

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

संदर्भ संख्या: रा.स्त.बैं.स./2021-22/160

दिनांक: 07.07.2021

राज्य स्तरीय बैंकर्स समिति के सभी सदस्यों को जारी।
To All the Members of SLBC HP.

विषय: 160वीं राज्य स्तरीय बैंकर्स कमेटी बैठक के कार्यवृत्त।
Sub: Minutes of 160th State Level Bankers' Committee Meeting.

इस पत्र के साथ हम राज्य स्तरीय बैंकर्स समिति की 160 वीं बैठक के कार्यवृत्त, जो 22.06.2021 को हि. प्र. सचिवालय के सम्मेलन कक्ष, 6वां तला, शिमला में आयोजित की गई थी, आपकी सूचनार्थ एवं कार्यवाही हेतु संलग्न कर रहे हैं।

We are enclosing herewith the Minutes of 160th State Level Bankers' Committee Meeting of SLBC HP held on 22.06.2021, at Conference Hall, 6th Floor, H.P. Secretariat, Shimla, for your information and necessary action.

सादर/ Regards,
भवदीय/ Yours faithfully,



(पी.के.शर्मा /P.K.Sharma),
उप महा प्रबंधक एवं प्रभारी/ Deputy General Manager & In-charge,
राज्य स्तरीय बैंकर्स समिति, हिमाचल प्रदेश,
शिमला -171001.

संलग्न: यथोक्त
Encl: As above

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

MINUTES OF SLBC MEETING HELD ON 22.06.2021
AT CONFERENCE HALL, 6TH FLOOR, H.P. SECRETARIAT, SHIMLA

160th Meeting of State Level Bankers' Committee- Himachal Pradesh was held on 22nd June, 2021 to review the performance of banking sector in the State for the quarter ended March, 2021. Sh. Prabodh Saxena, IAS, Additional Chief Secretary (Finance) to the Govt. of Himachal Pradesh chaired the meeting. Sh. A.K. Goel, Managing Director & C.E.O., UCO Bank co-chaired the meeting and participated through video conferencing. Mr. A.K. Dogra, Director, DFS, Govt. of India was also present in the meeting through video conference mode. The list of participants is herewith annexed (Annexure-I).

The meeting started with the permission of the Chair at 11.30 AM at Conference Hall, 6th Floor, H.P. Secretariat, Shimla, and was attended personally by local Representatives of Major Banks, RBI, NABARD and State Government Officials and through video conference as well. The meeting commenced with Welcome Address delivered by Sh. S.S. Negi, Deputy General Manager & Convenor, SLBC, UCO Bank. The Key Note Address was given by Sh. A.K.Goel, Managing Director & CEO, UCO Bank. The DGM & Convenor extended warm welcome to distinguished dignitaries sitting on the Dias and Senior Bureaucrats/Executives from State Government Departments, Boards, Corporations, Banks and Insurance Companies present in the meeting physically and through video conference.

HIGHLIGHTS OF THE WELCOME ADDRESS DELIVERED BY SH. S.S. NEGI, DGM & CONVENER, SLBC, HP:

The Convener extended warm welcome to the dignitaries sitting on the dais viz.

- **Sh. Prabodh Saxena**, IAS, Additional Chief Secretary (Finance) to the Government of Himachal Pradesh. DGM & Convener, SLBC, UCO Bank extended heartiest welcome & expressed gratitude towards Sh. Saxena for sparing his valuable time to chair the Meeting.
- **Sh. A.K. Goel**, MD & CEO, UCO Bank. The DGM extended warm welcome to MD & CEO on his participation in the meeting. The Convener expressed gratitude towards Sh. A.K. Goel on co-chairing the meeting.
- **Sh. A.K. Dogra**, Director, DFS, Govt. of India. The Convenor welcomed the Director to the meeting who was present through VC. He thanked him for his continued support to the SLBC forum.

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convener: UCO BANK

- **Sh. K.C. Anand**, General Manager (In-charge), Reserve Bank of India, Shimla. The Convener, SLBC extended warm welcome to GM (In-charge), RBI on his participation in the meeting and expressed gratitude for proactive participation, guidance and support by the team of RBI officials to the SLBC forum.
- **Mr. D.K. Raina**, Chief General Manager, NABARD. The DGM, UCO Bank extended warm welcome to CGM NABARD on his participation in the meeting and expressed gratitude for proactive support in rural credit and micro finance.

While welcoming the participants, DGM & Convener apprised about the core agenda of the meeting i.e. to review ACP achievement for the financial year 2020-21 with a special focus on the progress made under post-COVID schemes, progress under Government Sponsored Schemes, viz. MMSY, Interest Subvention Scheme for Hospitality sector, PM-SVANidhi, etc. Further, he informed the house that the credit outlay roadmap for current FY 2021-22 has been approved by the members of Steering Committee. The outlay is estimated with 10.24% increase over the last year plan which amounts to Rs. 30,539 crores as against Rs. 27,702 crores for the previous year. He hoped that the House will find the proposed ACP progressive and will also approve the same.

Mr. S.S. Negi, DGM & SLBC Convener apprised the House that the State Govt. has revised important provisions of their flagship schemes, viz., MMSY and Interest Subvention Scheme for Hospitality Industry and issued notifications to this effect which have been circulated on 19.06.2021. He assured on the behalf of Banks operating in the State that the schemes will be implemented in true letter and spirit of the schemes.

