



State Level Bankers' Committee

Himachal Pradesh

Convenor: UCO BANK

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No.GM/SLBC/2016-17/M-143	Date: 31.03.2017	

All the Participants of
State Level Bankers Committee
Himachal Pradesh

Dear Sir,

REG: PROCEEDINGS OF THE 143rd MEETING OF STATE LEVEL BANKERS COMMITTEE
(SLBC) HIMACHAL PRADESH HELD ON 24.03.2017 AT SHIMLA.

We enclose the proceedings of 143rd SLBC meeting of Himachal Pradesh held on 24.03.2017 at Shimla.

We would request you to initiate action on the points related to your Department/office/Organization immediately and send us the Action Taken Report as early as possible. Member banks/LDMs are requested to ensure submission of SLBC progress data for the year ended March,2017 on the prescribed Formats (revised) latest by 10th of April, 2017 to enable the Convenor Bank to hold the next SLBC meeting as per schedule.

With regards,

Yours faithfully,

(Vivek Kaul)
Deputy General Manager

Encl: As above

Copy to:

1. The Chief Secretary, Govt. of HP, H P Secretariat, Shimla.
2. The Additional Chief Secretary(Finance) Govt. of HP, H P Secretariat, Shimla
3. The Addl. Secretary (FI), Deptt of Financial Services, MOF, New Delhi
4. The Regional Director, Reserve Bank of India, Block-40, SDA Complex Shimla.
5. The Chief General Manager, NABARD, Regional Office Shimla-171009.
6. The CMD's Secretariat, UCO Bank, Head Office, Kolkata-700001
7. The ED's Secretariat-1, UCO Bank, Head Office, Kolkata-700001
8. The ED's Secretariat-II, UCO Bank, Head Office, Kolkata-700001
9. The General Manager, UCO Bank, Head Office, ARBD, Kolkata-700001
10. The General Manager, UCO Bank, Circle Office, Chandigarh 160017

MINUTES OF 143rd SLBC MEETING OF STATE LEVEL BANKERS' COMMITTEE – HIMACHAL PRADESH HELD ON 24.03.2017 IN REGENCY HALL , HOTEL HOLIDAY HOME, SHIMLA (H.P.)

143rd Meeting of State Level Bankers Committee- Himachal Pradesh held on 24th March, 2017 to review the performance of banking sector for the period ended December, 2016. Dr. Shrikant Baldi, IAS, Additional Chief Secretary (Finance) to the Govt. of Himachal Pradesh chaired the meeting and Sh. R. K. Takkar , Managing Director & CEO UCO Bank presided over the meeting. The list of participants herewith annexed (Annexure-I).

The meeting started with the permission of the Chair at 11.10 a.m. at the Regency Hall of Hotel Holiday Home, Shimla. At the outset Sh. U. C. Sharma, General Manager & Convenor, SLBC UCO Bank extended warm welcome to distinguished dignitaries sitting on the Dias and Senior Bureaucrats/Executives from State Government Departments, Boards, Corporations, Senior Executives /Officers from Banks, Insurance Companies, media persons present in the meeting.

HIGHLIGHTS OF THE WELCOME ADDRESS DELIVERED BY SHRI U. C. SHARMA, GENERAL MANAGER & CONVENER SLBC, HP.

At the outset the General Manager and Convener greeted all the participants from State/ Central Government, Banks, Insurance Companies and Media persons.

Sh. U. C. Sharma welcomed the dignitaries sitting on the dais viz.

- **Dr. Shrikandi Baldi**, Addl. Chief Secretary, (Finance) to the Government of Himachal Pradesh. The GM extended gratitude to the ACS for sparing the valuable time to chair the meeting.
- **Sh. Arvind Mehta**, Addl. Chief Secretary (Agriculture) to the Government of Himachal Pradesh. The GM extended warm welcome to Sh. Mehta on his maiden participation after taking over the new assignment .
- **Sh. R. K. Takkar** Managing Director & CEO, UCO Bank. The GM expressed gratitude to MD & CEO UCO Bank for his gracious presence to preside over the meeting.
- **Sh. Amar Nath**, Regional Director, Reserve Bank of India and **Sh. Deepak Kumar**, Chief General Manager, NABARD . The GM expressed gratitude for their proactive participation in SLBC review meetings.

The SLBC convener highlighted the various initiatives on financial inclusion and cash-less transactions through the Banking channels in the State. He appreciated the efforts put up by banks in implementation of the Demonetisation move and in promoting the digital payments through the various modes like PoS devices, Micro ATMs, E-wallets Mobile Banking, Internet Banking, Debit/ Prepaid Cards etc. He requested all the Stake holders to launch massive awareness campaign for promoting less cash economy in the State.

The General Manager & Convener also impressed upon the Banks to pay priority attention for seeding of Aadhaar Number and Mobile Number in Bank accounts in a

campaign mode to achieve the target set by DFS for completion of Aadhaar seeding with in 31st March,2017.

The convener expressed that there are few important issues such as low CD ratio, growing NPAs and coverage of farmers under Pradhan Mantri Fasal Bima Yojana etc which are in the standing agenda of the SLBC review meeting and will be deliberated in normal agenda.

Besides the above issues, the GM has highlighted the important performance indicators in banking sector in the State as mentioned below;

- a) **Banking outreach:** Banking outreach is quite good in the State with per branch population coverage of nearly 3300. In addition Banks have expanded banking services through the alternate modes like Bank Mitras with present strengthen of total 1499 BMs and 1900 ATMs.
- b) **Total banking business has crossed 1.34 lac crore** at the end of December, 2016 with Y-o-Y growth of 18%.
- c) **The overall achievement under ACP 2016-17** recorded at 90% of the targets. He impressed on Banks to increase the lending to Priority sector segments in the current quarter to achieve the overall ACP targets.
- d) **The CD ratio (CDR)** in the state has further declined to 50.07% as per assessment under thorat committee recommendations and domestic level CDR is just 35%. The General Manager requested for intensive deliberations in the House on the issue to arrest the slippage and ways and strategies for improvement in overall CDR as well as the domestic level CDR in the state.

The General Manager and convenor, SLBC concluded the address expressing gratitude to all the participants for their proactive participation and he hoped for very conclusive and fruitful deliberations on all issues placed in the agenda.

HIGHLIGHTS OF THE KEY NOTE ADDRESS BY SHRI R. K. TAKKAR, MANAGING DIRECTOR & CEO, UCO BANK.

Sh. R. K. Takkar, MD & CEO of Convenor bank presided over the meeting and delivered his Key Note address to the House. The highlights of the key Note address mentioned below;

- At the outset, Sh. Takkar extended compliments to banks for their hard work and patience displayed in the successful implementation of the demonetization move. He further remarked that now in the process of remonetization, Banks have to pay attention for encouraging the digital mode of payments viz. Banking cards, USSD, AEPS, UPI, PoS, Mobile Banking, Internet banking and Micro ATMs etc to promote the cashless and less cash economy. He further added that Government of India (GoI) has also launched two schemes namely-"Lucky Grahak Yojana" for consumers and "Digi Dhan Vyapar Yojana" for merchants to incentivize the customers for making digital Payments in the campaign period up to 14.04.2017 and Digi Dhan Mela are being organized by the Ministry of Electronics and Information Technology (MeitY) to create awareness about the benefits of Digital Payment option.

- The MD informed the House that Digi-Dhan Melas are organized at two centers in Himachal Pradesh namely Shimla and Kullu on 19.3.2017 and 22.3.2017 respectively. Sh. J.P. Nadda, Hon'ble Health & Family welfare Minister, Govt. of India and Smt. Vidya Stokes, Hon'ble Minister IPH & IT, Government of Himachal Pradesh participated in Digi-Dhan Melas at Shimla. In these events, focused attention paid on awareness and financial literacy especially on use of digital money and use of various digital modes for carrying out digital transactions.

Sh. Takkar highlighted the performance indicators under Financial Inclusion initiatives mentioned in brief as below;

- Banks have total 10.25 lakh PMJDY accounts;
- Total 8.69 lakh account holders are enrolled by Banks under "Pradhan Mantri Surksha Bima Yojana" (PMSBY);
- Total 2.93 lakh enrolments are done by Banks under "Pradhan Mantri Jivan Jayoti Bima Yojana" (PMJJBY);
- Total 8.19 lakh PMJDY accounts are seeded with Aadhaar number and thus having coverage of 79%. The MD urged the banks to put their best efforts to attain the 100 percent coverage with in 31st March, 2017 as directed by DFS.
- Banks have issued total 7.50 lakh RuPay debit Cards under PMJDY and having so far coverage of 73%. Sh. Takkar urged upon the Banks to distribute and activate Rupay Debit Cards at least to all the PMJDY account holders in a time bound manner.
- Banks have 1.35 lakh Zero balance accounts under PMJDY as of February 2017 and nearly 14% of PMJDY accounts remained unfunded. Banks are requested to pay focused attention for further bring down the zero balance accounts to the minimum level.
- The MD expressed that there is one of the important areas that deserves priority attention of banks i.e. accelerating enrolments under universal flagship Pension Scheme of Gol i.e. Atal Pension Yojana (APY) where the performance is far below the expected level. Banks have enrolled more than 35000 account holders under the scheme so far and he requested for coordinated approach from the stakeholders to have encouraging achievements under the scheme in the current quarter.

