Units so as to give a push to demand for bank credit.

Sh. Swarup Kumar Saha, Executive Director, Punjab National Bank in his key note address extended welcome and thanked **Shri K.A.P. Sinha, IAS, Principal Secretary Finance, Govt. of Punjab** for presiding over the 156th meeting of State Level Bankers' Committee, Punjab. He further added that this Forum will be immensely benefitted with the views and guidance of Shri Sinha and shall set forth the action plan for the current Financial Year. He also extended 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; Dr. Rajiv Siwach, Chief General Manager, NABARD; Shri Anil Yadav, GM, RBI and senior executives from State Government, Banks, Financial Institutions, RBI, NABARD and other offices.

Shri Saha in his address shared concerns of RBI relating to revised down syndrome of GDP, domestic demand and credit offtake due to outbreak of second wave of COVID-19 pandemic which resulted in imposition of lockdown/restrictions. Only a few sectors like agriculture and contact less services remain healthy. Due to this economy is expected to grow at 9.5% in FY2021-22 otherwise it could have been more.

He further enumerated the initiatives taken by Reserve Bank of India and Government of India for providing relief to the Indian Economy by infusing liquidity in the banking sector and different segments of economy & Society as both demand and supply were affected adversely. He also informed forum about the RBI's on-tap liquidity window worth Rs. 50,000 Crore to address the funding needs of the health sector which will enable banks to provide loans for manufacturing, importing or supplying vaccines, oxygen plants, Oxygen concentrators and medical devices. Banks will also be able to lend to Hospitals, dispensaries and pathology labs. To incentivize banks for creating a COVID loan book, RBI will offer 40 basis points higher than reverse repo rate for surplus liquidity parked with it, up to the size of COVID Loan Book. This will help in increasing the funding for the health sector at a lower cost. RBI has further extended the incentives given to banks by reducing fresh MSME lending up to Rs. 25.00 Lakh from NDTL in terms of calculation for CRR (Cash Reserve Ratio).

He also made aware the house about the RBI's enhanced threshold for eligibility of MSMEs, Individuals and Small Businesses to be considered under Resolution Framework 2.0. RBI has further announced a separate liquidity window of ₹15,000 Crore with tenors of up to three years at the repo rate till March 31, 2022 for certain contact-intensive sectors. The banks are expected to create a separate COVID loan book under the scheme. The Banks will be incentivized to park their surplus liquidity up to the size of the COVID loan book created under this scheme with RBI under the reverse repo window at a rate which is 25 bps lower than the repo rate.

With regard to digital initiative RBI has also announced availability of NACH facility on all days of the week throughout year w.e.f. 1st August, 2021, which will further enhance digital mode of direct benefit transfer and government subsidiaries to large number of beneficiaries.

Changes in emergency credit line Guarantee Schemes by Government of India were also figured like 100% guarantee cover to loans up to Rs.2 crore to hospitals/nursing

homes/clinics/medical colleges for setting up on-site oxygen generation plants with interest rate capped at 7.5%.

He also touched Annual Credit Plan issue that tough economic conditions due to COVID-19 pandemic has impacted banking parameters which resulted in to non-achievement of ACP. The banks in the state of Punjab achieved 71% of their ACP targets during F.Y 2020-21. All other achievements during the FY relating to ACP have been pointed in absolute and percentage terms besides decline in CD ratio of banks in the State. He requested all member banks to push credit growth to improve CD Ratio and also requested State Govt. to setup area specific clusters for taking suitable measures in order to facilitate in setting up of MSMEs & Large Industrial Units in the state.

He called upon all the banks to dispose of all PM-SVANidhi scheme pending applications on priority basis.

Furthermore, he requested to all the member banks/LDMs to focus on NSFI & NSFE to achieve the objective of "Financially Aware & Empowered India" and to bring to reality the ambitious vision of the NSFE (2020-2025) to create a financially aware and empowered India. He urged upon all member banks to expeditiously process the pending claims under various Social Security Schemes (PMJDY, PMSBY and PMJJBY) as on March 2021.

While concluding, he underlined the importance of time-line for convening SLBC meetings as advised by RBI i.e., within 45 days after the end of the quarter and requested all member banks to submit updated and accurate data to SLBC well with in time which will result in timely & meaningful deliberation of Agenda.

He placed on record gratitude to the State Government and its various departments, RBI and NABARD for their excellent support, guidance and co-operation rendered to the banking sector in the State over the years and concluded with assurance of full cooperation from banking fraternity towards strengthening and uplifting the socio-economic conditions of the people of Punjab to the State Government, Ministry of Finance, Govt. of India, Reserve Bank of India and other stakeholders.

Sh. Jyoti Kumar Pandey, Regional Director, RBI in his address said the whole focus of SLBC is largely on the RBI's latest Lead Bank Scheme which includes the implementation of all the Priority Sector norms, specific aspects of State Govt., primary stake holders for the development of all the sections of the society and to monitor the progress of implementation of Central Govt. Schemes.