In his concluding remarks, Mr. Negi, DGM & Convener, SLBC requested the participants to proactively participate in the deliberations.

HIGHLIGHTS OF THE KEY NOTE ADDRESS DELIVERED BY SHRI A.K. GOEL, MD & CEO, UCO BANK:

The MD & CEO in his Key Note Address to the House expressed his gratitude to the State Government for extending support to the bank employees and ensuring that all bank employees who are the frontline workers and Corona warriors are given first dose of vaccination. He, further, highlighted the achievements of banking sector in Himachal Pradesh during the period ended March, 2021. Important points are mentioned as below:

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

- In spite of unprecedented repercussions caused by COVID-19 pandemic, the banks performed extraordinarily and provided Rs. 583 crores to MSMEs against the target of Rs. 398 crores amounting to 147% of the target under Instant Credit to MSMEs.
- Under GECL, Banks have provided Rs. 1059 crores against the target of Rs. 1299 crores to the MSME units which is around 82% of the allotted target under the scheme. He further highlighted that overdraft facility of Rs. 4 crores was given to eligible 17933 PMJDY beneficiaries. Similarly, financial assistance to 2496 eligible SHGs was extended amounting to Rs 38 crores. Also, an amount of Rs. 842 crores was provided to 80402 farmers.
- During his address, Mr. A.K. Goel, MD & CEO, UCO Bank brought to the notice of the House the measures announced by RBI under Resolution Framework 2.0. He shared that as per the announcement made on 05.05.2021, revision in the threshold for aggregate exposure for MSMEs and Individuals and Small Businesses has been made and the limit has been enhanced from Rs. 25 crores to Rs. 50 crores. He urged the member banks to ensure coverage of eligible customers under the scheme and make it a success.
- While highlighting the ACP achievements, MD & CEO expressed his satisfaction over the performance of banks in the financial year. Under Priority Sector, Banks have achieved 94% of the target allotted for the preceding financial year. In addition, 263% of the target under Non-Priority sector has been achieved and total achievement stands at 119%. He added that the achievement percentage is 13 points higher than the ACP achievement for the FY 2019-20. He credited the entire banking sector for the proactive contribution to economic development of the State during these trying times of pandemic. He urged the Banks having less than 40% achievement under ACP 2020-21 to expand their market share in providing financial assistance and contribute towards development of the State.
- The total business of the State has shown 10.89% Y-o-Y growth as on 31st March, 2021 as against 9.02% of last year achievements.
- Mr. Goel, MD & CEO, UCO Bank concluded the Key Note Address urging the member banks to continue with their efforts with vigor and be ready to face the oncoming challenges. He extended best wishes for fruitful & conclusive deliberations on all agenda issues for the meeting.

HIGHLIGHTS OF THE ADDRESS DELIVERED BY SH. A.K. DOGRA, DIRECTOR, DFS, GOVT. OF INDIA:

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

Mr. A.K. Dogra, Director, DFS while addressing the House wished good health to all the participants and asked everyone to remain safe during the times of pandemic. He shared following observations with the House:

- CD ratio has been consistently declining in the State and is a major source of concern. He advised the SLBC to look into the matter. He also highlighted that in the previous SLBC meeting, Chief Secretary to the Govt. of H.P. has also taken up the matter and instructed the District Administration to analyze and take up the measures to improve the CD ratio. Mr. Dogra advised the LDMS to work in coordination with the respective District Administration and look into the avenues to increase CD ratio.
- Also, he expressed his dismay at the performance under Stand Up India Scheme which is a flagship scheme of the Central Government. He lamented that only 33% of the target allotted under the Scheme for the FY 2020-21 has been achieved in the State which is quite worrisome. He advised the Banks that there is no bar in sanctioning more than the prescribed target of one loan each to SC/ST and Women beneficiaries.
- Mr. Dogra highlighted that as per the guidelines under PM Mudra scheme, 60% of the beneficiaries should be covered under Shishu category whereas in the State it stands at 10% (no.of account-wise) and 54% (amount-wise). He advised Banks to gear up their efforts and ensure compliance of the scheme guidelines.

In his concluding remarks, he expressed displeasure that the progress in District Chamba which has been selected as Aspirational District in the State is not up to the mark. Mr. Dogra asked State Bank of India which is the Lead Bank in the district to improve the performance under the parameters prescribed under the programme.

HIGHLIGHTS OF THE ADDRESS DELIVERED BY SH. K.C. ANAND, GENERAL MANAGER (IN-CHARGE) RBI, SHIMLA:

At the outset, on behalf of RBI, Mr. Anand, GM (In-charge), RBI expressed hearty gratitude to Mr. Prabodh Saxena, Addl. Chief Secretary (Finance), Govt, of H.P. and the State Govt. for classifying bankers as Front Line Workers, thus getting priority for inoculation and making HP one of the few states to have taken this important step.

In continuation, he enjoined upon all the banker fellows to fully reciprocate this gesture by extending best of services to the inhabitants of Himachal Pradesh.. He added that in the event of economic and financial fallout of the COVID-19, under second wave, all the stakeholders need to

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

work in total coordination and cohesion so that each segment of the society gets hassle free banking services. He opined that in case bankers do not take liberal decisions in these hard times, then there can be minimum expectations during normal times.