In the Key Note address of Managing Director & CEO, UCO Bank, banking business performance highlights mentioned as below;

- Total Banking business in the State has grown at Y-o-Y growth rate of 18% and total business has crossed Rs.1.34 lakh crore as of December,2016.
- The Deposits have grown at Y-o-Y growth rate of around 21% and deposits have reached to Rs. 99501 crores.
- The Advances have grown at Y-o-Y growth rate of around 12% and crossed more than Rs. 35058 crores.

- The overall Credit Deposit (CD) ratio in the State stood at 50.07% as of December, 2016 and witnessed shortfall over the previous quarter. Deposits have witnessed the high increase due to demonetization effect and registered quarterly growth of more than 6% whereas the advances have not increased and remained stagnant, thereby resulted in downfall of CDR during the under review. He impressed on banks to pay thrust on credit expansion.
- The MD further added that domestic CDR is nearly 35% and six districts viz. Chamba, Hamirpur, Kangra, Lahaul & Spiti, Mandi, and Una have critically low CD ratio even below 40%. He emphasized for regular review of CDR in special sub-committees at District level for sustainable growth in CDR and put thrust on credit expansion based on areas based schemes and credit needs preferably in Agriculture, Agro based & Food processing units and MSME sector having vast potential in the State.
- Banks have achievement of nearly 90% of the targets under Annual Credit Plan 2016-17. The MD expressed satisfaction for the efforts put by the Stakeholders and urged the banks to accelerate the pace of credit expansion in priority Sector segments.
- The National Parameters (NP) set up by RBI for lending to Priority sector and Agriculture sector have been surpassed by the banks with achievement of 66% and 21% respectively. Advances to weaker section and women, the parameters have also been achieved by the banks with a percentage of 16% and 8% respectively.
- Banking Outreach is fairly good in the State with total branch branches of 2071 branches, with more than 80% branches in Rural Areas , 1900 ATMs and 1499 Business Correspondents (Bank Mitras). The MD expressed that sustainable operations of Bank Mitras model are paramount to have outreach to the excluded section of our society and Banks have to pay special attention for sustainable growth of BCAs.
- Growing NPAs of the Banks is one of the critical issue. In Himachal Pradesh the stressed assets (i.e. NPAs) of Banks have further increased to the extent of Rs.2005.49 crores and NPA percentage in the State have gone up to 5.72% as on December 2016. The growing NPAs will have cascade effect in further credit expansion and therefore this situation must be dealt very carefully and intelligently by reinforcing the recovery initiatives as well as the supportive approach through restructuring /rescheduling of viable cases with due promptness.

In the concluding remarks of key note address, Sh. Takkar , MD & CEO, UCO Bank assured whole hearted support and involvement of Banking fraternity in all the development Initiatives of the Government in the financial inclusion and inclusive growth of the State. He expressed hope for conclusive deliberations on all issues placed in the agenda.

On conclusion of the address by Managing Director & CEO, UCO bank, the regular agenda of the meeting started by Sh. U.C. Sharma, General Manager & Convenor, with the kind permission of the Chair and proceedings noted as below;

AGENDA ITEM NO.-1

CONFIRMATION OF MINUTES OF THE LAST 142st MEETING HELD ON 28.12.2016

Since, no comments received from any quarter, the minutes of the 142nd Meeting of SLBC stands confirmed and adopted.

AGENDA ITEM NO.-2

FINANCIAL INCLUSION CAMPAIGN IN HIMACHAL PRADESH- REVIEW-DECEMBER,2016

2.1) Progress under Pradhan Mantri Jan Dhan Yojana (PMJDY)

The progress made by the Banking Sector under PMJDY and other financial inclusion initiatives placed before the House by the GM & Convenor UCO Bank. Banks have total 10.26 lakh PMJDY accounts as of December, 2016. Banks have issued RuPay Debit Cards in more than 7.48 Lakh accounts (nearly 78%) and 79% of PMJDY accounts are also seeded with Aadhaar number.

The RD, RBI deliberating on the issue expressed that banks in the state have achieved 79% of the Aadhaar seeding which is higher than the national average of 59%. The major concern is Cooperative banks which have seeded only 21% of the PMJDY accounts. He therefore, advised all cooperative banks to complete the seeding on priority basis within the given timelines so that the target is achieved.

(Action point: Coop Sector Banks)

The General Manager, UCO Bank apprised the House on the special camping on **seeding of Aadhaar Number and Mobile Number** in the Bank accounts of Saving Bank account holders and **activation of RuPay Debit Cards**. He informed the House that Banks have started 10 weeks special campaign as per the direction received from Department of Financial Services (DFS), MOF, New Delhi. Banks have been allocated the weekly targets and progress is being monitored regularly by DFS with the top executives of concerned Bank. As per the available information as of 01.03.2017, Banks have achievement of 49% under Aadhaar seeding and 48% under RuPay Cards activation, as against the targets allocated under special campaign. The GM emphasized to the Controlling Head of the member banks to monitor the progress closely for achieving the assigned targets in the special campaign.

(Action: All Member Banks)

2.2) Performance in Universal Social Security Schemes under PMJDY:

The Convenor placed the Latest progress under **Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)**, the two schemes implemented under PMJDY through Banks for providing insurance coverage to the Saving Account holders. Banks have enrolled 8.69 lakh account holders under PMSBY and 2.93 lakh account holders under PMJJBY.

Pendency of Insurance Claims lodged under PMSBY and PMJJBY:

- The GM informed the house that total 201 claim cases have been lodged by PSBs and Private Sector Banks under PMSBY and 45 claim cases are pending with insurance Companies. The major pendency remained with National Insurance Company (NIC) and Oriental Insurance Company (OIC).
- The Addl. Chief Secretary, Dr. Baldi (Chairman) intervening in the deliberation asked the representative of the Insurance Companies from OIC, for the reasons of large pendency. The representative from OIC has informed the House that at present there are only 2 cases pending and that is due incomplete papers. No representative was available from National Insurance Co. to comment on the pendency of insurance claims with the Company.
- The representative from H P Gramin Bank (HPGB) has also mentioned the high pendency of 16 insurance claims with the Oriental Insurance Co. and claims are lying pending for more than 6 months.

The Convenor informed the House that claims pendency placed in the agenda is as per the information available at PMJDY portal and reported by Banks. As the wide gap appeared in reporting of pendency of claim cases with the respective Insurance Companies, the insurance companies are requested to update the position with PMJDY portal for review the position in next review meeting. The Chairman directed that OIC will also take up the matter with other insurance companies and present the status on the pending claim cases in the next meeting.

(Action Point: Oriental Insurance Company Ltd. / National Insurance Company)

- The GM informed the House that total 400 cases are received by the Insurance companies from Public sector Banks (PSBs) under the PMJJBY and out of these, 62 cases is pending with LIC. In addition 12 cases lodged by H P Gramin Bank are pending with LIC. The CGM NABARD intervening in the deliberation informed that 24 cases lodged by Kangra Central Coop Bank (KCCB) under PMJJBY are also pending with LIC. The representative from LIC have informed the house that as per latest position, there are total 34 cases pending with LIC and all the pending claim cases with LIC will be settled within 31st of March,2017.

(Action Point: LIC of India)

The House directed the following action points to the Insurance Companies participating in PMJDY Scheme;

- a) To update the position on the claim cases lodged/ pending under PMSBY & PMJJBY with the position available at PMJDY portal. The PMJDY portal reflects the position in respect of claim cases lodged by Public Sector Banks (PSB) and Private Banks. In addition, the Insurance Co. to update the position of claim cases lodged by H P Gramin Bank and Co-op sector Banks separately for the purpose of review in the house.
- b) As the rejections of cases under the PMSBY & PMJJBY are very high, the insurance companies are requested to specify the reasons for rejection of claim cases while submitting the quarterly information to SLBC.