He showed his concern over ACP Targets Vs Achievements, Ground Level Credit and MSME Sector. Though ACP targets have been achieved under MSME yet the overall credit outstanding not commensurate with target achievement and asked for setting up of realistic targets. He emphasized that ACP targets which are the foundation of economic growth should be more realistic for the actual development of State for which proper planning be done at Block Level. The BLBC needs to be strengthened and focus be re-shifted on long terms sustainable goals with higher achievement of credit disbursal,

agriculture, agri-allied and MSME lending, financial inclusion and financial education (instead of solely focusing on Government Sponsored Schemes). Whole bunch of issues comes at block level so he urged all the Controlling Heads to pass instructions to their branches for their active participation in the BLBC Meetings.

He further advised SLBC to take appropriate action to ensure that universal banking services are being provided to the villages within 5 KM radius. As in some of the areas of Punjab, closure and nonexistence of banking outlets / ATMs have been noticed. He advised SLBC to look into such types of issues and may consider mapping of the branch/BC outlet location with blocks/revenue villages.

He further highlighted the issue of Digital Payment which now a days is a major focus of the State Govt., Central Govt. and Reserve Bank of India. Due to which Kapurthala District was identified for 100% Digitalization as a Pilot Project. The achievement for Kapurthala district in Punjab with respect to digital coverage is 85.20% for individuals and 79.13% for business as on May 31, 2021. He emphasized on spreading the awareness among the customers/citizens for using various Digital Platforms for their daily needs.

He further requested SLBC to revamp its site so that all the information related to Banking Services should be made available at single platform. It should be periodically updated with all the information and data so that the same can be accessed easily. SLBC websites of Kerala, Chhattisgarh and Madhya Pradesh may be perused for guidance in this regard.

He also informed about the initiative taken by the RBI for the development of Six priority sector i.e., Agriculture, MSME, Export, Education, Renewable and Social Infrastructure and has also informed about the revised priority sector guidelines. He added that we need to focus on these sectors for sustainable development of state and country.

Collectively both Agriculture and MSME sectors are performing better. To include more and more MSMEs in the banking fold makes good business sense in order to boost the credit growth.

He further added that during the COVID-19 pandemic, agriculture sector has shown positive intent. Punjab is the leading example which is showing tremendous growth in the agriculture output. Further, he advised to focus on backward and forward integration in terms of agriculture concern, if agriculture sector is doing well then it will be good for the state and the country.

Furthermore, he suggested that as per the National Strategy on Financial Education (NSFE), basic financial education is required to be included in school curriculum i.e. up to Senior Secondary level. Accordingly, CBSE has developed Financial Education Workbooks for class 6 to 10 students in collaboration with NCFE and financial sector regulators. He urged the State Govt. to include it as curriculum up to Senior Secondary level.

He requested the State Government to complete the digitization process and updation of land records in a time bound manner in order to give access to Banks to verify land title and create charge online.

Sh. K A P Sinha, I.A.S, Principal Secretary Finance, Government of Punjab, Chief Guest of the meeting in his keynote address congratulated the participants for coming forward for physical meeting on a holiday for fruitful discussions.

He showed his concern on the dwindled health infrastructure during COVID-19 second wave, especially shortage of oxygen in various regions. Health infrastructure, restaurants, Hospitality, aviation sector lost opportunity and suffered a lot during this period. He stressed that we should help these sectors to regain their lost ground. He further said that RBI has taken various initiatives for building infrastructure and earmark funds for this purpose. Banks need to implement these packages. He said that we all have to be Proactive and act urgently to support the needy entities.

He also asked SLBC to place survey report with regard to Agricultural financing being done by the various banks on the same piece of land which is being conducted in various villages in Punjab in the next SLBC meeting.

He also suggested to evaluate bank wise performance instead of scheme wise to have more fruitful discussions. This would enable to judge performance wise ranking of banks and encourage competition and clearly bring out the areas which need more focus.

Referring to the issue raised by Shri J.K.Pandey, Regional Director, RBI regarding updation of Land Record in Punjab, he informed the house that progress in digitization of Land Records in Punjab is extremely good.

Shri Sinha informed the house that with the initiatives of the Government, MSP is now being credited directly into farmer's account through DBT. He also emphasised on the importance of digitisation which has become a necessity of routine life.

Shri Arun Kumar Sharma, General Manager, Corporate Office, Punjab National Bank stressed for diversification of crops in Punjab to achieve doubling of farmers' income. There is need to promote formation of Farmers' Produce Organisations in Punjab. Growth in Punjab will happen only if we coordinate with all stakeholders.

Item No.1	Confirmation of minutes of 155th 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 09.06.2021, total of 100183 applications were uploaded on the portal, out of which Banks have sanctioned 34963 applications and 27488 applications have been disbursed. There are 2592 applications on the portal which banks have not yet picked up for

sanction. Moreover 44631 applications have been returned by banks citing various reasons. 17997 applications are pending for sanction and 7515 applications are pending for disbursement.

Shri K.A.P. Sinha, Chief Guest observed that without disbursement, sanction of loan has no meaning. All banks were asked to disburse all sanctioned cases urgently. He further observed that performance of private banks is below par. He then enquired from the Nodal Officers of Private Banks, the reason of keeping applications pending. Most of the Private Sector banks including IndusInd, Axis, HDFC, Federal Bank gave assurance to disburse all picked applications within a week.