He observed that performance during the quarter or Y-o-Y basis under review has not been satisfactory and concern on the same has been shown by Director, DFS as well. He informed the House that the overall advances in North Zone has risen by 7% on Y-o-Y basis, but in HP, the hike is only 4.1%. On the same line, MSME advances in North Zone have increased by 7.8% on Y-o-Y basis whereas in H.P., it has shown mere 4.05% Y-o-Y growth. This poor growth can be attributed to reduction in advances reported by two banks, namely, Axis and HDFC Bank and has led to a major fall of Rs. 174 cr. He shared with the House that RBI has been arranging training of the bankers so that there is adequate capacity building followed by lending, but not much improvement is visible at the ground level. It is a grave cause of concern and Controllers of all the member banks may take suitable action.

Mr. Anand, GM (In-charge), RBI further stated that major worry is coming from Agriculture sector. The Y-o-Y growth in the sector for North Zone is 8.4% whereas in H.P. it is a negative 5.2%. He added that one visible reason for the same is fall in figures reported by SBI. There is a reduction of more than Rs.600 crore. He said that frequent change in data especially by SBI is cause for concern. He stressed that concerted efforts are needed to restore the position under Agriculture sector. He advised that the sub-committee on Agriculture set up under the convenorship of NABARD may be activated and follow-up action initiated.

In regard to low CD ratio, GM (In-charge), RBI highlighted that MD & CEO, UCO Bank and Director, DFS have also shared their concern on the issue. Also, RBI Local Board has expressed deep concern on the matter.

Mr. Anand shared that during COVID times, major direct service affecting the general public that is primarily concerned with RBI is availability of adequate and clean currency notes through Currency chests. He informed the House that RBI has been fulfilling its responsibility efficiently. He told that approximately 163 remittances were executed during the period between April 2020 to March 2021 amounting to Rs. 9481 crore. Further from 1st April to 15th June 2021, additional 34 remittances were executed involving Rs. 2404 crore, totaling to Rs. 11885 crore during the COVID times. He further added that Regional Office at Shimla has been issuing advisories to banks to ensure 24x7 operations of ATMs, so that customers at large get services.

Further, in his address he advised that SBI being lead bank for Chamba district should take urgent steps to appoint FLC. He informed the House that in the entire North Zone which has 25 aspirational districts, Chamba is the only district which does not have an FLC. He further added that setting up of another FLC planned by HP Gramin Bank must be expedited.

He also brought up another important pending matter regarding coverage of villages in his address which was discussed in the last SLBC as well. He added that after the analysis of 42 villages by RBI, they have been organized in 10 clusters, and SLBC has been advised to cover

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

them by allocating to respective BC/Branch for mapping purpose. Another 14 stand alone villages are being served by existing branches and these only need to be geo-mapped so that these get covered as per Ministry of Finance parameters. He stated that only three villages are out of bounds with population of 3, 4 and 6 respectively and setting up even BC in these villages is not viable. Hence, these can be deemed covered by SLBC / DFS.

Mr. Anand expressed his disappointment that out of the 12 districts in the State, Quarterly DCC meetings in 8 districts are yet to be conducted. The prescribed timeline for holding these meetings is within 45 days of the ending of the quarter. He asked the Lead Banks in the left out districts to look into it and ensure conduct of the meeting as per LBS scheme. He added that meetings can be held in online mode as well and the possibility for the same should be explored and process concluded.

GM (In-charge), RBI highlighted that maximum complaints received by them from public are regarding restructuring not being offered as per RBI guidelines. He advised the Controllers of member Banks to personally look into it and ensure proper implementation of the guidelines as the country and the world on the whole is passing through tough times. Bankers must be liberal in their attitude and approach. He also touched upon the Resolution Framework 2.0 announced by RBI on 5th May, 2021 and urged the banks that its benefit must reach every nook and corner of the state.

He wished for fruitful and conclusive deliberations on the agenda items.

HIGHLIGHTS OF THE ADDRESS DELIVERED BY SH. D.K. RAINA, CHIEF GENERAL MANAGER, NABARD

Mr. D.K. Raina, CGM, NABARD at the outset of his remarks appreciated the bankers for their exceptional performance during the financial year. He also applauded the State Government on their efficient handling of the pandemic. He brought forward the below points for information of the House:

- Mr. Raina apprised the House that as per RBI instructions, the Annual Credit Plan should be in line with the Potential Linked Plan prepared by NABARD. He added that the preparation of PLP is a scientific exercise and is prepared after thorough discussions with the stakeholders at the district level as well as the State level. He opined that the ACP should be prepared on the basis of the PLP for the State and not on the progress of the previous financial years.
- He opined that the performance under Agriculture sector has a lot of scope of improvement as the population in the State is mostly rural and involved in agriculture. He informed the House that as per data available, there are 9,36,409

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

farmers in the State but only 4,69,765 KCC accounts are financed. He advised member banks to focus on agriculture lending.

