

**MINUTES OF 164th MEETING OF STATE LEVEL BANKERS' COMMITTEE, PUNJAB Held on 12.05.2023.**

**CONVENER: PUNJAB NATIONAL BANK**

1. The **164<sup>th</sup> 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 **2023** was held on **12.05.2023** at **Hotel Shivalk View, Chandigarh** from **10:30 A.M onwards**. The meeting was held under the **Co-Chairmanship** of **Chief Guest, Sh. Ajoy Kumar Sinha, Additional Chief Secretary, Finance, Govt. of Punjab, Guest of Honor, Sh. Vivek Srivastava, Regional Director, Reserve Bank of India, Chandigarh, Madam Mandakini Balodhi, Director, Department of Financial Services, New Delhi; and Sh. Binod Kumar, Executive Director, Punjab National Bank and Chairman of today's meeting.**

**Besides, the meeting was attended by the following dignitaries-**

- Madam Garima Singh, IRS, Secretary Finance cum Director, Institutional Finance & Banking, Punjab
- Shri Puskar Tarai, General Manager & Convenor, SLBC Punjab
- Shri Raghunath B, Chief General Manager, NABARD, Chandigarh
- Shri Kamal Kumar Goyal, Joint Development Commissioner, Deptt. Of Rural Development and Panchayats, Punjab

Also, the Senior Officers from RBI, State Government, Banks, Financial Institutions and various Corporations participated in the meeting.

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

**At the outset, Shri Puskar Tarai, Convenor-SLBC Punjab & General Manager, Punjab National Bank** in his welcome address extended a warm & hearty welcome to **Chief Guest Sh. Ajoy Sinha, Additional Chief Secretary, Finance, Govt. of Punjab, Guest of Honor, Sh. Vivek Srivastava, Regional Director, Reserve Bank of India, Chandigarh, Madam Mandakini Balodhi, Director, Department of Financial Services, New Delhi; and Sh. Binod Kumar, Executive Director, Punjab National Bank, Madam Garima Singh, IRS, Secretary Finance cum Director, Institutional Finance & Banking, Government of Punjab; Sh. Raghunath B, Chief General Manager, NABARD, Sh. Kamal Kumar Goyal, IAS, LDMS, Senior Officers from RBI, State Government, Banks, various Corporations.**

He told that SLBC will deliberate & review the progress of Banks for the quarter ended March, 2023 along with the policy, financial & other issues related to progress & economic conditions of state of Punjab. As per RBI's Revamped Lead Bank Scheme, SLBC-Punjab conducted meeting of five Sub-committees to SLBC on 08.05.2023 to deliberate statistical data and other routine issues. Action points emerged during the meetings were circulated to the steering sub-committee to finalize the agenda for the SLBC meeting. He requested all member banks to ensure data sanctity and timely submission of SLBC data.

Speaking about the progress of Banks in the Punjab state for the period ended March, 2023, In Punjab the YOY deposit growth is 9.48% as on 31.03.2023. Scheduled Commercial Banks(SCB) growing at 9.70%, Public Sector Banks(PSB) growing at 6.23%, Pvt. Banks growing at 18.78%. PSB share in deposits is 67% and Pvt. Banks have share of 27.90%. Position of Major banks in deposits as of March,2023 is: **SBI: 127899 Cr, PNB: 114929 Cr and HDFC: 67556 Cr.**

He cited that in Punjab the YOY credit growth is 10.41% as on 31.03.2023. SCB growing at 10.88%, PSB growing at 4%, Pvt. Banks growing at 21.80%. PSB bank share in advances portfolio is 53.91% and Pvt. Banks share is 40%. Major banks in advances as on March 2023 are: **SBI: 70631 Cr,HDFC: 65491 Cr,PNB: 45512 Cr.**

Commenting on Agriculture growth, he said that the state is growing at 3% as on 31.03.2023 with SCB growing @ 3.11%. PSB banks share in Agriculture advances is 46.37% and Pvt. banks share is 35%. The term loan component under agriculture is only 26.17% and there is a need for Infrastructure financing or Capital formation in rural area which will ultimately increase agriculture/ rural income of farmers in the state.

Further, in MSME the state is growing at 5.17% as on 31.03.2023. SCB growing at 5.21%. PSB banks share in MSME advances is 41.70% and Pvt. Banks Share in MSME advances is 57%.

While deliberating on the progress of Banks under National Goals he apprised that share of Priority Sector Advances to Total Advances is 55.15%. Share of Agriculture Advances to Total Advances is 25.80%, Share of Weaker Sector Advances to Total Advances is 19.69%, Share of Advances to Small and Marginal Farmers to Total Advances is 11.53% and Share of Micro Advances to Total Advances is 11.17%

He extended best wishes for fruitful & conclusive deliberations on all agenda issues of the meeting.

**Shri Binod Kumar, ED, Punjab National Bank and Chairman of today's meeting** extended a warm and hearty welcome to distinguished guests **Sh. Ajoy Sinha, Additional Chief Secretary, Finance, Govt. of Punjab, Guest of Honor, Sh. Vivek Srivastava, Regional Director, Reserve Bank of India, Chandigarh, Madam Mandakini Balodhi, Director, Department of Financial Services, New Delhi, Madam Garima Singh, IRS, Secretary Finance cum Director, Institutional Finance & Banking, Government of Punjab; Sh. Raghunath B, Chief General Manager, NABARD, Sh. Kamal Kumar Goyal, IAS, LDMs, Senior Officers from RBI, State Government, Banks, Corporations and other offices.**

He apprised the house that we will be reviewing the performance of Banks in the state of Punjab for the quarter ended March 2023 and deliberating on road map for attaining the targets for FY 2023-24 set forth by Regulatory & other Authorities.