- c) The insurance companies participating in the PMSBY & PMJJBY schemes under PMJDY will submit the Statement of claim cases received, sanctioned, rejected and pending for the period under review in respect of PSBs/ Pvt Banks/RRB/ Coop banks in the State to the SLBC convener bank within 30 days of end of quarter to place the consolidated position of insurance claims under PMSBY and PMJJBY for the State in the next SLBC meeting.

(Action Point: Life Insurance Corporation of India (LIC) / Oriental Insurance Company/ National Insurance Company/ New India Assurance Company/ United India Insurance Company.)

Atal Pension Yojana:

The House reviewed the progress under Atal Pension Yojana. The House observed that an enrollment under the scheme is at a very slow pace and so far nearly 35000 account holders are enrolled by Banks. There is a need to launch the campaign for enrollments of eligible subscribers with the coordination state Government agencies.

Dr. Baldi, ACS, Govt of Himachal Pradesh has informed the House that this micro pension scheme is very good and State Government is also providing the co-contribution to the subscribers under APY . The ACS further informed that and in the current budget , limit of Rs. 1000 has been revised to Rs.2000/- subject to maximum of 50% of the annual contribution of the account holders under the scheme Dr. Baldi (Chairman) emphasized the Banks to take initiative for marketing the scheme among the eligible subscribers with added feature of co- contributions from government to increase the enrollments under the scheme.

(Action Point: All member Banks)

The representative from Department of Post deliberation on the issue informed the house that their 85 post offices are at present doing enrollments under the scheme. The Department of post is requested to share the progress made under the scheme in the State of Himachal Pradesh on quarterly basis by submitting a quarterly Statement to SLBC convener for deliberation in the House.

(Action Point: Department of Post)

2.3 Financial literacy campaign:

The House reviewed the performance of Financial Literacy Centers (FLCs) in the State. The GM informed that FLCs and Bank Branches are organizing the Financial Literacy Camps at the grass root level i.e. at village/ Panchayat and Block level with specific target groups like Students, Farmers, SHGs, Micro entrepreneurs etc.

Dr. Baldi, ACS (Fin) to Government of HP directed that Rural Development Departments & Panchayati Raj Department of State Government should take initiative to spread financial literacy at Gram Panchayat Level through the Gram Panchayats elected representatives. Dr. Baldi informed that there are three training institutes where Gram Panchayat Pradhan, Ward members and other functionaries of Gram Panchayat are imparted training and these representatives from Gram Panchayats are very effective in spreading of the financial literacy at the grass root level. The concerned Lead Banks are requested to coordinate with Rural Dev.

Department and Panchayati Raj Department for spreading the Financial Literacy & awareness at the grass root level.

(Action Point: RD Department/Panchayati Raj Deptt- HP)

The Regional Director (RD), RBI deliberating on the issue expressed that rural branches had conducted 1169 camps during the quarter under review against target of 4779 camps. He further said that RBI has reviewed the policy on conduct of financial literacy camps and detailed guidelines were issued on March 2, 2017. Now, the focus has shifted to "Going Digital". FLCs would conduct special camps for one year on Going Digital through UPI and USSD. Rural branches of the banks would conduct one camp per month on 3rd Friday of each month after branch hours. He advised banks to follow regulatory instructions meticulously and achieve the mandated targets without fail.

(Action Point: All member Banks / LDMs)

Financial Literacy Week – June 5-9, 2017

The RD, RBI expressed that a financial literacy week would be observed during the week June 5-9, 2017. The main objective is to promote financial literacy at the ground level on specified five topics viz. KYC, exercising credit discipline, going digital (UPI and USSD), and awareness of grievance redressal mechanisms through the financial intermediaries so that financial services provided by them improve in letter and spirit. The promotional material on the same would be provided by RBI. He appealed to all bankers to join RBI in this financial awareness campaign so that one and all are made financially literate in the State.

(Action Point: All member Banks / LDMs)

2.4) Performance of Business Correspondent Agents- Bank Mitras (BMs):

The Convener informed the House that there are total 1499 active Bank Mitras (BMs) as an alternate mode of expansion of banking services in the State.

The House deliberated on the issue of engagement of Fair Price Shop Dealers (FPS) having 'e-POS' devices, supplied by Department of Food & Public Distribution system, as Bank Mitra by the Banks. The representative from Department of Food & Public Distribution, Govt of Himachal, Pradesh informed that the 'e-POS' devices already procured under tendering process by the Department is not compatible for conducting banking business by Bank Mitra as prescribed by IBA. The issue raised with the Department with Food & Public Distribution, Gol and for procuring the e-POS devices compatible to Bank Mitras business, retendering will have to be done.

The representative further informed that they are in the process of getting 'e-POS' devices from State Bank of India (SBI) with swipe facility for making digital payments at FPSs and the matter will be reviewed on having received the delivery of 'e-POS' devices to finalize the Fair Price Shop Dealers as Bank Mitra in the State.

Dr. Baldi deliberating on the issue impressed upon SBI expedite the supply of POS devices to the various State Government Departments including F&PD Department, in the State.

(Action Point: Department of Food & Public Distribution, HP / State Bank of India (SBI)).

Dr. Baldi, Addl. Chief Secretary to Govt of HP emphasized on activation of Bank Mitras. He impressed on banks to equip the BMs with Micro ATMs and pay the remuneration/ commission as per the RBI guidelines. He further impressed that SLBC should review the performance of BMs in terms of the volume of transactions and the commission earned by the Bank Mitras. All Banks are requested to furnish the information to SLBC convener and the consolidated information will be placed before the House for review in the next meeting.

(Action Point: All Banks / SLBC convener)

The Convenor informed the House that State Government, Finance Department has permitted the Banks to utilize the services of Anganwari workers as Bank Mitras after Anganwari working hours and in this regard direction has already been issued vide their letter no. Fin-IF (B)1-1/2016 dated 01.03.2017

The House directed the Banks to utilize the services of Anganwari workers as BCA as it will be also supplement their earnings as well as they will prove effective mode in expansion of Banking services in the villages.

(Action Point: All Member Banks)

AGENDA-2.6: Pradhan Mantri MUDRA Yojana (PMMY):

The GM & Convenor, UCO Bank informed the House that Banks have sanctioned total credit of Rs. 584.12 crore to 36800 new units under the scheme in the current financial year up to period ended December, 2016. He further added that Banks have issued total 9350 Mudra Cards to the entrepreneurs as of Dec.2016. He urged the member Banks to issue MUDRA Cards to all the Entrepreneurs availed credit facility under the Scheme to facilitate hassle free credit availment.

(Action Point : All member Banks)

AGENGA-2.7: Stand UP India Scheme (SUI) :

The convenor informed the House that banks have sanctioned total Rs.56.17crores to 362 new entrepreneurs till the end of December, 2016. Total new 156 enterprises promoted by women entrepreneurs and 206 new enterprises promoted by SC /ST entrepreneurs are financed by banks.

The Regional Director, Reserve Bank of India deliberating on the issue expressed that banks in the State have processed only 362 cases against the target of 4142 cases. Even, out of 362 cases processed, PNB has processed 189 cases which is 52% of the total cases and Bhartiya Mahila Bank has processed 59 cases, which looks unlikely as the bank has only two branches and amount also does not match with number of accounts. The performance of other banks is not justifiable at all. He advised all the banks to make sincere efforts for achieving the targets. At the same time, he also desired improvement in reporting standard.

Banks are requested to ensure that each branch participate in credit expansion under the Scheme and report the actual performance in their reporting to the SLBC convener .

The Representative from SIDBI deliberating on the issue expressed that banks have uploaded total 366 applications in the web portal i.e. www.stanupmitra.in and out of which 346 are reported as sanctioned. He urged the Banks to upload all the loan applications received / processed / sanctioned / rejected in the On-line portal to have an actual performance under the Scheme.

(Action Point: Bhartiya Mahila Bank / Other Member Banks)

AGENDA ITEM NO.-3

3.1): On-line access of Land Records to Banks – Adoption of “Bhoomi Bank Integrated Project” for online creation of charge on land.

The General Manager & Convenor informed the House that NIC, H.P. has developed a **Software application** for Online creation of Charge on land record and a demo was given by NIC on 1.3.2017 in presence of representatives of Land Record Department, HP and Convener Bank. Further GM informed about the suggestion/ certain queries made by SLBC Convenor in the course of meeting held on 01.03.2017 which has been well taken up in the software.

In one of the points in the soft ware , it is clarified that onus of identification of the loanee (Land owner) is on the Banker/ Financial Institution. In this regard Government of Himachal Pradesh, Revenue Department has issued a notification vide no. Rev. B.A.(3)-5/2013 dated 6.1.2017 and a copy was placed in the agenda papers.