- CGM, NABARD shared with the House that a study was conducted by NABARD wherein the total area under cultivation of different crops in the state in FY 2019-20 was calculated and multiplied with the scale of finance. Thus, the amount that has been invested in raising crops was calculated. If this entire amount would had been financed by the Banks, it would amount to Rs. 13500 crore but as per the data available, crop loans financed by the banks in FY 201920 stand at Rs. 6736 crores only. This shows that there is huge potential for increasing crop financing.
- Mr. Raina, further in his address shared that 11 projects have been financed under Tribal Development Fund in the State by NABARD which covers an area of 2203 hectares and benefits 3155 tribal families. A grant of Rs. 2 crore was spent in each project. He further highlighted that 38 watershed projects covering an area of 28260 hectares have been undertaken by NABARD which benefit 17000 families. Also, 1657 irrigation schemes covering 1.6 lakh hectares have been launched in the State. He shared for the information of the House that Climate Change Project amounting to Rs 20 crores has been set up in District Sirmaur with the help of the State Government.
- He also shared with the House that 60,000 SHGs in the State are Savings-linked but only 13367 SHGs have been credit linked. He added that the information related to the SHGs has been digitized on the E-Shakti portal which will aid the Banks to provide financial assistance to the SHG members owing to readily available information on the portal.
- CGM, NABARD apprised the House that 102 FPOs have been promoted by NABARD in the state and are being financed by Cooperative Banks. He shared that 34 projects for PACS have been financed under Agriculture Infrastructure Fund of India. Under the scheme, credit facility at 1% rate of interest is provided to PACS members to create infrastructure.
- Mr. D.K. Raina, in the conclusion of his remarks, shared that Rs. 2.3 crores has been disbursed as grants to Banks under Financial Inclusion Fund. He advised banks to avail the funds where needed.

Mr. D.K. Raina, CGM, NABARD wished for conclusive and threadbare discussions during the course of the meeting.

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

Mr. Ramesh Dadhwal, Chief Manager, SLBC thanked the dignitaries for sharing their valued remarks. He further invited Mr. P.K. Sharma, DGM & In-charge SLBC to place the regular Agenda before the House.

Discussion on Agenda Items

Mr. P.K. Sharma, DGM & In-charge, SLBC informed the House that agenda papers have been placed before the participants and the point-wise agenda issues are being taken up for deliberations. The agenda for the 160th meeting was discussed at length in the 10th Steering Committee held on 08.06.2021 wherein it was decided to bring forth the below points for discussion at the SLBC meeting. The proceedings of the meeting placed hereunder for record and further necessary action by stakeholders.

Mr. Prabodh Saxena, ACS (Finance), Govt. of H.P. took a strong note of the declining trend of CD ratio in the State. He expressed his surprise that despite of major financial relief packages being announced by the Central and State Government, the credit off-take is not picking up. He added that the performance under Atma Nirbhar Scheme seems to be on the upper side but yet it is not translating in to increased CD ratio.

Replying to his query, Mr. A.K. Goel, MD & CEO, UCO Bank opined that on Y-o-Y analysis of the progress reported in the March quarter, it is apparent that although the Deposits in the state has shown an increase of around 10% but the Advances have increased only by 3% during the same period. He further added that the same is the trend in the entire country due to reduced spending by the customers in the face of this pandemic.

Mr. Goel asked SLBC to prepare detailed analysis of CD ratio comparing Y-o-Y trend sector-wise and suggest measures to increase advances in the State. He expressed hope that restructuring of eligible loan accounts will also definitely aid in increased CD ratio.

Mr. Saxena, ACS (Finance), Govt. of H.P advised SLBC to conduct a study for the reasons of declining CD Ratio in the state with guidance from RBI and also suggest measures to improve the same. He further added that the findings of the committee be shared with him within fifteen days.

(Action: SLBC)

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

AGENDA ITEM NO.-1

CONFIRMATION OF MINUTES OF THE LAST SLBC MEETING HELD:

The Minutes of 159th State Level Bankers' Committee Meeting held on 24.03.2021 were circulated by the Convener Bank to all SLBC members vide its letter No. DGM/SLBC/2020-21/159 dated 07.04.2021.

Since no comments were received from any quarter, the minutes of the 159th quarterly review meeting for quarter ended December, 2020 stand confirmed and adopted.

The House adopts and confirms the minutes of 159th State Level Bankers' Committee Meeting.

AGENDA ITEM NO. 1: ACTION TAKEN REPORT ISSUES

Agenda Item No.1.2, 1.3: Appointment of BCs and FLC in Lahaul & Spiti

Mr. Pawan Kumar, DGM, SBI informed the House that 10 BCs have been activated in the district and remaining ones will also be activated soon. He also assured the House that he is closely monitoring the progress and will be personally visiting the district on 25th June, 2021 and will ensure appointment of FLC at the earliest.

(Action Point: SBI to appoint BCs and FLC at the earliest)

Agenda Item No. 1.4: Revamping of SLBC Website

Issue of Revamping of SLBC website has been long pending as some of the Member Banks are still to develop a standardized system for data flow. As on 22.06.2021, 4 Pvt. Banks (Axis Bank, CSB Bank, ICICI Bank and Kotak Mahindra Bank), 2 Cooperative Banks (Kangra Central Coop. Bank and HPARD Bank), 4 Urban Coop. Banks (Baghat, Chamba, Mandi and Shimla UCB) and 1 Payment Bank (India Post Payment Bank) are yet to prepare the requisite reporting mechanism. The exercise has been pending in spite of several extensions in the past. It was opined that HPARD Bank be exempted from the exercise as the Bank is non-CBS. Also, Urban Cooperative Banks are also not mandated to develop the website.