Representative Local Govt Department said target of Punjab State has been increased from 110000 to 145000 and instructions has been issued to organized Camps up to 15.08.2021 for disposal of all such applications.

Further the Chief Guest advised to constitute a committee **comprising of low performing banks along with other stakeholders to speedup sanctioning/ disbursement process of all pending cases**. Report of its achievement be put up in the next SLBC meeting. It is expected that banks will show better performance by next meeting.

Action: Banks

Item No. 2.2	Emergency Credit Line Guarantee Scheme (ECLGS)
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Out of 206340 net eligible borrowers, Banks have sanctioned credit facilities to 162145 borrowers which comes to 78.58%. However, disbursement has been made in 132168 accounts, which comes to 81.51% of sanctioned accounts and 64% of the net eligible borrowers. Shri K.A.P. Sinha, Chief Guest observed that performance of banks is much better in this case. It was observed that Kotak Mahindra Bank has not submitted data regarding their performance under this scheme. Banks were asked to sanction/ disburse the facility to all eligible borrowers.

Action: Banks

Item No. 2.3	Credit Guarantee Scheme for Subordinate Debt (CGSSD) for Stressed MSMEs
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The objective of the Scheme is to provide personal loan to the promoters of Stressed MSMEs for infusion as equity/ quasi equity in the business eligible for restructuring, as per RBI guidelines for restructuring of stressed MSME advances. The promoters of MSME units which are under stress viz. SMA-2 and NPA accounts as on 30.04.2020 and can become commercially viable as per the assessment of the lending institutions. The scheme is applicable for those MSMEs whose accounts have been standard as on 31.03.2018. The Promoter(s) of the MSME unit will be given credit in the shape of

personal loan equal to 15% of his/her stake (equity plus debt) or Rs.75.00 lakh, whichever is lower as per the last available audited balance sheet of a Financial Year.

Till now, 11 Banks has reported financing under the scheme, sanctioning personal loans to 185 borrowers amounting Rs.6.56 crores.

Shri K.A.P. Sinha, Principal Secretary Finance, GoP observed that large number of banks have not sanctioned any facility under this scheme. All Banks were asked to identify eligible borrowers and offer the facility to them.

Action: Banks

Item No. 2.4	Special Drive for issuance of KCC to Dairy farmers attached with Milk Societies (Milkfed)
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There are 350880 dairy farmers of milk unions as per Milkfed records. The LDMs have reported that total 271687 applications of dairy farmers have been forwarded to banks and out of these applications only 47954 applications for Rs.576.28 Crores have been sanctioned by the Banks, 110972 applications have been rejected for various reasons. One of the major reasons is "Dairy Farmers are not receiving Milk Payment through DBT from Milkfed". This being one of the basic conditions of the Saturation Campaign.

As per FI-PLAN Portal to DFS, banks have reported sanctions of 46224 applications. Banks were asked to dispose of all pending applications and upload the progress on PMFBY portal.

All dairy farmers irrespective of their registration with Milk Societies (MILKFED) needed to be provided with KCC-AH facility on priority basis.

Dr Rajiv Siwach, Chief General Manager, NABARD requested banks to come forward to sanction facility under this scheme.

Shri Arun Sharma stressed for the need to sanction credit facility direct to the farmer after verifying his repaying capacity independently.

Sh. K.A.P.Sinha, I.A.S, Principal Secretary Finance, Government of Punjab said if banks do not face any problem in recovery of their dues without DBT then they should go for sanction/disbursement of KCC to dairy farmers.

Action: Banks

Item No. 2.5	Special Drive for issuance of KCC to Fish farmers launched by Ministry of Fisheries, Animal Husbandry & Dairying
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There are about 5437 fish farmers in Punjab. Fishery department collected 737 applications from fish farmers and forwarded to banks for sanction and disbursement. Out of these applications only 79 applications amounting to Rs.150 Lacs are sanctioned

by the Banks. Banks have reported that 177 applications are not received by them. 246 applications are under process at bank branches.

Shri K.A.P. Sinha, Principal Secretary Finance, GoP observed that majority of private banks are not sanctioning under the scheme. All Banks were asked to dispose of the pending applications on urgent basis. Fishery Department was requested to ensure that applications are handed over to banks for timely processing.

The Chief Guest asked banks to dispose of pending applications on urgent basis. He further said in the areas like Fazilka, Abohar, Mukatsar we should promote prawn farming as well.

Action: Banks, Fishery Department

Pradhan Mantri Matsya Sampada Yojana

Foreseeing the immense potential for development of fisheries and for providing focused attention to the sector, the Government of India launched **Pradhan Mantri Matsya Sampada Yojana** in May, 2020.

A scheme to bring about Blue Revolution through sustainable and responsible development of fisheries sector in India” with an estimated investment of Rs. 20050 crores for its implementation during a period of 5 years from FY 2020-21 to FY 2024-25 in all States/Union Territories.

Shri K.A.P. Sinha, Chief Guest informed that there is huge potential in the State of Punjab to boost the Blue Revolution. He requested all the Banks to provide credit facility to the eligible fish farmers under the said Centrally Sponsored Scheme.