The DGM UCO bank deliberating on the matter expressed that in the software application, type of mandatory documents required for online creation of charge are not viewed and therefore it is requested to the land Record Department that matter may please be suitably raised with NIC. The representative, land Records has assured the house to do the needful.

Deliberating on the issue, representative from Land Record Department of Govt of Himachal Pradesh expressed that NIC will be performing the security audit of the software from National Informatics Centre Services Inc. (NICS) before being put to implementation and it may take some time. So he requested that stake holders to wait for some time and NIC will be taking up the matter with NICS very shortly.

The General Manager & Convenor has expressed thanks to State Government authority on behalf of the banking fraternity for considering the demand for On-line creation of charge on land Record by Banks & FIs and further expressed hope that the software application will be implementation very soon in the State.

(Action: Land Record Department/ NIC, HP)

3.2): Implementation of Aadhaar number seeding for Payments through Aadhaar Payment Bridge System (APBS) under Direct Benefit Transfer (DBT)

- The Convenor informed the House that a special drive in campaign mode is undertaken by Banks in March 2017 for voluntary seeding of Aadhaar number and seeding of mobile number in all operative, individual savings bank accounts.
- Banks have put special thrust on Identification of pockets with low levels of seeding, organizing of camps for on-the-spot seeding, wide publicity and account holder-specific outreach efforts at branch level, mobilizing and incentivizing BMs for seeding of Aadhaar number.
- The Convenor Bank has also launched publicity campaign through the media publicity in Daily Newspaper (The Tribune) as well as through All India Radio in a programme for awareness of General Public relayed by AIR, Shimla .

- The LDMs have coordinated with field-level functionaries at district level for seeding of Aadhaar Number & Mobile no in various schemes under DBT.
- The Convenor informed the House that DFS had assigned the 10 weeks targets for completion of seeding of Aadhaar number & Mobile no. and the progress is being monitored by DFS with the Banks very closely. Banks have recorded the progress of nearly 48% of the targets and still banks have to put more efforts to reach near to the targets. The House urged Banks to closely monitor the progress with their branches to complete the Aadhaar seeding in all the Bank accounts with in 31.3.2017.
- The **Aadhaar linkage in bank account of MGNREGA beneficiary** deliberated in the House. The General Manager & Convenor informed the House that MORD & DFS has jointly issued direction vide their M-12014/2/2015-MGNREGA-V(344637) dated 14.03.2017 to follow the **Standard Operation Procedure (SOP)** for Aadhaar seeding in MGNREGA Beneficiaries Bank account and the actions / jobs to be performed by Rural Dev. Department (MGNREGA) and by Banks are clearly stated in the SOP. SLBC convener Bank has circulated the said directions/SOP to all member Banks and Lead District Managers(LDMs) for further necessary action. The House directed the Rural Development Department and Banks to coordinate for seeding of Aadhaar Number & Mobile Number of MGNREGA beneficiaries and monitor the progress for a time bound compliance.

(Action Point: Rural Dev. Department, HP / Member Banks / LDMs)

3.4): Implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY) during Rabi Season – 2016-17:

- The Convenor informed the House that there are nearly 2.03 lakh farmers (both loanee and non-loanee farmers) covered under PMFBY/WBCIS in the State in Rabi Season 2016-17.
- The CGM NABARD deliberating on the issue urged the Banks to cover all eligible farmers under the Pradhan Mantri Fasal Bima Yojana being implemented in the State. He expressed that the figures of 2.04 lac farmers covered under the Crop Insurance Scheme in Rabi 2016 season appears to be at low side in relation to the total number of loanee farmers under KCC i.e. nearly 7.87 lac.
- The issue of **uploading of farmers details in the Insurance Portal** of Govt of India deliberated in the House. The progress in uploading of data on the insurance portal by the banks is quite slow and the controlling heads of Member Banks are requested to pay their attention for uploading of farmers details in the Insurance portal of Gol in a time bound manner by the respective bank branches.

(Action Point: Member Banks)

- The issue of **active KCC accounts** was also in the focused deliberation in the course of deliberations on farmer coverage under the crop insurance scheme .CGM NABARD expressed that farmers covered under KCC scheme reported as 7.87 lacs but coverage under the PMFBY is nearly two lacs and there appears to big gap. He urged the banks to revisit the position of actual KCC account in activated status. He emphasized Banks to ensure that data on active KCCs out of total 7.87 lac KCCs should be placed in the SLBC meeting to review the

lending to farmers under KCC scheme. All Banks are requested to provide the information on active KCC accounts to SLBC convener for review of the position in the next SLBC review meeting.

(Action: All member Banks)

- Sh. Arvind Mehta Additional Chief Secretary (Agriculture), Government of HP emphasized for push in more KCCs in the banking system so as to cover all maximum eligible farmers as the State economy is agrarian one and needs adequate & hassle free credit flow. The ACS added that there is need to activate all KCCs so that benefit of interest subvention on KCCs and coverage of Farmers under Fasal Bima Yojana scheme can be made available to the maximum farmers. Sh. Mehta urged the Banks to provide the information on all active KCCs and the reason if any for not providing the KCCs to the eligible farmers. Banks are requested to submit the desired information to SLBC convener for presenting the information before the house for review in the next SLBC meeting.

(Action: All Member Banks)

- The General Manager & Convenor UCO Bank informed the House that Ministry of Agriculture & Farmer Welfare, Department of Agriculture, Cooperation & farmer Welfare, New Delhi has directed the SLBC Convenor Banks vide their communication no.17017/02 /2016-Credit-II dated 10.01.2017 to provide "Acknowledgement receipt" and "Folio" to all the insured farmers (both Loanee & non Loanee) which will act as an evidence of having insured their crops like a policy document with synopsis of their policy. The Convenor Bank has arranged for printing of 'Folio' as per direction from Ministry of Agriculture, Govt of India and also distributed the same to the Controlling offices of Member banks of Public Sector Banks and Private Sector Banks for onward distribution to their Branches in the State. All banks are requested to ensure compliance by their branches.

(Action Point: All Member Banks in Public Sector and Private Sector)

- The Ministry of Agriculture & Farmer Welfare, Department of Agriculture, Cooperation & Farmer Welfare, New Delhi has directed vide their communication no.17017/02 /2016-Credit-II dated 10.01.2017 that NABARD will arrange to provide the "Folio" forms to all Co-op sector Banks and RRB in the State. The House requested the representative from NABARD for compliance of directions from Ministry of Agriculture, Gol.

(Action Point: NABARD)

3.4: Digitization of payments for moving toward cashless transaction-Initiatives by banks in Himachal Pradesh:

The Convenor briefed the House on the various initiatives focused on promoting cashless society and digital mode of payments in the State by the Banks.

- **Distribution of POS devices** to the customers including traders, Small Businessmen etc to encourage the payment through swapping of Debit/ Credit Cards. The convener informed the House that NABARD has decided to extend support from Financial Inclusion Fund (FIF) for deployment of PoS terminals in villages located in tier 5-6 centers covering population below 10,000, subject to a cap of two PoS devices per village. SLBC convener has requested the banks to map the villages under the scheme and furnish the details of **mapped villages** to NABARD for

seeking their approval under FIF scheme under intimation to SLBC convener Bank.

(Action: Member Banks)

- Dr. Shrikant Baldi , Addl. Chief Secretary, finance deliberating on the issue expressed that Banks should pay preference in distribution of PoS devices to various government undertakings and Departments, universities, hospitals etc to facilitate the cashless payments by the General public. He directed that SBI, PNB and UCO bank (peer banks in the State) to come forward with their proposals to the district Authorities for supply of POS devices at public utilities, hospitals , DC office, SDM offices , RTO Offices as small amount of fees etc are deposited in these offices by the general public. He urged the banks to accord priority for distribution of POS devices at DC Office and SDM Offices, universities etc so as to promote digital payments through PoS devices in public utility services.