Mr. A.K. Goel, MD & CEO, UCO Bank took strong notice in the last SLBC meeting of the banks who have failed to develop the appropriate system and have sent DO letters advising the Banks to develop the standardized system at the earliest to the HOs of the erring Banks. Also, it was proposed that financial penalty be imposed on the erring banks. Mr. K.C. Anand, GM (In-

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

charge), RBI opined that their office will intervene in the matter at their end and take it up with the erring banks.

(Action Point: Member Banks to complete the revamping task within given timeline / SLBC / RBI)

Agenda Item No. 1.5 Issue of Claim Settlement under PMFBY

DGM & In-charge, SLBC apprised the house that Agriculture Insurance Company has refunded the Add-on Premium which was remitted to AIC on 03.01.2020 by UCO Bank Anti and HP State Coop. Bank Jubbal for Apple Crop covering the loss due to hail storm. State Government has finally laid responsibility on the Banks citing that premium was deducted after due date but insurance company refunded the premium for add-on cover only, that too after 5 months whereas in case of invalid applications the premium should have been refunded within 45 days.

The matter was also referred to the Ministry of Agriculture, Govt. of India. They instructed the State Government to reconcile the issue. On 11.06.2021, Director, Horticulture, Govt. of H.P. convened a reconciliation meeting with SLBC and AIC to settle the issue. Their decision is awaited.

Mr. Prabodh Saxena, ACS (Finance), Govt. of H.P. asked SLBC to provide the latest status on the issue within 15 days to his office for his intervention, if required.

(Action Point: SLBC to update the latest status to ACS (Finance) / Horticulture Deptt. to resolve the matter at the earliest)

Agenda Item No. 1.6: Non-Agriculture Commercial Entities – Lease Issue

The Non-Agriculturists Commercial entities were allowed to hire buildings in rural as well as in urban areas for commercial purposes without seeking prior approval of the State Govt. The Joint Secretary, Revenue, Govt. of H.P. vide letter no. Rev.B.A.(3)-6/2020 has withdrawn this provision and thereon in order to hire building on lease by all commercial entities will have to seek permission from the Govt. under Section 118 of H.P. Tenancy and Land Reforms Act, 1972.

The issue was taken up in 159th and 160th SLBC meeting. The matter was also separately taken up with the Secretary, Revenue, Govt. of H.P., Shimla looking at the genuine hardship being faced by Banks in renewing the lease of their existing branch premises or hiring new premises for opening a Bank's branch. The Secretary, Revenue has clarified that the provision has been withdrawn only for rural individuals who lease out their premises to entities who are outsiders

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

of HP state for a period of 99 years thereby causing huge revenue loss to the State Government. Banks, State/Centre Government commercial entities/statutory bodies/corporations, etc. are exempted from the withdrawal provision. If the Banks find any difficulty in entering into lease, they should obtain a letter from Tehsildar of respective revenue office for declining the lease registration and bring the same to the notice of SLBC so that the same can be referred to the Secretary, Revenue.

(Action Point: Banks to bring to notice the cases where problem arises in renewal of lease deeds)

Agenda Item No. 1.7: Opening of Banking Touch points in Unbanked Villages in H.P.

The Mission Office time and again shares list of unbanked villages in the state which do not have any banking outlet (branch/BC/ATM) within a radius of 5 kms. Still there are 64 villages without banking touch points in the state.

The major share of allotted villages lies with SBI, UCO Bank, HPSCB and KCCB. To review the situation and to chalk out a strategic actionable plan, a meeting was convened by the concerned banks under the aegis of RBI on 25.02.2021. The list of villages suggested as clusters for engaging BCs was sent separately to SBI and were asked to conduct a survey to find possibilities to appoint a BC on the central location. As per the feedback received from SBI, the cluster approach was found to be untenable and not practicable.

Mr. K.C. Anand advised that a special meeting be conducted on the matter within 2 weeks wherein cluster approach will be revisited. Fresh proposal on the same will be discussed upon. He also advised that the banking touch points should be mapped on the DBT-GIS portal so that unbanked locations are kept to a minimum.

(Action Point: Member Banks to get the network outreach updated on the portal by their respective Head Offices / SLBC & RBI to conduct meeting to revisit cluster approach)

AGENDA ITEM NO.-2

AGENDA ITEM NO. 2.4: MUKHYA MANTRI SWAVLAMBAN YOJANA- (MMSY):

DGM & In-charge, SLBC placed before house the year-wise position on MMSY. As on 02.06.2021, Banks have sanctioned 3760 cases whereas 1592 cases are still lying pending with the Member

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

Banks. As many as 4046 cases are rejected by the Banks till 02.06.2021. He shared with the House that against the target of 2000 cases for FY 2021-21, 2063 cases were sanctioned. All the districts except Hamirpur (174 against a target of 180), have achieved MMSY targets during the year. He added that the target for FY 2021-22 has been fixed at 2000 and up to 15.06.2021, 214 cases have been sanctioned against June target of 700.

Mr. Sharma also brought to the notice of the House certain modifications made in the scheme as per notification dated 19.06.2021, namely, 1) Project cost and investment in plant and machinery enhanced from Rs. 60 lakhs to Rs 100 lakhs and from Rs. 40 lakhs to Rs. 60 lakhs, respectively, 2) Investment subsidy up to Rs. 60 lakhs shall be 25% and for women entrepreneurs, including LLP, Partnership Firms / Company, etc. where 100% share is held by women, will be 30%, and 3) Service Enterprise and related goods carrier can be combined as composite related activity, subject to overall ceiling investment.