Action: Banks, Fishery Department

Item No. 2.6	Campaign to saturate PM-KISAN beneficiaries with KCC launched by Department of Financial Services
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There are about 20 lakh PM-KISAN beneficiaries in Punjab. As against this, banks have already sanctioned KCC to about 21.34 lakh crop farmers. During campaign, banks in Punjab did tremendous job by collecting 3.11 lakh applications from PM-KISAN beneficiaries and sanctioned over 2.81 lakh KCCs to eligible PM Kisan beneficiaries.

Banks were requested to update their progress on PMFBY Portal on cumulative basis w.e.f 01.02.2020.

Action: Banks

Item No. 2.7	CENTRAL SECTOR SCHEME FOR "FINANCING FACILITY UNDER AGRICULTURE INFRASTRUCTURE FUND"
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The Central Government announced Rs.1 lakh crore Agri Infrastructure Fund on 15.05.2020 for farm-gate infrastructure for farmers out of which Rs.4713 crores have been allocated for Punjab State. To mobilize a medium- long term debt finances facility for investment in viable projects for post-harvest management infrastructure and community farming assets through incentives and financial support in order to improve agriculture infrastructure in the country. Primary Agricultural Credit Societies (PACS), Marketing Cooperative Societies, Farmer Producers Organizations (FPOs), Self Help Groups (SHGs), Joint Liability Groups (JLGs), Farmers, Multi-Purpose Cooperative Societies, Agri-entrepreneurs, Start-Ups and central/ state agency or local body sponsored Public Private Partnership Projects. All loans under this facility will have interest subvention of 3% per annum up to a limit of Rs.2.00 Crores.

Banks have received only 9 applications under the scheme and banks have sanctioned 2 of them and 7 are under process. Bank to ensure timely processing and sanction of the proposals received by them.

Dr Rajiv Siwach, CGM, NABARD, showed his concern regarding low Number of projects received by banks. Banks need to come forward for sanction under the scheme. There is need of support from all for success of the scheme.

Shri Arun Sharma, GM, PNB said there is need to create awareness about the scheme among public and even to the field staff of banks for the success of the scheme. Representative of Agriculture Department informed that as of now 27 projects have been forwarded to the banks for sanctioning and further processing.

Shri K.A.P. Sinha, Chief Guest informed that there is huge gap in the availability and requirement of Godowns across state. He further stressed for customization of the scheme for state of Punjab for construction of large Godowns. He further said that there was a need for convening an urgent coordination committee meeting among officials of FCI, NABARD, ACS (Development) Department of Agriculture, **Officials from Cooperative Bank and Officials from Pb. State Warehousing Corpn. for chalking** out the modalities for creation of additional storage capacity in the State of Punjab to the tune of 63 Lakh MT. Possibilities for customization of AIF may also be explored. The meeting may be convened at the earliest available opportunity.

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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Taking cognizance of the contribution and the challenges that impede the unorganized sector of the Food Processing Industry, the Ministry of Food Processing Industries (MoFPI) has implemented "PM Formalization of Micro food processing Enterprises Scheme (PM FME Scheme)". The scheme envisages an outlay of Rs. 10,000 crores over a period of five years from 2020-21 to 2024-25. Scheme adopts "One District One Product" (ODOP) approach to reap the benefit of scale in terms of procurement of inputs, availing common services and marketing of products. Under the scheme, 2,00,000 micro food processing units will be directly assisted with credit linked subsidy.

MoFPI vide letter dated 22.02.2021 has informed that it has started accepting applications under PM-FME Scheme and the applications of individual beneficiaries are available online on the URL: <https://pmfme.mofpi.gov.in/pmfme/#/Login>. It is launched for group beneficiaries (SHGs, FPOs, Cooperatives, and Common infrastructure). After the scrutiny of loan proposal by the competent authority in the respective states, the same will be forwarded to the lending institutions. Punjab Agro Industry Corporation (PAIC) is Nodal Agency in Punjab state and its MD is Nodal Officer. Banks have not reported receiving much of applications under the scheme.

However, Shri Rajnish Tuli, GM, PAIC informed that they have now received 80-90 applications under this scheme and Banks have received 47 applications under the scheme out which 5 applications have been sanctioned so far and 42 are pending with Banks, some of these for 2-3 months. Sh. Tuli informed that most of the banks are not aware about the scheme, especially private banks like ICICI, HDFC bank etc. Most of the branch Managers have not yet login in PMFME-MIS portal, an MIS portal has been made for processing/evaluating the pending applications under the scheme.

Sh. KAP Sinha advised all the controlling Heads of Private Banks to make their Branch Managers aware about the scheme and asked all banks to sanction/ disburse the pending applications lying with them on urgent basis.

Shri J K Pandey, Regional Director, RBI said that ODOP is well thought concept based on economy of scale, but it is yet to pick up.

Action: PAIC & Banks

Item No. 3	Overall CD Ratio
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CD Ratio of Commercial Banks in the State decreased from 60.45% as at March 2020 to 59.23% as at March 2021 thereby showing a decrease of 1.22 PPs.