He also touched upon the evolving macro-economic conditions in the country. He said that the Global economic activity has been resilient despite high inflation levels, Banking system turmoil in some advanced economies, tight financial conditions and ongoing geopolitical conflicts. As the impact of COVID 19 pandemic and Ukraine War continue to reverberate worldwide, persistently high inflation has prompted aggressive monetary tightening in many developed and developing countries. Amid worries about global downturn, RBI has decided to take a pause in interest rate hikes this time around. The Reserve Bank of India (RBI) on 6 April released Report for First Monetary Policy Review meet of F.Y 2023-24 and in a positive surprise, the Central bank kept the repo rate unchanged at 6.50 per cent, thus breaking a trend that has seen interest rate hikes six times consecutively.

He also mentioned that the standing deposit facility (SDF) rate stands at 6.50 per cent and the marginal standing facility (MSF) rate and the Bank Rate to 6.75 per cent. However, it has kept the window open for any further action on interest rates depending upon the incoming economic data and any changes in the global macro scenario.

The real GDP growth projection for FY24 was marginally raised to 6.5 per cent from an earlier estimate of 6.4 per cent and retail Inflation was reduced to 5.2% in 2023-24, from 5.3% earlier. These decisions aim to align inflation with the medium-term target for consumer price index(CPI) inflation of 4% within a band of +/-2%, while supporting economic growth.

Talking about the Banking network he said that in the state of Punjab, there are 6,435 branches, out of which Public Sector Banks have 4,017 branches, Private Sector Banks have 1983 and Regional Rural Banks have 435 branches. Further, there are 7,172 ATMs in the state.

He affirmed that the banks in the state of Punjab have been putting in concerted efforts for effective implementation of various Government led schemes and contributing to economic well-being & financial inclusion in the state of Punjab.

Informing the house about performance under ACP during FY2022-23, he said that the banks in the state of Punjab have disbursed Rs.197224 Crore i.e. 84% of target under ACP 2022-23. The achievement under Agriculture and MSME segment was 71% and 142% respectively during this period. The performance under ACP in state is showing continuous improvement over the last few years. Registering achievement from 77% to 84%, the performance has gone up by 7% compared to last ACP (2021-22).

He took the opportunity to congratulate the member banks and LDMS of Amritsar, Pathankot, Patiala and Fazilka district for achieving more than 100% of their allocated targets of total Priority Sector under Annual Credit Plan.

He gave an overview of the Banking Business under various segments in Punjab as on 31.03.2023 as follows:

- Total Deposit of Scheduled Commercial Banks, RRBs & Co-Op Banks in Punjab have increased to Rs.578954 crores as at March, 2023 from Rs.528793 crores as at March, 2022 thus registering **YOY growth of 9.48 %**.
- Total Advances during the review period have increased from Rs. 315901Crore as on March 2022 to Rs.348787 Crore as on March 2023 registering **YOY growth of 10.41%**. However, he pointed out that in advances we could have done better as there is much potential.
- Priority Sector Advances have increased by Rs.14885 crores as at March 2023 showing 8.39% YoY growth. Thus surpassing National Goal under Priority Sector as at March 2023 to 55.12 % against the target of 40%.
- Agriculture Advances have increased to Rs. 90003 crores as on March 2023 from Rs. 87761 Crore as on March 2022 exhibiting YoY growth of 3 %. The achievement of National Goal under Agriculture Sector as at March 2023 is 25.80% against the target of 18%. He announced that we have surpassed the national goal but being the food bowl of India, Punjab can do much better.

- The MSME Advances in the State during the period under review showed increase of Rs.6205 Crores i.e. from Rs.77067 crores as at March 2022 to Rs.81057 crores as at March 2023 thus showing growth of 5.17%.
- CD Ratio Overall of the state is 60.16% which is at par with the benchmark of 60%. All the member Banks are requested to keep up the momentum and further improve CD ratio up to 70%.
- Talking about the Social Security Schemed he said that the Dept. of Financial Services, Ministry of Finance, Govt. of India has launched a Saturation Campaign of Three Months starting from 01.04.2023 to 30.06.2023 under PMJJBY & PMSBY schemes to ensure that every eligible citizen gets the benefits of these schemes. I urge upon all the LDMs and member banks to strive hard and make concerted efforts to cover each and every eligible beneficiary in the state and make this campaign a huge success. The Total enrolments under Social Security Schemes during Current FY up to 31.03.2023 are- 727627 in PMJJBY, 1508480 in PMSBY and 366335 in APY.
- Regarding MUDRA he informed that Credit facilities to the tune of Rs.3133 Crore has been sanctioned to more than 3.58 Lakh beneficiaries under Pradhan Mantri Mudra Yojana (PMMY) during FY2022-23 and 81% of the target for Financial Year has been achieved. To augment off-take in MUDRA loans, he suggested Sourcing as many PMMY loan applications via digital modes as possible and exploring the involvement of BCs in sourcing of loan applications.
- For the F.Y 2022-23, he informed that 1817 projects of PMEGP have been sanctioned. Margin Money of Rs.8879 lakhs is involved in these projects. I congratulate SLBC Punjab to have achieved more than 100% Margin Money targets.
- He further added that Ministry of Fisheries, Animal Husbandry and Dairying in association with Department of Financial Services, Gol launched a "Nationwide AHDF KCC Campaign for providing Kisan Credit Card facility to all eligible Animal Husbandry and Fishery Farmers.