Ms. Deepika Rana, Deputy Director, Industries Deptt., H.P. informed the House that budgetary provision of Rs 100 crores has been made under the Scheme for the FY 2021-22. Also, the reconciliation of mismatch in the data regarding number of cases sanctioned in the preceding FY will be done by the Department of Industries.

Mr. Prabodh Saxena, ACS (Finance), Govt. of H.P. advised the Industries Department to pay special focus on the performance under the scheme and ensure uniformity in the reporting of data. He advised member banks to work in tandem with the Government Deptts. and ensure the achievement of targets set under the scheme.

(Action point: Banks to dispose of cases in time bound manner / Deptt. of Industries to reconcile the reported sponsored cases data)

Agenda 2.5: Progress under NRLM

Progress under the scheme was discussed in the meeting. DGM & SLBC In-charge advised the member banks to resolve the pendency at the earliest and inform the status of the cases to their corresponding Block office. Mr. Anand, GM (In-charge), RBI advised the Banks to dispose of the pending case within a week.

(Action Point: Member Banks to expedite sanctioning and disbursement of cases)

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

Agenda 2.6: NULM/PRADHAN MANTRI SVA-NIDHI YOJNA

Progress made under NULM & PM SVA-NIDHI Yojana was deliberated during the meeting. DGM & In-charge, SLBC urged the banks to resolve the pendency under NULM scheme within a week's time. He also shared with the House the progress under PM SVA-Nidhi scheme which is a flagship scheme of the Govt. of India. He informed the house that as on 31.05.2021, Banks have sanctioned 2904 cases; out of them 2731 cases have been disbursed whereas 222 cases are lying pending for sanction and 173 are pending for disbursement. In-charge, SLBC requested Member Banks to narrow down the number of pending cases in prompt manner and ensure disbursement latest within 3 days of sanctioning. Representative from Urban Development Department lamented that Private Banks are not cooperating in sanctioning of cases under the Scheme, especially HDFC Bank and also not disbursing the already sanctioned amount. GM (In-charge), RBI asked SLBC to draft explanation letters to the banks not extending cooperation and bring the same to the notice of RBI for their intervention.

Mr. Prabodh Saxena, ACS (Finance), Govt. of H.P. advised the Banks to sanction the cases under the scheme without delay and remove the pendency.

(Action Point: Member Banks to expedite sanctioning and disbursement of cases / HDFC Bank to ensure proper implementation of the scheme)

AGENDA 2.7: SCHEME FOR INTEREST SUBVENTION ON WORKING CAPITAL LOAN FOR HOSPITALITY INDUSTRY:

DGM & In-charge, SLBC apprised the house that the State Govt. has come out with Revised Interest Subvention Scheme on Working Capital / Term Loan for Hospitality Industry vide their notification dated 17.06.2021. Salient features of the scheme are: 1) All registered units with Deptt, of Tourism and Civil Aviation are eligible to avail the loan facility, 2) Tourism unit should not be defaulter/insolvent/blacklisted earlier by any agency, 3) Travel agents should be covered under the scheme, 4) The tenure of the loan shall be 4+1 years. 5) Credit facility shall run as Cash Credit during 1st year of moratorium and in remaining 4 years it shall be converted to Term loan and repaid in 48 EMIs, 6) During moratorium of one year, interest subvention shall be 75%. In the 2nd year of the loan tenure, interest subvention shall be 50%. Remaining period shall be without interest subvention.

Mr. Saxena, ACS (Finance), Govt. of H.P. emphasized that the scheme is a flagship scheme of the State Government and is designed with a special focus to revive the Hospitality and Tourism

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

sector in the state in the wake of COVID-19 pandemic. He expressed hope that the member banks will sanction maximum loans under the scheme and make it a huge success.

(Action Point: Member Banks to expedite sanctioning under the Scheme)

AGENDA ITEM NO -3

FINANCIAL INCLUSION CAMPAIGN IN HIMACHAL PRADESH- REVIEW FOR MARCH, 2021.

Agenda item No- 3.5: Financial literacy campaign in Himachal Pradesh

Mr. Sharma, DGM & SLBC In-charge informed the House that online camps can also be organized for imparting of financial literacy in order to ensure adherence to social distancing norms.

(Action: LDMS to ensure conduct of FL camps, either through Online/Physical mode)

Agenda item No- 3.7: Pradhan Mantri Mudra Yojana (PMMY)

Mr. A.K. Dogra, Director, DFS, Govt. of India in his address had mentioned that as per the guidelines, coverage under Shishu loans should be 60% of the total amount sanctioned under the scheme. The same for the State stands at 54.96% (account-wise) and a mere 10% (amount-wise). Efforts need to be made to adhere to the said guidelines. It was clarified that the cases amounting to below Rs.50,000.00 sanctioned under various other schemes without collateral security, should be reported under Shishu Scheme.

Agenda item No- 3.8: Stand-Up India Scheme

Mr. A.K. Dogra, Director, DFS, Govt. of India in his inaugural address had mentioned that the performance under the scheme has not been up to the mark. Only 33% of the allotted target for the FY 2020-21 has been achieved in the state which is quite worrisome.