Banks were asked to take steps for growth of credit in the state for overall improvement of CD ratio.

Action: Banks

Item No. 4	Credit Deposit Ratio – Implementation of the Recommendations of Expert Group on CD Ratio
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CD Ratio of districts i.e., Jalandhar, Kapurthala, SBS Nagar, Hoshiarpur, Pathankot and Rupnagar was below 40%. LDMs of these districts convened meeting of Special Sub Committees (SSCs) of District Level Consultative Committee (DLCC) and submitted road map for achieving the level of 60%.

LDM's of these Districts, during last SLBC held on 19.03.2021 were asked to commence special sub-committee meeting to review their performance & future strategies after discussion with all stakeholders including district authorities and to submit the fresh roadmap along with steps proposed to be taken to achieve the CD Ratio targets of 60%. The concerned LDMs have submitted the fresh roadmap.

During the year ended March 2021, The CD Ratio has decreased in Kapurthala, SBS Nagar, Hoshiarpur & Pathankot. CD ratio of District Rupnagar has shown remarkable improvement. There is marginal increase in the growth of District Jalandhar. LDM Rupnagar has achieved the target of CD Ratio of 45% against 43% as per their roadmap.

Banks were asked to chalk out strategies for improvement of the CD Ratio of their branches in these districts.

Action: Concerned LDMs

Item No. 6	Digitization of Land Records – Creation of Online charge by Banks
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SLBC has received a letter from DFS dated 20-01-2021 (copy enclosed) vide which they have informed that the Department of Land Resources (DoLR) vide their letter dated 7th October 2020, have requested the State/UT Governments to create standardized Open APIs with relevant safeguards to enable access of real time digital land records and to finalize the modalities for entry of loan/charges against parcel of land in consultation with banking institutions to facilitate linking of land records database with banks and financial institutions. Digitisation of Land Records and 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.

In this regard Revenue Department, GoP is requested to complete digitization process of land records and provide access of digital records data base to banks for enabling them to create online charge for sanction of loans.

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.2831 Crores i.e. from Rs.54287 crore as at March 2020 to Rs.57118 crore as at March, 2021 thus showing growth of 5.21%. Shri Arun Sharma, GM, PNB said that this growth is mainly through the funding done by banks under ECLGS scheme announced during Covid period. Lot of effort is required from Commercial Banks to bring actual growth in MSME credit, as at present major financing is being done by NBGCs & MFIs and that at higher rate of interest.

Shri K.A.P. Sinha, Principal Secretary Finance, GoP said that MSME is the backbone of the economy. Moreover, banks get better return from advance under MSME sector. Banks should focus on MSME in Punjab to bring the economy on fast track.

During the meeting Chief General Manager, NABARD asked Convener, SLBC to study the MSME model of the State by taking up the matter with SIDBI on the lines of study done in the Haryana State. PSF and RD, RBI also consented to the proposal of CGM, NABARD and asked SLBC to get the study conducted in the interest of the State and put up the same in the forthcoming meeting.

Action: Banks

Item No. 7.1	Progress under Prime Minister Task Force - Credit to Micro, Small & Medium Enterprises (MSME)
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The annual growth in number of micro enterprises accounts is 32.18% against the target of 10%. There is negative YoY growth of -0.41% under credit to MSEs as against the target of 20%. The share of advances to micro enterprises to total MSE as at March 2021 is 56.15% 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: Banks

Item No. 7.2	Pradhan Mantri MUDRA Yojana (PMMY)
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The overall performance under this scheme is quite satisfactory. As against annual target of Rs. 3883.40 crores, banks have achieved overall Rs. 4592.69 crores i.e. 118.26% as at 31.03.2021. Banks showing low achievement are Yes Bank (0%), Kotak Mahindra Bank (3.08%), BOM (5.88%), BOB (13.89%), Axis Bank (25.13%) and Federal Bank (27.16%) Banks having low performance are requested to advise their field functionaries to achieve the allocated target.

Action: Concerned Banks

Item No. 7.3**Prime Minister Employment Generation Programme (PMEGP)**

Banks have achieved 83% of their allocated targets under the scheme for financial year 2020-21. Private banks have not participated in the scheme despite allocation of targets to them.

There are large number of applications sanctioned by banks, in which margin money is yet to be claimed. Shri Sarabjit Singh, Joint Director, Industry Department said there are many claims pending due to some observations of the department. Banks are requested for immediate compliance of the observations so as to disburse margin money at the earliest.

Shri K.A.P. Sinha, Principal Secretary Finance, GoP observed that private banks have not sanctioned even a single application. Shri Sujit Kumar, Director, KVIC informed that Private Banks have recently been included in the scheme, but they are yet to start processing of sponsored cases.

Member banks were asked to advise their field functionaries to dispose of the pending applications on merits and claim margin money.

Action: Banks/Pvt Sector Banks

Item No. 7.4**Self-Employment Programme of Govt. of Punjab**

The Govt. of Punjab is committed to provide the Self Employment to the youth of the State under "Ghar Ghar Rojgar Yojana". To fulfill this commitment Rojgar Melas are being organized in the different parts of the state. Besides this skill development training programmes are also being organized for Self-Employment. Awareness programmes are also organized in the training to avail the Loan facility from the Banks under various Self Employment Schemes like PMEGP, Stand Up India and PMMY.

