

## **MINUTES OF THE 116<sup>TH</sup> SLBC MEETING HELD ON 25<sup>TH</sup> MARCH 2022**

The 116<sup>th</sup> meeting of the State Level Bankers Committee, Goa State, was held at Vivanta by Taj, on 25<sup>th</sup> March 2022 under the Chairmanship of Shri. Puneet Kumar Goel, (IAS) Chief Secretary, Govt. of Goa. State Bank of India was represented by Ms. Sukhvinder Kaur, General Manager (NW 1) & SLBC Convenor. The Other dignitaries present were Shri. Ajay Michyari, Regional Director, RBI, Mumbai & Shri. N. J. Nampoothiri, General Manager, (Officer-in-Charge), Reserve Bank of India Goa, Shri. K. V. Shaji, DMD, NABARD, Mumbai and Smt. Usha Ramesh, General Manager, NABARD attended the meet. The meeting was attended by other Senior Officials from the State Government and sponsoring Agencies, Senior Executives of Commercial Banks and representatives of State Cooperative Bank and representatives from Payment Banks.

**Highlights of the speeches are as under: -**

### **Ms. Sukhvinder Kaur, General Manager and SLBC Convenor**

Madam extended warm welcome to Shri. Puneet Kumar Goel, Chief Secretary, Government of Goa, Shri. Ajay Michyari, Regional Director, Reserve Bank of India (Maharashtra & Goa), Shri. N.J. Nampoothiri, General Manager, (O.I.C), Reserve Bank of India, Panaji – Goa, Shri. K. V. Shaji, Deputy Managing Director, NABARD, Mumbai & Smt. Usha Ramesh, General Manager, NABARD, Goa.

She also welcomed Senior Executives of Commercial Banks, Representative of Co-operative banks, and Senior representative of Government department, Government of Goa, and all other participants to the 116<sup>th</sup> SLBC.

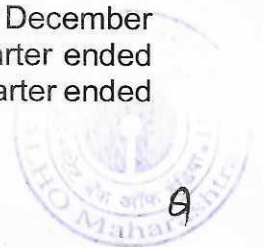
She informed the participants that India has overcome the Covid 19 pandemic and that most of the restrictions introduced by various States are being gradually withdrawn and that the economy is slowly opening. From 1<sup>st</sup> April, all restriction except mask and social distancing will be removed. She highlighted the achievement for the quarter ended December 2021.

She confirmed that in the last SLBC, North Goa District has achieved 100% digital penetration. We had started focussing on South Goa District in achieving the 100% digital penetration. The present position in digital penetration in the South Goa Districts is 88 % in Savings Bank and 76 % in the Current account. We hope to achieve the 100% digital penetration in this financial year. She informed the participants that to celebrate 75 years of independence of progressive India and to boost Digital economy, Government has announced setting of 75 digital banking unit 75 District in the country. 1 such unit will be opened in South Goa.

She Congratulated the member banks for the overall achievement under ACP for December 21 quarter at 109%. The comparative performance for the quarter ending December 20 was 81%. She Urged all members to achieve 100% targets under ACP for the balance quarters without exception.

Total Priority Sector Lending is at 40.08% of total advances as on December 21 up from 37.35% as on December 20. She informed that this is the first time that the Banks have achieved the benchmark target of 40%. She congratulated the Member Banks on this achievement and urge them to achieve the benchmark target as at the close of the March 22 quarter.

The C.D.ratio has decreased from 34.21% in December 20 to 31.28% as on December 21. The fall has been attributed to non-utilisation of the limits for the quarter ended December 21 and was confident that the ratio will improve further for the quarter ended



March 22. She instructed the Banks to submit the details of the loans made available to the units located in the State of Goa and financed by branches located outside Goa. Due to non-submission of the figures, letters were written to Chairman/CEO/MD of these Banks. However, it appears that many Banks have still not reported the figures, nor the Head Office has taken any steps to ensure that the figures are reported to SLBC. She informed that SLBC Proposes to write again to the Head Offices of the defaulting Banks. She desired that Head Office either through Lead Bank or through SLBC department, should confirm to SLBC, Goa about the data.

She urged bankers to accept the challenge to penetrate Financial Inclusion in the State of Goa. She informed that she was happy to note that Banks have undertaken 99 camps for the quarter ended December 21 against the target of 84. She informed that Banks also held camps for educating the SHG groups and encouraging them to approach the Banks for their financial requirements and the Banks should help them not only in financing but also in availing the Subsidy. Banks should also educate the members to avoid falling prey to cybercrimes. Member banks to endeavour to increase the number of CSPs to be engaged which will assist us to achieve the goal of financial inclusion. She requested Banks to give more focus on the proposals received under PMEGP, PMMY and Stand-Up India.

With these few words, she concluded her speech.