Mr. P.K. Sharma, DGM & SLBC In-charge informed the House that the low performance under the scheme can be attributed to scheme overlap and the customers are covered under the MMSY scheme sponsored by the State Govt as well which has shown good progress. He opined that performance under similar schemes may be permitted to be clubbed under the Stand Up India scheme.

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

AGENDA ITEM NO.-4

AGENDA ITEM NO-4.7:- Approval of Annual Credit Plan for FY 2021-22

DGM & SLBC In-charge tabled the proposed District-wise Annual Plan for the FY 2021-22 for the state of Himachal Pradesh. The ACP 2021-22 was prepared by LDMs keeping in view the achievements of the Banks over last year ACP vis-à-vis Potential Linked Plan prepared by NABARD. It was decided that a special meeting be convened with representatives from SLBC, RBI and NABARD to finalize the ACP for FY 2021-22.

In the meeting held on 13.04.2021, DGM NABARD raised his objection on ACP 2021-22 being set at 6.96% lower than the PLP, showing major decline in Mandi district which was 14.32%. Bank representatives present in the meeting were of the view that the ACP should be based not only on PLP but achievements of the preceding year should also be kept in mind. The DGM NABARD expressed his dissatisfaction over the issue and advised to review the target given to Mandi district in particular and also other districts where ACP was allotted below PLP. Looking at the gravity of the issue, it was decided to hold another round of discussion after calling for the comments of LDMs as well. Following up on the issue, another meeting was called on 20.06.2021 wherein feedback received from LDMs was taken under view. Also, the huge difference between ACP and PLP of District Mandi was again taken up for discussion. The question of convening of pre-PLP meeting at district level was also raised. It was advised to hold the pre-PLP meetings without fail and PLP should be finalized only after threadbare discussion. With the unanimous consent of all the stakeholders, as a special case and one-time measure, the ACP prepared for the FY 2021-22 was approved.

During the course of the SLBC meeting, Mr. D.K. Raina, CGM, NABARD advised that the ACP in the future should be prepared with PLP in mind as per RBI guidelines. He registered his strong objection to difference between the ACP and PLP for the FY 2021-22.

The ACP for FY 2021-22 was approved by SLBC and has been circulated to the member banks and LDMs in the state. The same is also available on SLBC website, slbchp.com.

(Action Point: Member Banks to set internal budget of Bank branches in consonance with ACP targets as per RBI directions. LDMs to ensure conduct of pre-PLP meetings)



AGENDA ITEM NO.- 5

AGENDA ITEM NO: 5: REVIEW OF PERFORMANCE UNDER ANNUAL CREDIT PLAN 2020-21- PROGRESS UP TO MARCH, 2021:

The achievement up to period ended 31st March, 2021 under ACP 2020-21 mentioned in the agenda notes was placed before the House. Banks have disbursed fresh loans to the tune of Rs. 32849.77 crore to more than 11.06 Lakh new units.

The overall achievement against the target set for up to quarter ended March, 2021 recorded at 118.58%. The sub-sector wise achievements for financial year 2020-21 up to quarter ended March, 2021 was placed before the House – Priority sector advances - Rs. 22116.70 crores (93.62%); Non Priority sector advances- Rs. 10733.07 crore (263.26%); Agriculture sector– Rs. 8551.86 crore (75.61%), MSME advances Rs. 12206.17 crore (143.37%).

Mr. K.C. Anand, GM (In-charge), RBI advised that explanation be called from the Banks who have failed to achieve even 50% of their allocated targets under ACP 2020-21 and asked their strategy to improve the same in the future. Mr. P.K. Sharma shared that the same will be reported to MD & CEO, UCO Bank and letter will be forwarded to the Head Offices of the erring banks.

(Action: SLBC/Banks to improve their performance)

AGENDA ITEM NO. 6

AGENDA ITEM NO: 6.3: Business Analysis of Banks in HP as on 31.03.2021

GM (In-charge), RBI highlighted that a difference of Rs. 600 crores under Priority Sector Advances has been reported by SBI in this quarter's SLBC data. He took a strong notice of wrong reporting by the Bank and advised them to refrain from erroneous reporting in the future. In response, Mr. Pawan Kumar, DGM, SBI informed the House that the same is due to misclassification of Non-Priority sector advance under Priority sector in the past and assured that the same will not be repeated.

(Action: State Bank of India to ensure accuracy in reported data)

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

AGENDA ITEM NO. 9

AGENDA No-9: Ethanol Interest Subvention Scheme

DGM & SLBC In-charge shared for the information of the House that a meeting was held on 16.06.2021 with Deptt. of Food and Public Distribution (DFPD) to discuss on the measures to be taken to facilitate projects in H.P. under the scheme. He apprised that the Government has fixed target of 10% blending of fuel grade ethanol with petrol by 2022 and 20% blending by 2025. To achieve 20% blending from 2025, HP has been set a target of 10 cr liters of ethanol. As on date, two such units have approached Banks for financing under the scheme, one in Una and Kangra, each. Member banks are requested to provide credit facility to eligible parties, if approached.

THE REGULAR AGENDA FOR THE MEETING CONCLUDED WITH PERMISSION OF CHAIR.