He apprise the house that under the campaign, a total of 56383 applications have been received so far for KCC to Animal Husbandry & Dairy out of which 43147 have been sanctioned, 12320 applications have been rejected and 640 applications are pending with banks. He was happy to mention that the no. of pending applications is less but also requested member banks to expeditiously dispose of the pending applications.

However, for KCC to Fisheries, applications received are on lower side and only 54 applications have been sanctioned so far.

As the campaign has now again been resumed from 1st May,2023 to 31st March,2024, he urged upon all member banks to source and sanction as many applications as possible.

Informing the house regarding digital coverage in saving and current bank accounts, during the initial stage, Kapurthala, SAS Nagar (Mohali) and Malerkotla districts were identified for 100% digitalization in the state of Punjab. To further scale up the Digitalization Programme in the State, two more districts i.e. Fazilka & Faridkot were identified.

He suggested member banks to strive for 100% Digitalization in the state of Punjab and focus on increasing the share of digital transactions vis-à-vis the total transactions through adoption of new age technologies and on-boarding of more and more customers/merchants on digital platforms.

While concluding, he conveyed his best wishes to all member banks for achievement of targets in this Financial Year and thanked 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. He assured full cooperation from banking fraternity towards strengthening and uplifting the socio-economic conditions of the people of the State.

**Shri Parveen Guglani DGM SLBC** invited **Sh. Ajoy Sinha, Additional Chief Secretary, Finance, Govt. of Punjab** to give an overview of Govt. aspirations for banks: -

He extended a warm welcome to all the dignitaries present, LDMs, officers from RBI, State Govt., banks and various corporations. He discussed about the scheme of the Govt. of India including the street vendors scheme. He acknowledged the progress in street vendor scheme but also conveyed need for improvement.

He pointed out that the sanction is approximately 50% of applications generated and 2000 applications are still pending. Although certain applications may be pending due to requirement of documents but the gap of 50% is quite high.

He requested all the bankers not to reject the applications without valid reasons, If the applicant is coming forward to avail benefit of such common schemes, it becomes the responsibility of the local/state Govt. and Zonal/regional offices of banks to monitor the same to minimize the gap. PNB was appreciated for good work in same field.

He conveyed that in agriculture their endeavor is to have meetings with departmental heads and guide the people and provide hand holding in collaborations with banks and state Govt.

He also stressed upon the goal of the Prime minister to provide insurance coverage for all by 2047. Camps shall be organized to create the awareness regarding importance of insurance coverage. He urged to provide maximum insurance coverage to farmers, laborers etc.

**Shri Parveen Guglani DGM, SLBC PUNJAB** cited that the banks have been doing excellent work in social security schemes but the total population eligible for PMSBY & PMJJBY is quite high and we have covered only 9% of the same. We shall strive hard to provide coverage to 20% & 30% of eligible population in PMJJBY & PMSBY respectively in the quarter. By the end of the year, we may try to

cover up to 40% of the eligible population. He mentioned receiving data from MNREGA and from Punjab Mandi Board which has already been shared with all.

Action taken on action points emerged in 163<sup>rd</sup> SLBC Meeting were discussed. In the 163<sup>rd</sup> Meeting there were special remarks from Madam Garima & Madam Mandkini.

**For PM Street Vendors Atma Nirbhar Nidhi (PM- SVANidhi) a special Micro Credit Facility Scheme action was required by** HDFC Bank, Axis Bank, Indusind Bank, YES Bank, Kotak Mahindra Bank. It was highlighted that pendency has decreased but at the same time sanctioned has also decreased.

Madam Garima was disconcerted on vague reports submitted by the banks. She mentioned that there seem to be no progress from these banks.

**Sh. Binod Kumar, ED, Punjab National Bank expressed his disappointment and desired Yes Bank to provide reason for not submitting ATR.**

**Chief Guest, Sh. Ajoy Sinha, Additional Chief Secretary, Finance, Govt. of Punjab** strictly voiced that SLBC meeting is to be attended by the persons who has complete knowledge of the agenda items and that everyone present must talk in quantitative terms.

**Madam Mandakini Balodhi, Director, Department of Financial Services, New Delhi enquired from these banks the reasons for not** submitting the ATR.

HDFC Bank representative responded that they have received no information from SLBC.

For Nationwide AHDF KCC Campaign for providing Kisan Credit Card facility to all eligible Animal Husbandry and Fishery Farmers announced by Ministry of Fisheries, Animal Husbandry & Dairying

The Pvt. Sector Banks to be in touch with the District administration and ensure to submit the weekly disbursement progress & disposal pendency.

LDMs to provide district wise data of camps organized under the campaign on immediate basis so that an analysis of data of all such banks not participating in camps can be done.