(Action: SBI/PNB/UCO Bank)

- **MICRO ATMs** provided by banks to their Bank Mitras located in villages / Gram Panchayat to provide facility of digital payment through the use of interoperable ATM devices.
- **Awareness Campaign for use of digital modes of payment:** The Convenor briefed the House that Banks have taken aggressive awareness campaign on various options made available by Banks to promote cashless or less-cash economy through various products & services such as Unified Payments Interface (UPI), Debit Card, RuPay Card, prepaid cards, using various cards at any PoS (Point of Sale)/ ATM, Unstructured Supplementary Service Data (USSD) based mobile banking, Aadhaar-enabled payment system (AEPS) and e-wallet or digital wallet etc.
- **DigiDhan Melas:** The Convenor informed that Government of India has launched two schemes namely-**Lucky Grahak Yojana** for consumers and **Digi Dhan Vyapar Yojana** for merchants' w.e.f. 25th December, 2016 to drive Digital Payments in India. The schemes envisage offering vast number of cash rewards to those consumers and merchants who are doing digital transactions for expenditures. He added that Digi-Dhan Mela are organized at two centers in Himachal Pradesh namely **Shimla and Kullu on 19.3.2017 and 22.3.2017** respectively. Sh. J.P. Nadda, Hon'ble Health & Family Welfare Minister, Govt. of India and Smt. Vidya Stokes, Hon'ble Minister IPH & IT, Government of Himachal Pradesh participated in Digi-Dhan Melas at Shimla. Also Sh. J.P. Nadda, Health & Family Welfare Minister, Govt. of India and Sadhvi Niranjana Jyoti Hon'ble Minister of State (FPI) have participated in the Digi-Dhan Mela at KULLU on 22.3.2017. In the Camps awareness campaign launched on adopting of digital payments.

3.5: Setting up of Debt Recovery Tribunal (DRT) in Himachal Pradesh at the State Head quarter.

The Special Secretary, Finance to the Government of Himachal Pradesh informed the House that matter for shifting of DRT head quarter to Shimla is recommended by the State Government and decision is pending with Government of India, Deptt of Financial Services. The House decided that the matter is under consideration Govt and it may be dropped from the agenda for the time being.

AGENDA ITEM NO.-4

4.1 REVIEW OF PROGRESS UNDER RBI ROADMAP 2013-16 – EXTENSION OF BANKING SERVICES IN ALL UNBANKED VILLAGES WITH POPULATION BELOW 2000 IN HIMACHAL PRADESH:

The progress under the RBI Roadmap 2013-16 reviewed by the House. Banks in the State have covered nearly 19621 villages out of total 20060 villages and 439 villages remained uncovered till the end of December, 2016.

The Regional Director, Reserve Bank of India deliberating on the progress reported by banks under the RBI roadmap expressed that the convenor bank has shown 2808 villages as uninhabited and 17882 villages as inhabited whereas, as per the progress report of RBI roadmap 2013-16 as on December 31, 2016, total 19621 unbanked villages were covered by opening brick and mortar branches and through BCs (Bank Mitra) by the banks. The villages yet to be covered were 439 in numbers. It seems that the banks are trying to cover villages which are not inhabited and if numbers of covered villages are factually correct, then we are reporting uninhabited villages as covered by banking services which appears unjustifiable. The convenor bank may ascertain as to how uninhabited villages have been allocated to banks under roadmap in the first place and secondly, conveyor bank has to reconcile the data pertaining to roadmap and furnish the correct data about number of villages as well as coverage under roadmap.

(Action Point: SLBC Convenor Bank)

FIP 2016-19

The RD, RBI has observed that the banks in the State have not submitted financial Inclusion Plans (FIP), duly approved by their board for 2016-19. He directed all banks to submit bank wise targets under FIP 2016-19 for the State of HP immediately for effective monitoring.

(Action Point: Member Banks)

4.2 RBI Roadmap for opening of Brick & Mortar Branch in villages having population above 5000 in Himachal Pradesh.

The representative from PNB informed about opening a Brick & Mortar Branch in the only villages in UNA district remained uncovered under RBI Roadmap. The branch opened just recently in March, 2017 and now all villages with population above 5000 in HP are having Brick & Mortar Branch.

AGENDA ITEM NO.-5

5.1): PROGRESS UNDER ANNUAL CREDIT PLAN 2016-17 UP TO THE PERIOD ENDED DECEMBER, 2016.

- The General Manager & Convener UCO Bank informed the House that banks have recorded achievement of 90% of the targets under ACP2016-17 till the end of December 2016. The Priority Sector achievement is nearly 82% and in non-Priority segments Banks have achievement of 144% of the targets. The GM

urged the member Banks to pay more attention for achievement of targets under Priority Sector activities. He expressed that overall performance maintained by Banks in ACP is just satisfactory.

- The CGM NABARD deliberating on the agenda issues expressed that though the overall achievement can be termed as good but the segment wise performance reveals that Banks achievement in term lending to agriculture sector is below the expected level. He emphasized that GoI is providing much thrust on term lending in Agriculture sector for capital formation and capacity building under the initiative of "Doubling of Farmers Income by 2022" and he urged the Banks to pay more thrust on increasing term lending to Agriculture sector.

(Action Point: All Member Banks)

- The CGM NABARD expressed that Himachal Pradesh Gramin Bank has recorded comparatively low achievements under ACP for the period under review and urged HPGB to focus on attaining of targets under ACP in the current quarter.

(Action Point: HPGB)

- The House directed that certain member banks viz. Allahabad Bank, Bank of Baroda, Bank of Maharashtra, Corporation Bank, Indian Overseas Bank, Union Bank of India, United Bank of India and Yes Bank has recorded very poor performance i.e. achievement below 20% of targets under ACP 2016 and these Banks must monitor the progress of their branches seriously.

(Action Point: Allahabad Bank/ Bank of Baroda/ Bank of Maharashtra/ Corporation Bank/ Indian Overseas Bank/ Union Bank of India/ United Bank of India /Yes Bank)

- **Finalization of targets for Annual Credit Plan- 2017-18 in Himachal Pradesh-**

The Convenor informed the House that NABARD had organized a State Credit Seminar on 11.01.2017 at Shimla and released the State Focus Paper (SFP) 2017-18. NABARD has prepared the **Potential Linked Plan (PLP)** for the next FY 2017-18 for all the districts in the State. This comprehensive exercise carried out with participative and consultative approach involving all stakeholders in the field of Agriculture & Rural Development.

The very theme of the State Focus Paper for 2017-18 has been "**Doubling of Farmers' Income by 2022**" The State Focus Paper has documented the projection for credit deployment along with critical infrastructure requirement of the State. The total credit for 2017-18 for priority sector has been estimated at Rs.20332.53 crores showing an increase of 26.10% over the previous year Credit Plan outlay of Rs. 16124.61 crores

The Regional Director RBI deliberating on the issue of finalisation of ACP for the FY2017 expressed that total credit of Rs.20332.53 crore has been estimated under priority sector for 2017-18, showing increase of 26.10% over last year credit plan of Rs.16124.61 crore. As per the analysis of certain sectors like Education loan, the estimate has been made for Rs.838.07 crore whereas, actual achievement upto December, 2017 was only Rs.68.10 crore for 3685 beneficiaries. The target set in this regard does not appear realistic and seems

impossible to achieve. Similarly, targets under OPS has been kept for Rs.1284.15 crore whereas, achievement upto December was Rs.164.81 crore for 9871 beneficiaries. This target also seems on higher side and achievement by banks needs to be taken into account while finalizing the targets. If banks feel that these targets can be achieved, RBI would be too happy but dismal performance in certain sectors by the banks would not be appreciated.

The Convenor Bank informed the house that Lead District Manager have been sensitized by the convener Bank on projecting the reasonable targets under Education Loan and Housing loan based on the past performance. The issue was by also deliberated in the meeting of State Focus Paper on 11.01.2017 by GM RBI and LDMs were requested to have a reasonable targets under the sectors that has not shown the expected achievement.

The House directed all the lead District Managers to take careful note of the observations made by RD , RBI while finalizing the District level Credit Plan for the year 2017-18 and submit the ACP for the District in the 1st week of April,2017 to the SLBC convener to consolidated the State level Credit Plan for HP for the Year 2017-18.

AGENDA ITEM NO -6

6: Banking Sector business performance in Himachal Pradesh as of December,2016

The Convener highlighted the Banking Sector performance in the State as of December 2016. He added that Managing Director & CEO , UCO Bank has already highlighted various performance indicators of banking sector in the State in the key Note Address.

The important banking business parameters placed before the House;

- **Total Banking business** have grown at Y-o-Y growth rate of more than 18% and total banking business have crossed Rs.1.34 lakh crores as of December 2016.
- **Deposits** have grown on Y-o-Y rate of 21% and **Loans & Advances** have grown at 12% and reached at Rs.99501 crores and Rs.35058 crores respectively.
- Banks have performed well in important **Business Parameters** set by RBI i.e. lending to Priority Sector(66.49%), Agriculture Sector(20.73%), Weaker Section (16.29%), Women (7.76) etc. and bench marks have been surpassed in these segments.
- **Credit Deposit Ratio (CDR):** The overall Credit Deposit Ratio (based on Thorat Committee Recommendations), in the State stood at 50.07 % as of December, 2016. The CD ratio has slipped down to 50.07% in the quarter December, 2016 as compared to CDR in September, 2016 i.e. 55.64%. The major decline observed due to negligible growth in the Advances. Loans & Advances have registered a growth of 0.27% over the quarter ended September, 2016 and at the same time,

the deposits have registered a growth of 6.16% in a quarter under review, thereby leading to decline in the CDR.