State Govt is planning to provide sufficient number of trained applicants in different trades to be financed by the banks as per their different scheme guidelines. With this, banks will get sufficient number of startups, which can be financed under various schemes namely PMEGP, Stand Up India, PMMY etc.

Banks are requested to finance the Trainees of Govt. of Punjab under above mentioned schemes to achieve the Annual Targets.

Action: Banks

Item No. 7.5**Stand-up India Programme of Ministry of Finance.**

DFS has recently announced changes in the Scheme with immediate effect as under: -
(i) Margin money by the borrower reduced from "upto 25%" to "upto 15%" of the project cost. (ii) Loans for "Activities allied to agriculture" and ancillary/allied services to agriculture, shall be eligible for coverage under the Scheme.

Target is to finance minimum one loan to Women and one to S/C beneficiary during the year by each branch in the State.

The Credit facility to only 221 beneficiaries were sanctioned during the quarter ended March 2021 by 6472 total number of bank branches in the state.

All Banks were requested to finance maximum loans under the scheme.

Action: Banks

Item No. 8	Annual Credit Plan 2020-21 Achievements up to 31.03.2021
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ACP achievement of the banks during F.Y 2020-21 up to Q.E ended March 2021 has been 69% in agriculture, 103% in MSME and 45% 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. Top performer LDMs are Hoshiarpur (106%), Faridkot (104%), Amritsar (102%) & Bathinda (101%). Lowest performing LDMs are SBS Nagar (35%), Sangrur (39%), Tarn Taran (44%) & Kapurthala (61%). Top performing banks are HDFC (134%), Federal Bank (124%), ICICI (116%) & Capital SFB (99%). Lowest performing banks are Karnataka Bank (17%), Kotak Mahindra Bank (23%), IOB Bank (25%) and AU SFB (29%).

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. 10	Atal Pension Yojana (APY)
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The overall performance of State as on 31.03.2021 is 57%. In Banks, Performance of Canara Bank & Central Bank of India is more than 100%.

In most of the Private Sector Banks, except Axis bank & HDFC Bank, the overall performance is not good. Most of the Banks have less than 10% achievement of their Targets. Indusind Bank has not enrolled a single application during the year.

All the Banks were requested to enroll the maximum applicants and improve their performance in current quarter during the F.Y 2021-22.

Action: Bank

Item No. 11	National Rural Livelihood Mission (NRLM)- Implementation in the State of Punjab
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Rural Development Department, Govt. Of Punjab informed that the NRLM scheme is implemented in 98 blocks in 22 Districts and Department propose to extend it to 115 Blocks up to 31.03.2021.

Shri Raman Sharma of Punjab State Rural Livelihoods Mission informed the latest progress made by banks. He said performance of seven banks is more than 50% of target and performance of 11 banks is less than 50%. He said as per RBI guidelines, DP/disbursement for First Year should be 6 times of the existing corpus or minimum of ₹1 lakh whichever is higher, but large number of banks are not disbursing minimum amount as guided. Shri KAP Sinha, Chief Guest asked all banks to do on priority as there is minimum default in advances to SHGs.

Shri Raman Sharma informed that the Target of 10,000 SHGs has been fixed for the F.Y 2021-22. He requested all the Banks to achieve the allocated target for F.Y 2021-22.

He further informed that 245 Bank Sakhis from Punjab State have been provided training from IIBF by Punjab State Rural Livelihoods Mission. Banks are requested to appoint these Bank Sakhis as Banking Correspondents where there is vacancy of Bank Mitra/ BCA.

Action: Banks

Item No. 12	National Urban Livelihoods Mission (NULM)
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National Urban Livelihoods Mission (NULM) is applicable to cities with population of 1 lac or more and in all the District Head Quarter Towns irrespective of its population as per the census of 2011. In the State of Punjab only 26 towns /cities are covered. Shri Radesh Kalra of Department of Local Government informed that under Self Employment Programme (SEP) there are 478 applications are pending with various banks and requested banks to process these at the earliest. He was asked to provide branch wise list of applications to concerned banks for taking up with concerned branches for early sanction of applications.

Action: Banks

Item No. 13	Pradhan Mantri Awas Yojana (PMAY) Housing for all by 2022- Credit Linked Subsidy Scheme-(CLSS)
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Under PMAY-CLSS, MIG Category, the time period allowed by The Ministry of Housing & Urban Affairs, Government of India is up to 31.03.2021, where as in case of EWS/ LIG it is upto 31.03.2022. During the quarter ended 31.03.2021, banks have sanctioned 1562 loans for Rs. 228 crores under CLSS scheme. Shri KAP Sinha, Chief Guest informed that PUDA is shortly bringing projects for EWS for meeting housing needs of the weaker

section of our society. He advised member Banks to sensitize their branches to cover all eligible housing loan borrowers under PMAY (CLSS) Scheme.