**Shri. Ajay Michyari, Regional Director, RBI, (Mah & Goa)**

Shri. Michyari welcomed all the participants to the meet. He shared that the lending under priority sector is a big concern, and he expressed his happiness to note that for the first time the priority sector lending has crossed 40% benchmark. He urged the bankers to sustain the performance in the future and should be taken forward. He commented upon the drop in the CD ratio i.e. reduction from 33.54 in December, 20 to 30.38 in December, 21. He hoped that in March, 21, the figures will improve further.

He expressed his happiness for surpassing the targets under ACP as on December 21 and was confident that Banks will achieve the target in March, 22.

As far as areas of concerns, he highlighted low performance in Export credit, Social infrastructure, Lending to Renewable energy and urged the Bankers to focus on these areas and show improvement in future as these areas are not focussed by Banks and subdued performance continuous through the financial year.

He appreciated the good work done in the area of Crop Loans, Agri Term Loans & Ancillary activities & MSME.

As far as opening of Zero balance accounts under PMJDY, there is an increase in zero balance account to a small extent. Banks to ensure that these accounts are funded at the earliest.

He expressed his happiness as SBI will be shortly opening a Digital Branch in South Goa and look forward for other Banks to take suitable measures to improve the digital penetration. He concluded his speech, with warm fare well to Shri. Nampoothiri, who was retiring in March 22.



**Shri. N. J. Nampoothiri, General Manager (OIC), RBI, Panaji Goa**

Shri. Nampoothiri welcomed all the participants to the meet. He expressed his gratitude to all the bankers for achieving the Priority sector target of 40% as on 31.12.2021 as it was his long wish to achieve this milestone. While referring to the fall in the CD ratio, he brought to the notice of the members that due to the substantial increase in the deposit and subdued increase in advance, the CD ratio is bound to decrease. He felt that due to slow economic growth for the last 2 years and due to gradual removal of restriction, the economy should bounce back and so the performance of the Banks.

He expressed his happiness for achieving the 100% digital penetration in North Goa. South Goa District should follow all the measures taken in North Goa District to complete the 100% digitization at the earliest, so that Goa becomes the 1<sup>st</sup> State in the country to achieve 100% digital penetration. He cautioned the Bankers that as the State moves towards fully digitisation, there will be attempt by the fraudsters to cheat Senior Citizens, depositors who are non-digital savvy and hence more camps to educate such people needs to be held in the State. He also appealed to the Bankers to send their Branch Managers to RBI for a formal training on the subject, so that they can hold such camps in their branches for the benefit of such class.

He informed the participants that SBI has started Centre for Financial Literacy (CFL) in the two districts covering 6 blocks. He instructed SBI to sensitise the trainers of the CFLs. He expressed his happiness towards the FLC camps held in the State by all the Banks. Besides the notified Banks, he requested other Banks to also hold such camps.

He informed the members that MOS (Finance) Dr. Karad, had highlighted only 2 to 3 areas where Goa fell short. Going through the performance of December 21, it appears that the Banks have improved on the Social Security Schemes.

On Digitalisation of land record, he requested the Chief Secretary to provide the digital data access to the Bankers, so that online charge can be created by the Bankers.

He thanked all the Bankers for giving full cooperation during his tenure in Goa.

**Shri. P. G. Kamat, AGM, SLBC then piloted the discussion on the agenda.**

**Smt. Usha Ramesh, General Manager, NABARD, Panaji Goa.**

Smt. Usha Ramesh welcomed all the participants in the meet. At the outset she informed the participants that NABARD is going to work on Rural Tourism in coordination with Tourism department and the Office of the Governor. She requested the DMD of NABARD Shri. K. V. Shaji to guide the participants.

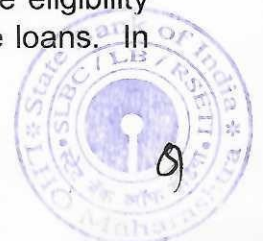
With these few words, she concluded her speech.

**Shri. K. V. Shaji, Deputy Managing Director, NABARD, Mumbai.**

Shri. Shaji welcomed all the participants to the meet. He informed the participants that the potential of the State is not fully tapped. Although, Goa is having the highest per capital income in the Country, there is lot of disparity in income in the State. Rural and