- **The 'Domestic level' Credit Deposit Ratio (CDR)** (i.e. excluding the credit flow from outside the State): Based on the information from member banks, the domestic Credit Deposit Ratio (CDR) is recorded nearly 35.25 % for the quarter ended December, 2016. The domestic CDR has also recorded declining trend (declined from 38% in Sep2016 to 35% in December2016) due to stagnant advances growth in the State and correspondingly substantial growth in Deposits attributed to demonetization move.
- Few of the member Banks viz. Andhra Bank, Bank of Maharashtra, Indian Bank , Indian Overseas Bank, Oriental Bank of Commerce, United Bank of India, Inusind bank, South Indian Bank, Yes Bank in the State have very poor CDR (below 20%) in December 2016. The controlling Head of above Banks are requested to monitor the position closely and take proactive steps for improving the CDR.

(Action Point: Andhra Bank, Bank of Maharashtra, Indian Bank, Indian overseas Bank, Oriental Bank of Commerce, United Bank of India, INDUSIND bank, South Indian Bank , Yes Bank)

- The District wise performance in CDR reveals that in Six (6) districts namely Chamba, Hamirpur, Kangra, Lahaul & Spiti, Mandi and Una, CDR has persistently very low i.e. below 40%. The lowest CDR (i.e. 20.59%) recorded in Hamirpur district. **The House directed Lead District Managers (LDMs) to regularly convene the meeting of sub- committee of DLCC and formulated the Monitorable Action Plan for phased growth in CDR in their district.**

(Action Point: LDMs)

The CGM, NABARD deliberating on the issue stated that the CDR of 51%, based on thorat committee recommendations includes financing by Bank from outside the State as well as loans under RIDF etc and we need to focus on core CDR which at present is just 35% . He expressed that CDR should be reviewed in SLBC meeting on the basis of core CDR attained by Banks in the State which reflects the growth in real terms.

The Regional Director RBI also expressed that CDR for the purpose of monitoring in SLBC review meeting should not only be focused on the basis of thorat committee recommendation but emphasis should be laid on review of CDR based on the position of advances sanction/ utilized within the State to evaluate the growth in real terms.

Dr. Baldi, ACS, (Fin), deliberating on the issue expressed concerned over the declining CD ratio in the state in spite of the fact that CDR includes the credit flow from outside State. He told that State has a good growth potentials and having credit absorption capacity and there is need to create awareness on the credit products and services being provided by the Banks. He appeal to the Banks to analyze the position of CD ratio in the small committee formed at district level to have meaningful growth in Advances. Sh. Baldi added that deposits is going to cross Rs.1.00 crore figures and advances have just reached to Rs. 35000 crores that means the investible funds with Banks are flowing outside the State to the large extent . He requested the Banks to invest the funds mobilized in the State in various potential areas in the State.

Sh. Arving Mehta , Addl. Chief Secretary (Agriculture) deliberating on the issue informed that 70% of the livelihood comes from agriculture in the State. Banks should pay thrust on agriculture term lending, financing under critical infrastructural needs in Agriculture sector and form bankable products and schemes for lending to minor irrigation schemes to augment the credit flow in Agriculture sector and thereby strengthening of infrastructural growth in the agriculture sector.

In overall review of CDR, the House impressed the Banks to have special attention on the credit expansion in potential areas like allied activities in Agriculture sector and Food processing units, MSME units in industrial areas as well as achievement of targets under MUDRA scheme and Stand-Up India Scheme, Tourism and Hydel Projects.

(Action: All Member Banks)

AGENDA ITEM NO -7

Review of Performance under major centrally sponsored Scheme for the period ended December, 2016

The House reviewed the progress under various centrally sponsored Government schemes like NRLM, NULM, and PMEGP etc. The representative from these implementing Agencies/ Govt Departments informed that Banks have large pendency in sponsored cases. The Scheme wise review made in the house and important observations noted as below;

1) National Rural Livelihood Mission (NRLM) Scheme– The representatives from HPSRLM informed that Banks have sanctioned total amount of Rs.28.00 crore till the end of February,2017 under the scheme as against the total targets of Rs.40.00 crores for the State in FY2016-17. He further added that achievement will be very near to the target assigned under Scheme by the end of FY, in case the pending cases under NRLM are disposed off by banks.

He added that there is large pendency of nearly 450 cases pending with the banks. To review the position, a small committee meeting was held with the Banks in the month of March, 2017. He remarked that HPSRLM has provided the case-wise information to the concerned banks having pendency under the Scheme and requested for disposal of the cases in a time bound manner.

The House directed the Banks to clear the pendency without any further delay and dispose of all pending cases with in March, 2017.

(Action: All member Banks)

Dr. Baldi, ACS (Fin.) informed the House that in NRLM Scheme financial assistance is extended by banks to SHGs and benefit of Interest subvention is available to SHGs under the Scheme. But in rural areas, the individuals are also availing the loan from banks and not getting the benefit of interest subvention in any Scheme. So the State Government has formulated a scheme in this budget – **Mukhya Mantri Rural livelihood Scheme** wherein the interest subvention will be provided by the State Government to the eligible individuals. He directed the Rural Development Department, Govt of HP to take up the matter for review of Scheme in the next SLBC meeting.

(Action: RD Department)

II) PRADHAN MANTRI EMPLOYMENT GENERATION PROGRAMME: (PMEGP).

The House reviewed the progress under PMEGP. The Director, KVIC informed the latest position of cases sanctioned by banks. Total 858 cases are sanctioned under PMEGP as against a target of 1219 cases for the FY2016-17. He urged the banks to achieve the targets allocated under the scheme. He further requested the Banks to upload the subsidy claims in On-line portal of PMEGP immediately after first disbursement of the loan under the Scheme and lodge the subsidy claims On-line. He further informed the House that in 496 cases, subsidy has been disbursed and in 399 cases the disbursement of subsidy claim is pending.

The KVIC, nodal implementing agency in the State is reviewing the position of cases sponsored to banks regularly in small meetings and controlling authorities have been pursued to sanction/ disburse the cases under PMEGP and lodge the on-line claim for the subsidy.

The Director KVIC requested for a short meeting with Bankers after the SLBC meeting to discuss the issues related to PMEGP cases with major Banks. The name of Bankers participating in the meeting announced with a request to attend the meeting.

(Action Point: Member Banks/ KVIC/KVIB/DIC)

III) National Urban Livelihood Mission (NULM):

The latest progress under the NULM scheme reviewed by the House. The representatives from NULM informed the house that pendency of sponsored cases with the Bank branches have increased to 113 cases and he requested the Banks for disposal of cases in a time bound manner.

The representative NULM further informed that State Bank of Patiala (SBOP) Sarkaghat branch have informed them in writing that their Top Management has directed not to entertain cases sponsored under NULM scheme and they have rejected the cases sponsored to them under the Scheme.

The representative from SBOP informed the House that revised instructions have been issued to the concerned branch and matter is now sorted out.

(Action: All Member Banks/ UD Deptt/ SBOP)

AGENDA ITEM NO.8

8:) Review of Recovery Performance of Banks in Himachal Pradesh.

The GM & Convener SLBC placed the position of overdues in loans & Advances extended by Banks as of December, 2016. Out of total outstanding advances of Rs.35058.07 crore, a sum of Rs.2005.49 crore (5.72%) is classified as NPA. In addition, Non Performing Assets (NPAs) of Banks in the State recorded increase over the previous quarter.

The highlights of review of recovery position mentioned as below;

- In **sector-wise NPA** ratio, MSME Sector has the highest NPA ratio of 11.55% followed by Agriculture sector (5.12%) and Banks have to adopt aggressive

approach in follow up action for recovery of Banks dues in these sectors to maintain a positive recovery environment in the State.

- In **agency-wise NPA** position, Co-operative sector banks have the highest NPA percentage of 9.73% and it has registered increasing trend for the last few quarters. The Coop Sector banks have to tackle the problem of growing NPAs with due seriousness.
- The **pendency in Certificate Cases** under HP Public Money Recovery Act 2000 have grown significantly and at present there are total 7832 certificate cases involving amount of nearly Rs.240 crores. The state Govt authorities are requested to further strengthening the office of Recovery collector under the Act to maintain its effectiveness.