The Pvt. Banks have not provided details of such camps to LDMs

**Madam Mandakini Balodhi, Director, Department of Financial Services, New Delhi** expressed dissatisfaction on the fact that such serious issues for state and financial Inclusion are being handled

with insensitivity. She strictly advised the concerned Private Banks that all the data related to action plan should be submitted to SLBC Head.

She questioned the LDMs regarding designation of a digital officer to which none of the LDMs had an answer. She felt sorry for such state of affairs.

SLBC convener rigidly advised everyone to be serious and positively submit the ATR and details of designated digital officer within one week.

For CENTRAL SECTOR SCHEME FOR "FINANCING FACILITY UNDER AGRICULTURE INFRASTRUCTURE FUND" The Nodal Dept. was advised to submit a report of the awareness programs conducted before the next SLBC meeting. As informed by horticulture Dept, Total 17 Outreach camps were conducted during March month with 1150 number of participants

**Madam Garima Singh, IRS, Secretary Finance cum Director, Institutional Finance & Banking, Punjab** urged Horticulture department to comment on the support from Horticulture.

Representative from Horticulture deptt. informed that earlier they had only 200 applications but now they have more than 400 applications. The gap between approved amount and sanctioned amount is also decreasing. Total investment has also increase. The Gap between sanctioned and disbursement is also reducing.

**Shri Parveen Guglani DGM SLBC** requested to provide the TAT from banks exclusively so that the same can be reduced.

**Representative from SBI asked if solar pumps covered under AIF.**

**Horticulture Representative confirmed that the solar pumps has recently been covered.**

**Representative from SBI mentioned that CGTMSE cover is not being given for the above.**

**For PM Formalisation of Micro Food Processing Enterprises Scheme (PM FME Scheme)**

The Nodal Officer from HDFC Bank assured to clear the pendency within 15 days. However, DGM SLBC informed that pendency has been decreased from 109 to 59.

Representative from HDFC again ensured clearance of pendency is next 15 days.

**For Overall CD Ratio, all Bank Heads to issue advisory to DCOs to allocate targets to branches for achievement of CD ratio.**

**A special meeting with PSBs to be held to chalk out the strategies for increasing the CD ratio of banks as this is a particular area that needs focused attention.**

The house was apprised that a meeting was held with the Banks regarding the issue on 08.05.2023 wherein the Banks unanimously reached the conclusion that the Credit Targets be fixed after taking



into consideration the targeted CD Ratio position and conducting special outreach camps for credit disbursal.

**For Credit Deposit Ratio, Implementation of the Recommendations of Expert Group on CD Ratio** LDM Pathankot & LDM Hoshiarpur were asked to share the action taken for improving CD ratio during the last quarter.

It was informed that Branch wise target given to all the Branches present in the BLBC meetings to achieve the same by 31.03.2023. There is slight improvement in CD Ratio in both the districts for Q.E. March 2023

**For KCC-ATM cum Debit Cards position**, Kotak Mahindra Bank was advised to submit the correct data, but corrected Data not received.

**For EXPANDING AND DEEPENING THE DIGITAL PAYMENT ECO-SYSTEM -INCLUSION OF FARIDKOT & FAZILKA DISTRICTS FOR 100% DIGITALISATION:** -LDM Fazilka & LDM Faridkot were to formulate strategies for 100% digitalization of their respective districts & submit Timeline for the same.

The house was apprised of the action taken.

**Madam Mandakini Balodhi, Director, Department of Financial Services, New Delhi** asked LDMs Fazilka and Faridkot to through some light on the same. LDM Fazilka informed that EXPANDING AND DEEPENING THE DIGITAL PAYMENT ECO-SYSTEM data is to be submitted in June . The Plan has been submitted.

Madam Mandakini Balodhi, Director, Department of Financial Services, New Delhi said that LDM Pathankot & Hoshiarpur are lagging behind and they need to submit action plan for digitalization within one week.

**For Scale of Finance in Agriculture Advances**, SLBC was to form New committee to deal with the issue so as to come up with some practical recommendations for implementation in state of Punjab.

The house was informed that Nomination of member from NABARD has been received and matter has been taken up for providing nomination from RBI Chair and Revenue Dept which is awaited.

**Sh. Ajoy Sinha, Additional Chief Secretary, Finance, Govt. of Punjab** expressed gratitude towards NABARD for continuous support during the last year and the present year as well.

The Agenda Items were discussed as under: -

<b>Agenda Item No. 1</b>	<b>Confirmation of minutes of 163rd Meeting of State Level Bankers' Committee (Punjab)</b>
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The House confirmed the e-mailed/circulated minutes of above meeting after discussion of action taken report on action points emerged in 163<sup>rd</sup> SLBC.

<b>Agenda Item No. 2</b>	<b>Review of progress of implementation of various packages announced by RBI/Govt. of India for different sector of economy in view of COVID pandemic</b>
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<b>Item No. 2.1</b>	<b>PM Street Vendors Atma Nirbhar Nidhi (PM- SVANidhi) a special Micro Credit Facility Scheme</b>
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Bank/ Branch wise total 121184 applications were received under the 1st Tranche loan, out of which Banks have sanctioned 45981 applications and 43269 applications have been disbursed so far i.e. 94% of total sanctioned applications.

Out of 28927 applications received under 2nd Tranche loan, 10623 applications have been sanctioned and 8632 applications have been disbursed so far. Further, Total 1991 applications are still pending for disbursement under the scheme.