Concluding Remarks of Sh. Prabodh Saxena, Addl. Chief Secretary, Finance, Govt. of H.P.:

Mr. Prabodh Saxena expressed his satisfaction over successful conduct of 160th SLBC meeting. He applauded the Banks for their performance, especially during the tough times of the pandemic. Also, he suggested that arrangements should be made to hold the SLBC meeting outside Shimla in two sessions in future. He also advised that the inaugural speeches should be kept to a minimum and opined that remarks can be taken during the course of deliberations. This will help in having detailed discussions on the agenda items.

He also suggested dedicating a full day for the thorough discussions on the agenda items and also suggested to choose different locations for holding SLBC Meetings.

He said that thorough analysis should be done and the schemes where we can improve our performance should be worked upon. He opined that each state has a distinct eco-system and accordingly areas of improvement should be focused on.

Before concluding his remarks, he again expressed his deep concern over the declining CD ratio of the State and urged the stakeholders to take measures to improve the credit off-take.

The meeting ended with a vote of thanks to the Chair.

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राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

160th STATE LEVEL BANKERS' COMMITTEE MEETING OF HIMACHAL PRADESH HELD ON 22nd JUNE, 2021 AT CONFERENCE HALL, 6TH FLOOR, HP SECRETARIAT, SHIMLA.

(Annexure 1)

LIST OF PARTICIPANTS:

- I. **Chairman:** Sh. Prabodh Saxena, IAS,
Additional Chief Secretary, Finance,
Govt. of Himachal Pradesh
- II. **Co- Chairman:** Sh. A.K. Goel,
MD & CEO,
UCO Bank.
- III. **Convenor SLBC:** Sh. S.S. Negi,
Deputy General Manager & Convenor SLBC HP,
UCO Bank.

IV. DFS, Government of Himachal Pradesh & Related Agencies:

SARVASHRI:

1	A.K. Dogra	Director, DFS
2	Surinder Kumar	DLR-cum-Deputy Secretary, Law, Govt. of H.P.
3	Deepika Rana	Deputy Director, Industries Deptt., Govt. of H.P.
4	Bragesh Bahadur	SMM, FI & ME, Urban Development Deptt., Govt. of H.P.
5	Rajendra Chauhan	Project Officer, Deptt. of Urban Development

V): RESERVE BANK OF INDIA, NABARD.

SARVASHRI:

1	K.C. Anand	General Manager (In-charge), RBI
2	D.K. Raina	Chief General Manager, NABARD
3	Pitambar Agarwal	Deputy General Manager, RBI
4	R.K. Agrawal	Deputy General Manager, NABARD
5	Swar Grover	Manager, RBI

VI): MEMBER BANKS:

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

SARVASHRI

1	P.K. Dubey	GM, PNB.
2	Dr. Pankaj Lalit	MD, HPSCB
3	Pawan Kumar	Deputy General Manager, SBI
4	L.S. Chauhan	Assistant General Manager, SBI
5	Joginder Singh	Chief Manager, PNB
6	Jeet Kumar	Deputy Manager, SBI

THE BELOW MENTIONED PARTICIPANTS CONNECTED THROUGH VIDEO CONFERENCING

VII): LEAD DISTRICT MANAGERS:
SARVASHRI

1	Ashok Kumar Gupta	LDM- Bilaspur
2	Bhupender Singh	LDM Chamba
3	S.K. Sinha	LDM-Hamirpur
4	K.K. Kalsi	LDM-Kinnaur
5	Norbu Chhering	LDM-Lahaul & Spiti
6	Pama Chhering	LDM-Kullu
7	A.K. Singh	LDM-Shimla
8	Rajeev Arora	LDM-Sirmaur
9	J.P. Bhanot	LDM-Una
10	S.K. Bodh	LDM-Mandi
11	K.K Jaswal	LDM- Solan

VIII): BANKS

1	Bank of Baroda
2	Bank of India
3	Bank of Maharashtra
4	Canara Bank
5	Central Bank of India
6	Indian Bank
7	Indian Overseas Bank
8	Punjab & Sind Bank

राज्य स्तरीय बैंकर्स समिति हिमाचल प्रदेश
संयोजक: यूको बैंक
State Level Bankers' Committee Himachal Pradesh
Convenor: UCO BANK

9	Union Bank of India
10	Axis Bank
11	AU Small Finance Bank
12	Bandhan Bank
13	CSB Bank
14	ICICI Bank
15	HDFC Bank
16	IDBI Bank
17	Indusind Bank
18	J&K Bank
19	Kotak Mahindra Bank
20	South Indian Bank
21	Utkarsh Small Finance Bank
22	YES Bank
23	Jogindra Central Coop. Bank
24	Kangra Central Coop. Bank
25	HPARD Bank
26	The Baghat Urban Coop Bank
27	The Chamba Urban Coop Bank
28	The Mandi Urban Coop Bank
29	The Parwanoo Urban Coop Bank
30	The Shimla Urban Coop Bank
31	India Post Payment Bank

IX): SLBC REPRESENTATIVES:

SR NO.	NAME	DESIGNATION
1	P.K. Sharma	DGM & SLBC In-charge
2	Ramesh Dadhwal	Chief Manager
3	Kritika Joshi	Manager
4	Peeyush Rathore	Manager

X): ABSENTEES:

SR NO.	DEPARTMENT
1	Life Insurance Companies (excl. LIC of India)

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