Taking view over progress of PMAY in the State, PSF expressed concern over low credit off take under the scheme. In order to improve the situation under the scheme PSF asked Convener SLBC Punjab to conduct a meeting with officials of PUDA and Department of Local Bodies for finding constructive ways for providing housing to all Grade C & D employees of the State and to submit the action taken report in the forthcoming SLBC Meeting. Members of the committee would be:

- a. Convener, SLBC-Punjab**
- b. Officials from PUDA**
- c. Officials of Department of Local Bodie**

Action: Banks

Item No. 14	Opening of Financial Literacy Centers (FLCs) at block level.
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At present 64 Financial Literacy Centers (FLCs) are functioning against the target of 150 at the block level in the State of Punjab. However, there are 34 additional FLCs are working in the state mainly of cooperative banks being run with the financial help of NABARD. Lead District Managers have informed that the Financial Literacy Counselors working at Financial Literacy Centers in 86 Blocks are either retired after completion of their tenure of job or left the job with some other reasons. In some cases, the counselors have not been appointed since inception of the scheme.

Concerned banks were asked to appoint these FLCs immediately and report latest status to SLBC.

Action: Banks

Item No. 15.1	EXPANDING AND DEEPENING THE DIGITAL PAYMENT ECO-SYSTEM IN KAPURTHALA
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District Kapurthala was identify in the State for expanding and deepening the digital payment eco-system to make it 100% Digitally enabled within one year. The last date for completion of 100% digitization was 31.10.2020. Due to Lockdown the date was extended upto 31.03.2021. LDM/Controlling Head of all the Banks located in the District were requested to achieve the targets within the stipulated time.

Banks were asked to sensitize their branches in Kapurthala District to achieve allotted target and encourage the customers for using Digital Platform.

Action: Concerned Banks

Item No. 16	Pending issues of RSETI with State Government
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17 RSETIs are operating in the State of Punjab. RSETIs are not operating in Gurdaspur, Pathankot, SBS Nagar, Tarn Taran & Fazilka districts. Shri J K Pandey, Regional Director, RBI asked SLBC to review all issue for starting RSETIs at the earliest. Shri Arun Sharma, GM, PNB asked Nodal Officer, SLBC to flag all issues to PS&FID, HO for resolving all issues.

Department of Institutional Finance and Banking Punjab has already taken up the matter with respective Deputy Commissioner of these districts to provide space for opening of these RSETIs temporarily. The LDMs were also advised in the previous meetings to take up with the District Authorities for allotment of temporary accommodation.

PSF advised **SLBC Punjab to intimate the real reasons for non-functioning of these RSETIs so that the matter may be taken up with district authorities accordingly.**

Action: Concerned LDMs/SLBC

Item No. 17	Issues of Unique Identification Authority of India (UIDAI)
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At present mobile seeding in Aadhaar in the State of Punjab is approx. 70%. All banks to sensitize and activate all operators working in banks. In Punjab, there are 120 pin code areas where Aadhar Enrolment center are not established. Banks were requested to arrange to cover these areas so that residents get this facility. Further, there are 6435 branches in the State. Accordingly, 644 Aadhaar enrolment centres are required to be opened (minimum 1 out of every 10 branches). At present, in 515 bank branches, Aadhaar enrolment/update facility is operational. All banks were requested to open required number of Aadhaar enrolment/updation Centres in their branches.

Further banks were requested to ensure that all Aadhaar enrolment centres must carry out enrolments & updation on daily basis. Banks should not allow operators to take their KIT out of Bank Premises, which is against UIDAI mandate. UIDAI is conducting mandatory training sessions on Quarterly basis for all operators. Banks were requested to send their training schedule to UIDAI on priority.

Action: Banks

Item No. 21	Appointment of Bank Mitras/BCAs and their working
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In Punjab 2323 Bank Mitras/BC agents were to be deployed in Sub service areas allocated to banks by SLBC against which 3959 Bank Mitras have already been appointed.

As on 31.03.2021, out of 3959 Bank Mitras, only 3259 have been provided with Micro ATMs. Thus 705 Bank mitras are yet to be provided Micro ATM. Concerned Banks were

requested to provide remaining Micro ATMs at the earliest. Shri Sumanta Mohanty, GM & Convener, SLBC informed that they have provided majority of Micro ATMs.

Action: Concerned Banks

Item No. 24	Agriculture Advances through Term Loan.
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Out of the total Agriculture advances of Rs. 81856 crores, term loan component is Rs.18228 crores which comes to 22.27% 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.

Action: Banks

Item No. 25	NPA in Agriculture Sector
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NPA under Agriculture are to the tune of Rs. 10078 cores which is 12.31% of agriculture advances outstanding and 3.52% of total advances in the State. NPAs under Agriculture sector have increased by Rs. 506 crores during the last one year.

After the outbreak of COVID-19 pandemic, the moratorium period of 6 months was granted upto August 31, 2020 thereafter the due installments were not deposited/ paid by the customers due to which the NPA under Agriculture has been increased.

Banks are continuously taking steps for further reduction in NPAs under Agriculture.