**DGM, SLBC** requested the banks who have not performed as per the expectations of Govt. of India and have maximum pendency, to dispose of the pending applications especially which are more than 15 days old now. The Top performing banks i.e. SBI, PNB, INDIAN Bank, BOI AND PUNJAB & SIND BANK.

DGM, SLBC cited that application should not be rejected on flimsy grounds. On behalf of SLBC he proposed special committee for reviewing the applications and rejections. We are waiting for SOP from the GOVT. as very few rejected applications are being resubmitted.

The views were endorsed by the house.

**Madam Garima Singh, IRS**, Chief Guest asked why there was less disbursement in the second tranche and mentioned why most private banks have zero performance

**DGM, SLBC** asked Capital finance bank to state the reason for not picking the applications from the system as all applications are pending, to which the house received no response from Capital Finance Bank.

**Madam Mandakini Balodhi, Director, DFS, New Delhi** took serious view on this and advised to submit complete data within one week.

**DGM, SLBC** took note of the concerns and requested all members' banks to dispose of pending applications.

**Action: Banks/ LDMs & ULBs**

<b>Item No. 2.2</b>	<b>Nationwide AHDF KCC Campaign for providing Kisan Credit Card facility to all eligible Animal Husbandry and Fishery Farmers announced by Ministry of Fisheries, Animal Husbandry &amp; Dairying</b>
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Under the campaign, a total of 56383 applications have been received so far for KCC to Animal Husbandry & Dairy out of which 43147 have been sanctioned and 640 applications are pending with banks out of which 598 applications are pending for more than 15 days.

Further, for KCC to Fisheries, out of total 390 applications received, only 54 applications have been sanctioned, 17 applications are pending with banks and as many as 319 applications have been rejected.

**Shri Vivek Srivastava, RD, RBI** observed that there is high rejection in Fisheries and requested representative from Fisheries deptt to comment.

Representative from Fisheries requested to share data related to grounds of rejection. DGM SLBC requested to LDMs to send the data again.

**Madam Garima Singh, IRS**, expressed her concern w.r.t the private banks not providing outline for KCC camps to the LDMs and conveyed the urgency of the same. She insisted upon pointing out the name of the Pvt banks for not attending the camps. Kotak Mohindera bank is strictly advised to tell the action taken in the next meeting else letter regarding this will be sent to DFS.

**Madam Mandakini Balodhi, Director, DFS** advised all LDMs to take action in absence of attendance of the Pvt. Banks.

**DGM, SLBC** requested LDMs to make such communication to Bank heads under copy to SLBC.

**Action: Banks/ LDMs**

<b>Item No. 2.3</b>	<b>CENTRAL SECTOR SCHEME FOR “FINANCING FACILITY UNDER AGRICULTURE INFRASTRUCTURE FUND”</b>
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The Hon'ble Finance Minister announced on 15.05.2020 Rs 1Lakh Crore Agri Infrastructure Fund for farm-gate infrastructure for farmers out of which Rs.4713 crores were allocated for Punjab State.

Banks have received 2760 applications under the scheme and have sanctioned 1947 applications and 613 applications are still under process.

**DGM, SLBC** asked the Department of Horticulture to source maximum proposal iunder the scheme.

Representative from Horticulture requested the Banks to take note that interest subvention are to be timely claimed in all eligible cases.

<b>Item No. 2.4</b>	<b>PM Formalisation of Micro Food Processing Enterprises Scheme (PM FME Scheme)</b>
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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 approach to reap the benefit of scale in terms of procurement on inputs, availing common services and marketing of products.

Govt. of India has targeted that 2,00,000 Micro food processing units will be directly assisted with credit linked subsidy under the scheme.

Banks have received 1809 applications, out of which 1009 have been sanctioned. 159 applications are still pending with banks.

As many as 641 applications have been rejected which is a matter of concern.

**Sh. Rajnish Tuli, GM, Punjab Agro** informed that from March to April we had 06 camps to source maximum applications. Our sanction rate is highest rate in country and if existing clients of the banks join us to take benefits of the scheme this would even go higher.

Age wise pendency was discussed by DGM SLBC with banks.

**Convener SLBC** urged the banks to clear the pendency and adhere to time limit.

RSETI representative suggested that in DCC meeting one representative from Punjab Agro should be present.

**DGM SLBC** requested to state Govt. to intervene as rice shellers are now not taking PFME loans due to which banks are being badly affected.

**Action: LDMs & Banks**

<b>Item No. 3</b>	<b>Overall CD Ratio</b>
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During the period under review overall CD Ratio of Commercial Banks in the State of Punjab has increased from 59.53% as in March 2022 to 60.16% as at March 2023 thereby showing increased by of 0.63 PPs. The same has increased by 1.23 PPs on QoQ basis during the quarter ended March 2023.

The major decline is in the Indian Overseas Bank (-39.56%) and UCO Bank (-27.76%).

UCO bank representative said that there is no major declined but some data issues.

**Rd RBI Shri Vivek Srivastava** said that Punjab having such low CD ratio is a matter of concern and asked anybody to explain that how in prosperous area like Punjab CD ratio is so low.

Representative from Canara Bank mentioned that pricing is a challenge for banks. Not much activity relating to manufacturing is happening in Punjab.

PMFME Representative informed that very less viable proposals are available. Further, huge migration is prevalent in Punjab which poses great social challenges as well.