The house expressed concern on growing NPAs as it may hamper the overall credit growth in the State. The house urged the member banks to strengthen their recovery drives.

AGENDA ITEM NO.9

REVIEW OF PROGRESS UNDER NON-SPONSORED PROGRAMMES FOR THE PERIOD ENDED DECEMBER, 2016

9.1) FINANCING UNDER KISAN CREDIT CARD (KCC) SCHEME:

- The House reviewed the position on issuance of KCCs. Banks have disbursed fresh credit of Rs.3035.27 crore to 196724 Agriculturists till the end of December 2016 in FY 2016-17 under the KCC scheme. Banks have expanded 63% of total agriculture credit under the KCC Schemes to meet the short term credit need of farmers .
- In the cumulative position under KCC scheme, Banks have covered nearly 7.87 lakh farmers under the scheme with total credit of Rs.9266.43 crores since inception and average credit consumption per farmer is nearly Rs.1.17 lakh.
- The CGM NABARD raised the issue of activation of KCCs as the actual number of active KCCs may be less than the total of 7.87 lac. He impressed upon the Banks to review the position and report the active KCCs to SLBC convener for having the meaningful review under the scheme. More over the Bankers must assess the reasons for inactive status due to various reason including NPAs. THE CGM NABARD also expressed that no. of loanee farmers covered under PMFBY is just 2.04 lac as against the total KCC holder of 7.87 lac which needs to be revisit to ascertain the all eligible loanee farmers are being provided the insurance coverage under PMFBY. The position will be reviewed in the next SLBC meeting.

(Action: All member Banks)

9.2) CREDIT LINKAGES OF SELF HELP GROUPS (SHGS):

The CGM NABARD expressed that Village Level Programmes (VLPs) are being conducted by the Banks to create awareness on bank Linkages of SHGs. NABARD has allocated 2300 VLPs and Banks are conducting camps to create financial awareness and literacy and credit linkages camps for SHGs.

NABARD is extending the financial support of Rs. 1000/- per VLP conducted by the banks to meet the expenses incurred in conducting VLPs. The Controlling Head of member Banks are requested to seek reimbursement of claims for expenses incurred by their branches in conducting VLPs as per laid down procedure, from Regional office of NABARD within March,2017

(Action Points: PNB, SBI, SBOP, UCO Bank, Canara Bank, CBI, HPGB, HPSCB, KCCB, JCCB)

9.3) “DOUBLING FARMERS INCOME BY 2022”: The House deliberated on the points mentioned in the agenda notes on increase lending to Agriculture sector and necessary infrastructural support from the State Government.

Probable initiatives for doubling farmers’s income in H.P deliberated in the house

- Promotion of high value horticulture crops;
- Provision of irrigation to all possible farm holdings;
- Efficient market connectivity and linkages to National Agri- market portal;
- Promotion of supplementary income generation activities- Dairy, Bee keeping, NFS activities;
- Provision of crop insurance to all farmers;
- Rejuvenation of old plantation/ orchard. Promotion of agro forestry;
- Promotion of more Controlled atmosphere (CA) storage;

9.4) Review of performance of RSETIs (Rural Self Employment Training Institute) in Himachal Pradesh

The latest progress achieved by the RSETIs up to the period ended December 2016, reviewed by the house. The Convenor informed the house that;

- RSETIs in the State have trained 4648 Rural youths as against the target of 5560 candidates and thereby having achievement of 83% as of December, 2016.
- Total 19958 candidates are settled and thereby the percentage of candidate settled as of December, 2016 (cumulative) is 63% which is almost near to the national average of 62%.
- The percentage of candidates settled with Bank finance is just 33% and it is far below the national average of 43%. The sponsoring Lead Banks requested to formulate the action points / strategies for improving the coverage of trained candidates through Bank credit.
- The Government agencies i.e. RD Department, KVIC are requested to reimburse the claims for EDP training expenses conducted through the RSETIs in a time bound manner.

(Action Points : PNB/SBI/ UCO Bank/ RD Deptt/ KVIC)

- **Status of infrastructure in RSETIs-** Construction of RSETI Building- **PNB sponsored RSETIs** : In RSETIs' at four centers i.e. Hamirpur, Kullu, Dharamshala & Una , the construction work of RSETI building is in progress . In Mandi centre , the construction work is yet to be commenced.

SBI sponsored RSETIs: In RSETI centre at Chamba, construction work of building is yet to be commence.

UCO Bank sponsored RSETIs ; In RSETI Centres at Shimla, & Nahan (Sirmour) , the tendering process is completed and construction work will be commenced soon. In RSETIs at Solan, approval of competent authority from Corporate office obtained and the tendering process will be initiated soon .In RSETI at Bilaspur approval awaited from competent authority. The proposal is under consideration and approval expected very soon.

(Action Point: RSETI sponsoring Banks viz PNB, UCO Bank and SBI)

THE AGENDA FOR THE MEETING CONCLUDED WITH PERMISSION OF CHAIR.

The General Manager & Convenor SLBC, UCO Bank requested Dr. Shrikant Baldi , Addl. Chief Secretary (Finance) to the Government of Himachal Pradesh to deliver the valedictory Address to the House.

CONCLUDING ADDRESS OF Dr. SHRIKANT BALDI, ADDITIONAL CHIEF SECRETARY (FINANCE) TO THE GOVERNMENT OF HIMACHAL PRADESH

Dr. Shrikant Baldi, Additional Chief Secretary (Finance) to the Government of Himachal Pradesh has chaired the SLBC review meeting. At the outset, Dr. Baldi complimented the dignitaries on the dais. The concluding remarks in the valedictory Address of Sh. Baldi, mentioned as below;

- The ACS compliment the Banks for their tireless efforts in successful implementation of the Demonetization move in the State.
- In Himachal Pradesh, Banks and Government have very good coordination. Every issue concerning banking sector is deliberated in the SLBC form very effectively and he complimented the convener Bank for holding the SLBC review regularly in an effective way.
- The present status of financial Inclusion in the State is quite good and all the initiatives toward the financial inclusion and inclusive growth are being implemented successfully. Dr Baldi complimented the Sh. Arvind Mehta, Addl Chief Secretray, (Agr) for pioneering the Financial Inclusion initiatives in the State in his tenure as Secretary Finance to the State Government in 2006. Dr. Baldi compliment Sh. Mehta, ACS (Agriculture) for the implementation of financial inclusion Plan in the State in 2007,duly validated by RBI and at that time Himachal Pradesh was the first State in the country in successful implementation of Financial inclusion plan.
- The CD ratio is a key issue in the State. The productive investment must happen to have growth in the economy of the State. Government side is doing its best for productive investments in all sectors and private sector should come forward to increase flow of productive investments as partner in the

growth of economy of the State. Dr Baldi remarked that out of total investible funds of Rs.1.00 lac crore with banks in the State, just Rs.35 thousand crore are deployed at present as indicated from CDR which is a matter of concern for all of us and Banks must take proactive steps to increase the credit flow to the desired sector/ activities of State economy to maintain a healthy CDR in the State.

- DRI advances are very low and far below the parameters set by RBI. Banks must pay thrust on increasing advances under DRI scheme to the poor section of our society.
- The present numbers of ATMs are below to the total number of Bank branches and the ratio of one to one should be maintained. Banks must ensure to increase the ATMs to atleast to match to the total number of Bank branches in the State.
- Dr. Baldi urged the Bank for expansion of PoS Devices in a big way so that Rupay Debit Cards can be used by the public for promoting cashless payment system in the Banking sector. He added that POS devices are very user friendly and it will be very helpful and effective for use by rural folk.
- The activation of Kissan Credit Cards (KCCs) is one of important areas which needs focused attention of Banks. Out of total 7.8 lac farmers covered under KCC scheme, only 2.04 lac farmers are covered under Pradhan Mantri Fasal Bima Yojana which needs to be revisited to have the benefit of risk coverage under PMFBY to maximum farmers. We need to put more thrust on activation of all KCCs so the farmer community can be benefitted from the scheme. He further emphasized for coverage of all eligible farmers under KCC scheme.

The chairman urged all the stakeholders to take immediate follow-up action on the action points emerged in the meeting.

The Chairman extended heartiest thanks to the House for their proactive participation and involvement for the Socio economic growth in the State.

Address by Sh. Arvind Mehta, Addl. Chief Secretary (Agriculture), Government of Himachal Pradesh.

The Convener SLBC requested Sh. Arvind Mehta, IAS, Addl Chief Secretary (Agriculture), Govt of Himachal Pradesh for the concluding remarks. At the outset the Sh. Mehta expressed that Sh. Baldi, has already spoken on key issues and all the stakeholders should take note of all such important points.