Urban divide is also visible and that is where the function of the Banks come to play. He informed the participants that though is not aware of the reason of closing R-SETI in Goa, attempts can be made by Lead Bank to re-start the same as due to non-availability of training facility, credit facilities should not be deprived to the needy customers. Banks also have a development role to play in addition to the accepting of deposit and lending of funds to the project after making a decent recovery on those lending. Highlighting the performance of the Banks, he agreed that the low CD ratio is a concern. To achieve the improvement in CD ratio, Banks have to break the larger target to smaller once and then tackle those targets effectively. He felt that many micro industries are not getting the desired credit as 65% of GDP is coming from Secondary sector, around 5% from Agriculture sector and 30% from the tertiary sector. NABARD in its role as Development Banker must assist in achieving this development. Government of Goa are taking many initiatives and it is the turn of the Bankers to transform this initiative to some credit linkage. He informed that the Government has taken money under IRDF and made lot of changes in the fisheries and irrigation sector. Banks have to follow up for credit linkages in these areas. Government of India has also come out with schemes like Credit Guarantee Corporation (CGTSME) to mitigate the risk associated with credit decision. Banks should lend and cover themselves under the (CGTSME) scheme and leverage those schemes which are promoted by State/Central Government. He highlighted that the weaker section exposure is very low as against the norm of 10%, Goa is at 7%. Banks should now focus on sub target within the weaker section target like credit flow to women entrepreneurs. Government of Goa is promoting lots of schemes for the women folks and Banks to use this scheme to leverage against margin money, so that timely credit is made available to them as envisaged by the Government. Banks should also focus on either SHG or JLGs as mutual guarantees takes care of credit risk and Bank should be happy about the same. Banks to customise the schemes as per the needs of the State. It is brought to my notice that in the State off Goa, the SHG group indulges in internal lending. It amounts to that these needy people are deprived of credit facilities. It has been informed to us that there exists a scope for Rural Tourism. Model villages can be thought of. Heritage Tourism can also be thought of. I have told my Goa Office to approach the Government of Goa, devise specific schemes and then come to SLBC for its approval. SLBC has the powers to formulate schemes as per the needs of the State and RBI has given such powers to SLBC. He requested the SLBC to look at the best practices adopted by other SLBC's so that the same can be adopted in the State of Goa. To improve the CD ratio, there is a Sub Committee approach for improving the CD Ratio. This committee needs to be little active and deliberate on this area thread bar. Another area of concern is loans to SC/St to total advance at 0.45% vis a vis total population of State population at 12%. There is a huge disparity. Banks need to introspect and the need to give advance to SC/ST and then to classify such advances properly. Credit to SME segment is also low vis a vis the component of SME segment in the GDP. The Regional Managers of the Banks should introspect in these areas and corrective steps to be taken without further delay to ensure that the sectoral advance of the Bank is in tune with the respective component in the GDP of the State. He requested Government of Goa to look into the digitisation of the land record and that the same is made available to the Banks. Government can also give eligibility certificates to the land less farmers, so that they are made eligible for the loans. In



addition to the Krishi cards, Banks can explore more scope in these area as farmers are there for financing the viable activity. Banks to also focus on JLGs and KCC as they will be comfortable in lending in these areas. Individual lending to the members of the JLGS under KCC together with the subsidy given by Government can also be explored. Banks should also focus on lending to FPOs. Bankers have to ensure end use of the funds and the balance risk is taken over by the guarantee corporation. The economy is moving from Sustenance economy to Surplus economy. He requested NABARD to fix ACP target as per the potential of the State rather than the past performance.

**Shri. Punnet Kumar Goel, (IAS) Chief Secretary, Govt. of Goa.**

Shri. Goel, welcomed all the participants in the meet. He requested the Bankers to look at the CD ratio and to take appropriate measures to increase the same. Any Bank having CD ratio lower than 20% is a cause of concern for the State Government. He also instructed Banks to report the figures with regard to units located in the State of Goa and financed by branches located outside Goa. With regard to the Social security schemes, only 50% of the population have been covered. Banks to endeavour to cover large population under these schemes. KCC also needs to be popularised more amongst the farmers. All the branches must participate in the BLBC meetings. With these few works he concluded his speech.

The meeting ended with a vote of thanks by **Shri. Naveen Kumar Gupta, Deputy General Manager (B&O) & Member Secretary, SLBC Goa.** He assured the speakers that the issues raised during the deliberation, would be attended with utmost urgency and will be resolved at the earliest. This will not only result in pumping higher credit in the economy thereby resulting in revival of the lively hood of the common citizens of the State of Goa.

State Bank of India  
SLBC, Goa  
Date: 25.03.2022.



General Manager & Convenor SLBC Goa



<b>Sr No</b>	<b>Agenda Items</b>	<b>Action Point</b>	<b>Action By</b>
1	Review of ACP – Step up Priority sector lending	Focus on priority sector lending to be increased	All Banks
2	Digitalisation of South Goa District	Ensure digital maximisation and achieve 100% by end of December, 22.	All Banks/SLBC
3	Data flow at LBS for migration to standardised data system.	All Banks are advised to ensure timely submission of data by uploading on the portal.	All Banks
4	Financial inclusion – Zero balance accounts	To be totally funded	All Banks
5	Application under PMSVA Nidhi scheme to be disposed immediately	All applications should be disposed of immediately.	All banks
6	Financial Literacy Camps	More camps to be held and the target to be achieved	All Banks/LDM
7	All the Banks to ensure that the credit exposures to the units located in Goa needs to be reported either by way of uploading in the portal or by way of mail to SLBC at the end of every quarter.	All the Banks to confirm having put the mechanism to report such exposure by 18.042022. Non confirmation will result in writing a letter by SLBC to the M.D./C.E. O of the defaulting Bank.	All Banks