DGM SLBC added that NRIs are contributing to low CD ratio.

**Action: All Banks& LDMs**

<b>Item No. 3.1</b>	<b>CD Ratio - Rural Areas</b>
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During the review period, the CD Ratio of Rural areas has declined by 3.65 PPS from 52.30% as at Mar 2022 to 48.65% as at Mar 2023. Further it has decreased by 6.15 PPs during the quarter.

**Action: All Banks& LDMs**

<b>Item No. 3.3</b>	<b>CD Ratio - Urban Areas</b>
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During the review period, the CD Ratio of Urban areas has increased by 0.78 PPS from 69.01% as at Mar 2022 to 69.79% as at Mar 2023.

<b>Item No. 4</b>	<b>Credit Deposit Ratio – Implementation of the Recommendations of Expert Group on CD Ratio</b>
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CD Ratio has decreased in Jalandhar.

LDM jalandhar held NRI belt, migration of students and low agricultural activity responsible for the same.

Convener SLBC advised to analyse where the district is lagging as adjoining district are performing well.

LDM Kapurthala informed that they are focusing on small loans and sponsored cases.

**DGM, SLBC** requested to focus on JALANDHAR, Kapurthala, SBS Nagar, Hoshiarpur and Pathankot district for CD ratio improvement and suggested to hold special credit outreach programmed. He also stated that co-operative banks lack in almost all the districts.

**Action: Concerned LDMs/Banks**

<b>Item No. 5</b>	<b>Review of National Goals</b>
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The state has surpassed the targets under all parameters of National Goals except the Export Credit. The Priority Sector Advances achievement to Net Bank Credit as on 31.03.2023 is 55.15%, well above the target of 40%. Under agriculture, the state has achieved 25.80% against the target of 18%, the achievement of National goal under small & marginal farmers is 11.53% against the target of 10%. However, it is a matter of concern that we are slipping in these areas when compared to March 2022 position.

**Convener, SLBC** requested the member Banks to focus on export credit

**Action: All Banks**

<b>Item No. 6</b>	<b>Priority Sector Advances</b>
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During the period under review, overall Priority Sector Advances of state have increased by Rs. 150120 crores, from Rs.166953 crores as at Mar 2022 to Rs.182073 crores as at Mar 2023 thus showing a growth of 9.06%.

The concerned banks were requested by Convener SLLBC to give special attention during current Quarter to improve their position.

**Action: All Banks**

<b>Item No. 7</b>	<b>Agriculture Advances</b>
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The Agriculture Advances in the State during the period under review witnessed an increase of Rs.1119 crores from Rs.79993 crores as at Mar 2022 to Rs.81112 crores as at Mar 2023 thus showing increase of 1.40%.

However, again there is a dip in case of Public sector Banks. The Indian Overseas Bank & UCO Bank were advised to check the veracity of the data as there is major decline in percentage achievement and mismatch in number of accounts.

**Action: All Banks**

<b>Item No. 7.1</b>	<b>NPA in Agriculture Sector</b>
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NPA under Agriculture sector have decreased by Rs.612 crores during the last one year. As on Mar 2023, NPAs are to the tune of Rs.9995 crores which is 11.10% of total advances.

**Action: All Banks/ Agriculture Dept.**

<b>Item No. 7.2</b>	<b>Agriculture Advances through Term Loan.</b>
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Out of agriculture advances of Rs .90003 crores term loan component is Rs.23550 crores which comes to 26.17%.

We need to strive hard for term loan financing and focus on AIF for the purpose.

**Action: All Banks/ Agriculture Dept.**

<b>Item No. 8</b>	<b>Kisan Credit Card (KCC) Scheme</b>
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Punjab State Cooperative banks was requested to check the data as the same already provided is incorrect. They were advised to submit data within seven days.

**Madam Garima Singh, IRS**, said that they must have separate meeting with SLBC for the same.

**Action: Concerned Banks**

<b>Item No. 8.1</b>	<b>KCC-ATM cum Debit Cards position</b>
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The overall percentage of cards issued as on 31.03.2023 is only 69% and more than 7 lakh KCC holders still do not have Debit cards which is a matter of concern. During the previous SLBC meetings, it was advised by RBI that all member to cover 100% of old accounts with Debit cards and ensure to issue cards in all new accounts in future. However, some of the banks i.e. RBL, YES Bank & Capital Small Finance Bank still have zero percentage of cards issuance.

**Madam Garima Singh, IRS**, discussed with the concerned banks about the reasons for non-issuance and instructed them to remove this gap at the earliest.

**DGM, SLBC** requested the banks for immediate issuance of Debit cards to all KCC holders as only then DBT will be possible.

**Madam Mandakini Balodhi, Director, DFS** advised to expedite the process as it is a necessity for financial inclusion which is our responsibility towards the economy. She also said that our efforts and our camps should be growth oriented.

**Action: Concerned Banks**

<b>Item No. 9</b>	<b>Farmers Produce Organization</b>
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67 FPOs have been promoted under Government of India PRODUCE Fund, 16 FPOs under Farm Sector Promotion Fund and 34 FPOs under Produce Organization Dev. Fund (PODF). Amritsar, Gurdaspur, Hoshiarpur and Tarn Taran are the leading districts under the scheme.