Action: Banks

Item No. 26	Farmers Produce Organization
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There are 67 FPOs promoted under Government of India PRODUCE Fund and 16 FPOs promoted under Farm Sector Promotion Fund and 25 FPOs under Produce Organization Dev. Fund (PODF) formed with the active coordination of NABARD. NABARD representative informed that FPO formed basically to aggregation inputs and production to get maximum benefit.

Shri KAP Sinha observed that due to successful MSP system in Punjab, even Small & Marginal farmers may not be coming forward to form FPOs. He hoped NABARD will further make progress in formation of new FPOs.

Action: Banks/NABARD

Item No. 30	Collateral Free Loans to MSME
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Banks have provided loans up to Rs.10 lakh to 317231 MSE units during the financial year 2020-21, out of which collateral free loans have been provided to 310344 units which means the coverage is 98%. As per extant guidelines, all loans upto Rs.10 lacs to SME are mandatorily to be given without taking any collateral security.

Banks having low performance were asked to sensitize their Branches to follow mandatory guidelines.

Action: Concerned Banks

Item No. 37**National Pension System (NPS)**

NPS was made available to All Citizens of India from May 01, 2009. Pension Fund Regulatory and Development Authority (PFRDA), the regulatory body for NPS, has appointed NSDL as Central Recordkeeping Agency (CRA) for National Pension System. NPS has the following broad objectives:

- Provide old age income
- Reasonable market-based returns over the long term
- Extending old age security coverage to all citizens

NPS has a number of benefits. Shri KAP Sinha, Principal Secretary Finance, GoP emphasised the need to popularize this scheme and asked banks to enroll maximum people to pass on its benefits. Banks should encourage the people while holding camps also.

Action: Banks

Item No. 40**Updating Latitude-Longitude position of existing banking infrastructure (Branch/ATM/BCA) on Jan Dhan Darshak App**

After launch of the Jan Dhan Darshak App on 25.09.2018, Banks were asked to update Latitude Longitude position of their existing and newly opened Banking touch points on regular basis at the GIS App. Further it was observed from the comparison of the data available with SLBC vis-à-vis data available on the Jan Dhan Darshak App, there is a difference between the two sets of number (Bank Branches, ATMs and BCAs). All the Banks were requested to match the data of their Bank with Jan Dhan Darshak App and submit compliance to SLBC.

Action: Banks

Thereafter the meeting ended with a vote of thanks delivered by Shri Anil Dewani, DGM, SBI.

List of Participants

**156th Meeting of SLBC (Punjab)
Held on 26.06.2021 at 11.00 A.M
Venue –Hotel Hyatt Regency, Chandigarh**

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	Garima Singh, I.R.S	Secretary, Finance cum Director, Institutional Finance & Banking Government of Punjab
3	J K Pandey	Regional Director, RBI
4	Dr. Rajiv Siwach	Chief General Manager, NABARD
5	Arun Sharma, GM	Punjab National Bank
6	Sumanta Mohanty, General Manager, PNB & Convener SLBC	Punjab National Bank
7	A.K. Yadav, GM	Reserve Bank of India
State Government Departments/Boards/Corporations (Shri/Madam)		
8	Sanjeev Aggarwal, Deputy Director	Department of Institutional Finance & Banking
9	Kamal Goel, Consultant	
10	Sarabjit Singh, Joint Director	Department of Industries (Punjab)
11	Manmohan Kalia , Joint Director	Department of Agriculture (Punjab)
12	Ashutosh Sardana, DGM	NABARD
13	Raman Sharma, S.P.M	Rural Development
14	Baldeep Singh , Technical Director	Department of local Bodies
15	Radesh Kalra , JDDLG	
16	Sujit Kumar, Director	
17	Rajnish Tuli , GM,	Punjab Agro
18	Inderjit Singh	Milkfed
Banks (Shri/Madam)		
19	Dr. Satish Verma, Professor	RBI Chair
20	Sumit Phakka, GM	State Bank of India
21	Anil Dewani, DGM	
22	Jatinder Kumar, ZM	Punjab & Sind Bank
23	S.K. Sachdeva, ZM	UCO Bank
24	Suresh, DGM	Bank of Baroda

25	Gaurav Tyagi, Chief Manager	
26	Shailendra Nath Sheeth, DGM	Canara Bank
27	Vivek Aggarwal, DGM	Central Bank of India
28	Joginder Sandhu, DZM	Indian Bank
29	Desraj Kaushik, DGM	Bank of India
30	Raj Kumar, DGM	Union Bank of India
31	Lalit Batra, Zonal Head	HDFC Bank
32	Prabhjeet Singh Purba, Regional Coordinator	ICICI Bank
33	Sanjeev Kumar Dubey, Chairman	Punjab Gramin Bank
34	Bhaskar Kataria, DGM	Punjab State Co-operative Bank
State Level Bankers' Committee, Punjab		
35	H.S Kanwar	DGM, Zonal Office, Ludhiana
36	Ramesh Kumar	Chief Manager
37	Naresh Kumar Sharma	Chief Manager
38	T.D Dhiman	Chief Manager
39	Vineet Sharma	Dy. Manager
40	Ishan Mehra	Dy. Manager
41	Pallavi Bansal	Dy. Manager
42	Rajiv Kumar	Officer