Sh. Mehta shared the old memory on financial inclusion campaign which was completed in the year 2007 in the State with coordinated efforts of Government machinery and Banks. He informed that in 2006, campaign launched for financial inclusion in a mission mode with active participation of District Administration and lead Banks. State had achieved the 100% financial Inclusion in 2007 duly validated

by RBI. He remarked that undoubtedly the Banking sector in Himachal has immense potential and capability. He urged all the stakeholders to take forward the new challenges in the areas of financial inclusion, issuance of Rupay Card and activation of KCCs with complete dedication and proactive participation.

The meeting concluded with vote of thanks extended by Sh. Vivek Kaul , Deputy General Manager, UCO bank expressing heartiest thanks to all the dignitaries and other participants for sparing their valuable time and for their proactive participation. He assured the house that all action points emerged in the meeting will be implemented in a time bound manner.

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143rd STATE LEVEL BANKERS COMMITTEE MEETING OF HIMACHAL PRADESH HELD ON 24th March, 2017 AT REGENCY HALL, HOTEL HOLIDAY HOME SHIMLA.

List of Participants

- I. Chief Guest : Dr. SHRIKANT BALDI, IAS**
Additional Chief Secretary (Finance),
Govt. of Himachal Pradesh
- II. MD : SH.R.K.TAKKAR**
MANAGING DIRECTOR, UCO BANK
- III. Convenor SLBC : SH. U.C. SHARMA**
General Manager
UCO Bank

IV Government of Himachal Pradesh & Related Agencies:

SARVASHRI:

1	Sh. Arvind Mehta	Additional Chief Secretary, Agriculture, Govt. of HP.
2	Sh. Akshay Sood	Special Secretary, Finance, Govt. of HP.
3	Sh. R.R.Patyal	Joint Secretary (Edu. & Hort.), Govt. of HP.
4	Smt. M. Sudhadevi	Director, Food & Civil Supplies , Govt. of HP
5	Sh. M.S.Rana	Joint Director, Horticulture, Govt. of HP
6	Sh. Ramesh Chand	Director, Agriculture, Govt. of HP
7	Sh. Nishant Thakur	Joint Director, UD, Govt. of HP
8	Robin George	Joint Director, SC,OBC & Min. Affairs
9	Deva Singh Negi	Director, Land Records
10	Anil Somwal	Dy. Director, DIT HP
11	Manish Kumar	Consultant,UIDAI
12	Sh. Rajendra Bhatt	DLR-cum- Dy. Secy. Law, Govt. of HP
13	Sh. Dalip Negi	Addl. Director, Women & Child Development
14	Suresh Kumar Ranjta	Addl. RCS, Deptt. of coopertaion
15	Sh. S.S. Dhankar	Director, KVIC
16	Ramesh Singh	Joint Director, Industries
17	Sh. S.C.Kapur	SPM. (FI) HPSRLM
18	R.S.Prabhakar	Manager, SIDBI
19	Rajiv Kumar Dogra	Asstt. Director, MSME
20	L.R.Dahiya	APMGO/CPMG , Deptt. of Post
21	Arun Kumar Negi	ADG(E), DoT
22	Rajiv Kashyap	Jr. Executive, KVIC
23	D.S.Thakur	Dy. Director, I&PR
24	Bragesh Bahadur	State Mission Manager, UD Deptt
25	R.K.Gupta	Jt. Secy., Social Justice
26	Virender Kumar	Assistant, PMEGP KVIC

V RESERVE BANK OF INDIA, NABARD, NHB, SIDBI**SARVASHRI:**

1	Amar Nath	Regional Director, RBI, Shimla
2	Deepak Kumar	Chief General Manger , NABARD
3	Ramesh Chand	General Manager, RBI, Shimla
4	B.K.Mishra	Deputy General Manager, NABARD
5	Ravi Rawal	Asst. General Manager, RBI, Shimla
6	Ramesh Chand	Asst. General Manager, RBI, Shimla

VI): COMMERCIAL BANKS:**SARVASHRI**

1	G.S.Ghandoke	Zonal Manager, PNB Zonal Office, Shimla
2	R.K.Sharma	DGM, PNB Zonal Office, Shimla
3	Vivek Kaul	DGM, UCO Bank, Zonal Office, Shimla
4	Prabhat K. Mishra	DGM, SBI, RO Shimla
5	N.S. Chhabra	DGM, Zonal Office, Shimla
6	Shaik Hussain	DGM, Andhra Bank
7	O.P.Khatkar	DGM, Bank of Baroda
8	D.C.Chauhan	AGM, SBOP
9	C.S.Chugh	AGM, Central Bank of India
10	D.G.Negi	Div. Manager, Canara Bank
11	Mukesh Negi	CM, OBC
12	Subhash Chand	CM, Allahabad Bank
13	Ramesh Pandey	CM, Union Bank of India
14	C.S.Patial	CM, State Bank of India
15	H.R.Sharma	CM, Bank of Baroda
16	Hira Singh Negi	CM, Indian Overseas Bank
17	Krishan Lal	Sr. Manager, Syndicate Bank
18	P.L.Karpa	Sr. Manager, Dena Bank
19	Sunil Kumar	Sr. Manager, Bhartiya Mahila Bank
20	Ajay Kashyap	Sr. Manager, Bank of India
21	Vijay Sharma	Manager, Canara Bank
22	Pankaj Thakur	Manager, Andhra Bank
23	Hem Raj Negi	Manager, P&S Bank
24	Nitin Tiwari	BM, Indian Bank
25	Narinder Kumar	Manager, State Bank of Hyderabad
26	Rohit Gakhar	Manager, Corporation Bank
27	Sandeep Kumar	Asstt. Manager, IDBI Bank
28	Rohit Sharma	Dy. Manager, United Bank of India
29	Noopur Kudesia	Dy. Manager, Bank of Maharashtra
30	S.K.Sharma	Chief Manager, SLBC
31	O.P.Panta	Sr. Manager, UCO Bank
32	Amit Kumar Sharma	Manager, SLBC
33	Deepesh Negi	Officer, SLBC
34	N.S.Rana	Manager, Security UCO Bank
35	Lekh Raj Bhatia	Manager, UCO Bank
36	Devender Kalsi	Manager (IT) , UCO Bank

VII): LEAD DISTRICT MANAGERS:

SARVASHRI

1	B.Majumdar	LDM- Bilaspur
2	L.R.Thakur	LDM- Chamba
3	J.K.Sharma	LDM- Kangra
4	S.L.Sharma	LDM-Kullu
5	S.B.Mishra	LDM- Shimla
6	T.R.Ranta	LDM-Mandi
7	Naresh Sharma	LDM- Una
8	H.S. Verma	LDM- Sirmour
9	J.P.Negi	LDM- Solan

VIII): COOPERATIVE & REGIONAL RURAL BANKS:

SARVASHRI

1	Satish Kumar Chawla	CHAIRMAN, HPGB
2	Gopal Sharma	MD, HPSCB
3	J.S.Kalra	GM, HPSCB
4	N.P.Bodh	GM,HPARDB
5	Saroj Kumar	AGM,KCCB
6	Rakesh Kumar	Sr. Manager, HPARDB
7	Ram Paul	Sr. Manager, JCCB Ltd.

IX): PRIVATE BANKS:

SARVASHRI

1	Ranbir Yadav	Zonal Manager (SLBC), ICICI Bank
2	Vinod Kumar	Vice President, AXIS Bank
3	Rahul Sharma	AVP, AXIS Bank
4	Tavishi Verma	Assistant Vice President, YES Bank
5	Indu Mankotia	Manager, YES Bank
6	Rakesh Raman Thapa	Manager, J&K Bank
7	Rakesh Raman	Manager, J & K Bank
8	Nikhil Nadda	Asstt. Manager, SIB
9	Ankit Bhardwaj	Asstt. Manager, HDFC

X): INSURANCE COMPANIES:

SARVASHRI

1	Jeet Ram Negi	Sr. DM The Oriental Insurance Co. Ltd.
2	S.S.Thakur	Divisional Manager, LIC of India
3	Atul Gupta	Branch Manager, LIC of India

XII) Absentees:

Sr.No.	Name of the Institution	Remarks
1	Vijya Bank	Not attended
2	Indusind Bank	----do-----
3	State Bank of Bikaner & Jaipur	----do-----
4	LDM Hamirpur	----do-----
5	LDM Kinnour	----do-----
6	LDM L & S	----do-----
7	BSNL	----do-----