**Madam Garima Singh, IRS**, asked the NABARD to provide necessary guidance to the banks in Punjab on lines of other well performing states. She also questioned why the farmers are not motivated to join FPOs.

**Shri Raghunath B, Chief General Manager, NABARD**, responded that farmers are not joining the FPOs as they are struggling for collaboration of 300 members.

**RSETI representative** suggested the minimum threshold limit should be reduced.

**Madam Garima Singh, IRS** said that they may have a meeting with NABARD to discuss this condition of 300 members.

**Action: All Banks, LDMs & NABARD**

<b>Item No.10</b>	<b>Pradhan Mantri MUDRA Yojana (PMMY)</b>
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With sanction of Rs.3133 cr under the scheme, 81% of the targets of the state have already been achieved. The Top performing banks under the scheme are UBI , HDFC, PGB, and P & Sind Bank.

**DGM, SLBC** further assured that the Banks in Punjab are performing well and can surpass the targets by the end of Financial Year and also requested Indusind bank to check their data.

**Action: All Banks & LDMs**

<b>Item No. 10.1</b>	<b>NPA under Pradhan Mantri MUDRA Yojana (PMMY)</b>
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The NPA under MUDRA decreased from 10.06% as on 31-03-2022 to 9.66% as on 31-03-2023.

**Action: All Banks**

<b>Item No. 11</b>	<b>Prime Minister Employment Generation Programme (PMEGP)</b>
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The Banks in the state of Punjab have achieved more than 100% of targets of Margin Money under PMEGP scheme. However, some of the banks have not yet claimed the margin money. Member Banks were requested to claim the same at the earliest from the concerned Department in cases where the disbursement is complete.

**Madam Garima Singh, IRS** expressed her disappointment on the facts that all private sector banks are at zero achievement except HDFC and ICICI and requested AXIS bank to explain the reason for NIL achievement. She further added that from next meeting all the banks with zero achievement will submit reasons for the same in writing.



**Action: All Banks & KVIC Dept.**

<b>Item No. 12</b>	<b>Stand-up India Programme of Ministry of Finance</b>
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Expressing concern over the performance of Banks under Stand-Up India Programme, **DGM SLBC** said that Out of total 6435 Branches, only 352 branches have participated and sanctioned 385 loans amounting to Rs.51.38 crores.

Top three banks as per percentage of participation - Union bank of India, SBI & Indian Bank were appreciated.

**Convener SLBC** requested LDMs/Banks to focus and peruse the scheme

**Action: All Banks**

<b>Item No. 13</b>	<b>Annual Credit Plan 2022-23 Achievements up to 31.03.2023</b>
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ACP achievement of the Banks for the F.Y 2022-23 is 84%. Banks have achieved 71% in agriculture, 142% in MSME and 55% in other priority sector.

**DGM, SLBC** was elated to inform that in none of years the achievement has declined, it is increasing every year.

Top four districts -Amritsar, Pathankot, Patiala and Fazilka were applauded for more than 100% achievement.

Top four banks are HDFC Bank ICICI Bank, BOB & PGB.

Bottom four Banks- IOB, Bandhan Bank, BOM, & J&K bank were requested to ensure target achievement.

**Action: All Banks& LDMs**

<b>Item No. 14</b>	<b>Pradhan Mantri Suraksha BimaYojana (PMSBY) and Pradhan MantriJeevanJyotiBimaYojana (PMJJBY).</b>
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Under these Social Security Schemes, the state has performed exceptionally well. As on 31.03.2023, the achievement under PMSBY is 350% against the targets given for state.

**However Madam Garima Singh, IRS**, said that it is a matter of concern that currently only 61.99% are active, In some cases it has been discontinued.

She further added that highly focused saturation drive has started and all concerned bank will be called and weekly bank wise progress will be closely monitored. She urged HDFC and Canara Bank to share their plan.

Representative from CANARA BANK said that they have achieved 25 to 30% and are pushing forward.

Representative from HDFC BANK said that they have divided the targets to branches.

**DGM SBI** expressed thanks for the special SLBC conducted. He also mentioned that GDPOs are asking for forms needed.

**Madam Garima Singh, IRS** appreciated SLBC to join hand with Govt. and work in synergy.

**Madam Mandakini Balodhi, Director, DFS** advised to note that the scheme is up for renewal from 01 June and advised to make efforts accordingly. She further added that bank may reach out to the insurance partner and even DFS for issue and claim settlements. She also said that it is very heartening to see least no. of grievances regarding claim settlement from Punjab state

She urged the banks to convey to SLBC the adoption of districts in writing.

UCO bank representative conveyed that they will adopt RUPNAGR and Jalandhar for 100% saturation. Similarly, Axis Bank representative mentioned Tarantaran District.

**Madam Garima Singh, IRS** inform the house that letter have been sent to all DCs.

**Action: All Banks**

<b>Item No. 15</b>	<b>Atal Pension Yojana (APY)</b>
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The overall achievement under the scheme as on 31.03.2023 is 77%. The Private sector banks are lagging behind with 27% achievement.

**DGM, SLBC** requested all banks to create awareness of this scheme in customers.

**Action: Concerned Banks**

Item No. 16	National Rural Livelihood Mission (NRLM)-Implementation in the State of Punjab
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The target for credit linkage of SHGs is 14000 applications of amount Rs.190cr. Out of total 12116 applications received during the Q.E Mar 2023, Member Banks sanctioned and disbursed 9614 Loan Applications amounting to Rs.94 crores.

**Shri Kamal Garg, Joint Development Commissioner** said several applications are pending. Concerned deptt. Was requested to share the list with SLBC so that the same can be forward to the concerned bank. He further mentioned that credit of Rupees 1.5 lakh is not being given to the groups despite clear guidelines of Govt.

**Action: Banks & NRLM Dept.**

Item No. 16.1	Position of Women Self Help Groups under NRLM
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During the Q.E March

2023, Saving Linkage has been done in 1483 accounts, 1576 have been credit linked and Rs.47.61 crores have been disbursed.

**Action: Banks & NRLM Dept.**

Item No. 17	EXPANDING AND DEEPENING THE DIGITAL PAYMENT ECO-SYSTEM IN IDENTIFIED DISTRICTS-KAPURTHALA, SAS NAGAR(MOHALI) & MALERKOTLA
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The overall Digital coverage as on 31.03.2023 for Kapurthala, SAS Nagar(MOHALI) & Malerkotla districts in Savings accounts is 90%, 91% & 86% respectively. However, the progress under Current Accounts is not satisfactory and the achievement is 76%, 78% and 77%.

**Sh. Binod Kumar, ED and Chirman** enquired about the timeline for 100% digitalization to which DGM SLBC confirmed the same to be March 2024.

**Action: All Banks & Concerned LDMs**

Item No. 17.1	EXPANDING AND DEEPENING THE DIGITAL PAYMENT ECO-SYSTEM -INCLUSION OF FARIDKOT & FAZILKA DISTRICTS
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<b>FOR 100% DIGITALISATION</b>
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As per Reserve Bank of India letter FIDD.CO.LBS.No. S1416/02.01.014/2022-23 dated January 3, 2023, SLBC was advised to identify more districts to scale up the digitalization programme in the State. Accordingly, two more districts i.e. Faridkot & Fazilka have been identified for which Punjab & Sind Bank and Punjab National Bank are Nodal Banks.

LDM Faridkot & LDM Fazilka were requested to start submitting progress report as per prescribed formats on quarterly basis from June 2023 onwards.

**Action: All Banks & Concerned LDMs**

<b>Item No. 18</b>
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<b>Issues of Unique Identification Authority of India (UIDAI)</b>
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**Madam Garima Singh, IRS** requested representative from UIDAI to comment. UIDAI representative suggested that one training should be conducted for Aadhaar saturation in every quarter.

<b>Item No.19</b>
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<b>Scale of Finance in Agriculture Advances</b>
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No action point emerged.

<b>Item No.20</b>
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<b>Ground level Credit Data</b>
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No action point emerged.

<b>Item No.21</b>
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<b>Delay in taking possession of Assets by Chief Metropolitan Magistrates/ District Magistrates under Section 14 of SARFAESI Act, 2002.</b>
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No action point emerged.

<b>Item No.22</b>
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<b>Review of performance of Banks (excluding co-operative banks) in Key Areas related to Deposits, Advances and Priority Sector Advances</b>
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No action point emerged.

<b>Item No.23</b>	<b>Advances to SC beneficiaries</b>
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No action point emerged.

<b>Item No. 24</b>	<b>Special 6 months campaign at Gram Panchayat Level from 15.02.2023 to 15.08.2023 in 112 aspirational Districts</b>
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No action point emerged.

<b>Table Items</b>
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Annual Credit Plan targets for 2023-24 were discussed with the committee. Meeting is to be held with Bank heads to discuss the Bank-wise targets, and then finalize the minutes and the targets for FY 2023-24.

PMFME targets are to be discussed along with ACP.

DGM, SLBC requested the dignitaries to give their Keynote address

**Shri Vivek Srivastava, RD, RBI** in his keynote address expressed his dissatisfaction with the quality of discussions held in the meeting. He pointed that Date incorrectness and insufficiency is not acceptable in a pivotal forum like SLBC.

He advised all the participants to ensure quality participation. He appealed to make difference to the lives of a common man through this forum.

**Madam Mandakini Balodhi, Director, DFS** said that we are the pivots for Financial Inclusion and Financial inclusion is of utmost importance.

She advised that she must receive data atleast one week before the next meeting for reviewing.

She urged the Banks and Govt. departments and LDMS to move together and seek co-operation amongst one another for fruitful meetings and State development.

**Shri Raghunath B, Chief General Manager, NABARD** requested to focus on the Agriculture portfolio and review the scale of finance which is much lower than neighboring Sate Haryana, though SBI is having a different scale of finance.

He said that we need to consider the need of the farmers and increase finance. It is a matter of concern that NBFCs are rising in the State and we are missing on to this opportunity to finance. He also mentioned that Agriculture operations on lease land should be considered.

Term loan in agriculture should also be encouraged for economic growth and profits of Banks as well.

**Madam Garima Singh, IRS mentioned that she is happy to see intervention and support of the regulatory bodies.**

She requested SLBC to again make Bank wise analysis of the Govt. Schemes.

She was confident that we are capable of making a difference to the society and deliver upto the expectations.

**DGM, SLBC** assured on behalf of all the Bankers to live upto the expectations of regulators and showcase improved performance.

Thereafter the meeting ended with Vote of thanks proposed by Madam Salina Goyal, General Manager, Canara Bank.