

## MINUTES OF THE 117<sup>TH</sup> SLBC MEETING HELD ON 23<sup>RD</sup> June 2022

The 117<sup>th</sup> meeting of the State Level Bankers Committee, Goa State, was held at Vivanta by Taj, on 23<sup>rd</sup> June 2022 under the Chairmanship of Dr. Puneet Kumar Goel, (IAS) Chief Secretary, Govt. of Goa & Dr. V. Candavelou, Principal Secretary (Finance), Shri Vikas Gaunekar, Additional Secretary, Govt. of Goa Government of Goa. State Bank of India was represented by Ms. Sukhvinder Kaur, General Manager (NW-1) & SLBC Convenor & Shri Jogendra Pal Singh, incoming General Manager (NW-1) & SLBC Convenor. The Other dignitaries present were Smt. Smita C. Kumar, Regional Director, RBI, Goa and Shri Milind Bhirud, 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 Co-operative 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 Dr. Puneet Kumar Goel, Chief Secretary, Government of Goa, Dr. V. Candavelou, Principal Secretary (Finance), Government of Goa, Shri Vikas Gaunekar, Additional Secretary, Govt. of Goa, Smt. Smita C. Kumar, Regional Director, Reserve Bank of India, Goa & Shri Milind Bhirud, General Manager, NABARD, Goa.

She also welcome 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 117<sup>th</sup> SLBC.

She focused on the achievement for the quarter ended March 2022:

She informed that it is heartening to note that all North Goa District has achieved 100% digital penetration as on 30.09.2021 and South Goa has achieved 83% digital penetration in current account and 90% penetration in Savings Account. She urged the Banks to achieve 100% digital penetration by September 2022 and make Goa State the first State in the Country which has 100% digital penetration in the account maintained in the districts.

She congratulated the member banks for the overall achievement under ACP for the quarter ending March 2022 at 111% (ACP for 2021-22 was Rs.5100 Crs). The comparative performance for the year ending March 2021 was 94%. She Urged all members to achieve 100% targets quarter upon quarter for the year 2022-23.

Total Priority Sector Lending is at 42.41% of total advances as on March 22 up from 37.35% as on March 21. She expressed her happiness to note that it has improved from 40.08% as on 31.12.2021. For two consecutive quarters, the performance of the State is above the benchmark level of 40%.

The C.D. ratio has improved from 30.38% as on December 21 to 30.58% as on March 2022. However, it has decreased from 33.54% in March 21 to 30.58% as on March 2022. She informed that SLBC had written letters to the Heads of most of the

PSUs and Pvt. Bank for reporting the data on loans made available to the units located in the State of Goa by branches located outside Goa. After the last SLBC meet, the Office of the Chief Secretary had also written letters to the heads of the Banks to submit the data. However, only SBI, CBI & BOM has reported its exposure. Other major Banks have not reported so far. It is learned that HDFC Bank has exposure to TAJ group of companies. HDFC should make efforts to report the exposure to the units of TAJ in the State of Goa. Similarly, other Banks must be having exposure to various units located at Verna Industrial Estate.

She urged bankers to accept the challenge to penetrate Financial Inclusion in the State of Goa. I am happy to note that Banks have undertaken 92 camps for the quarter ended March 2022 against the target of 84. 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 informed the house that the nation is celebrating the Azadi Ka Amrit Mahotsav to commemorate the Indian Independence. Government has undertaken multitude of schemes focussing on beneficiaries catering to their diverse needs in a comprehensive and convergent manner. I am happy to note that on 8<sup>th</sup> of this month, Banks had conducted Credit Outreach Program and nearly 119 loan sanction letters amounting to Rs.18.65 Crs were handed over to the borrowers in the presence of the Hon'ble Chief Minister of Goa. Taking forward this momentum, Banks to ensure that the schemes launched in the recent past aim at saturating the entire universe of eligible individuals. I urge the member banks to give more focus on

1. Pradhan Mantri Awaas Yojana (both Gramin & Urban)
2. Pradhan Mantri SVANidhi Scheme (2<sup>nd</sup> and 3<sup>rd</sup> phase)
3. Pradhan Mantri Mudra Yojana.
4. Finance to Self Help Group
5. Stand Up India

Applications received under Government sponsored schemes should be immediately dealt with in a timeline of 15 days.

She welcomed Shri Jogendra Pal Singh and informed the house that will be my last SLBC meeting. She thanked Respected Chief Secretary Dr. Puneet Goel, Regional Director - RBI, General Manager - NABARD, Heads of the member Banks and all the Government of Goa and their Officials for extending her full co-operation during her tenure as SLBC Convenor.

With these few words, she concluded her speech.

### **Shri Jogendra Pal Singh, incoming General Manager & SLBC Convenor.**

Shri Jogendra Pal extended warm welcome to Dr. Puneet Goel, Chief Secretary, Government of Goa, Dr. V. Candavelou, Principal Secretary (Finance), Government of Goa, Shri Vikas Gaunekar, Additional Secretary, Govt. of Goa, Smt. Smita C. Kumar, Regional Director, Reserve Bank of India, Goa, Shri Milind Bhirud, General Manager, NABARD, Goa and Senior Executives of NABARD, RBI, Commercial

Banks, Representative of Co-operative banks, and Senior representative of Government department, Government of Goa, and all other participants to the 117<sup>th</sup> SLBC.

He stated that it is his 1<sup>st</sup> meeting and his privilege to be part of this meeting in the first week of joining and look forward for co-operation for the coming months and years. With these few words, he concluded his speech.

**Dr. V. Candavelou (IAS), Principal Secretary (Finance), Government of Goa.**

Dr. Candavelou thanked the Chief Secretary for his introduction about the various past assignments he held to the participants. He said that he has just taken over the charge and that the economy is recovering, and the Bankers should play key role in supporting in the growth of the economy. He referred to the low CD ratio as compared to the other States where the CD ratio is around 65% and above. In the State of Goa the CD ratio is below the benchmark and he has noted that some banks are doing well and few banks CD ratio is not upto the mark. We have to identify the reasons for low CD ratio and try to rectify the same. With these few words, he concluded his speech.

**Smt. Smita C. Kumar, Regional Director, RBI, Goa.**

Madam extended warm welcome to Dr. Puneet Kumar Goel, Chief Secretary, Government of Goa, Dr. V. Candavelou, Principal Secretary (Finance), Government of Goa, Shri Vikas Gaunekar, Additional Secretary Finance, Govt. of Goa, Ms. Sukhvinder Kaur, SBI, GM and Convenor of SLBC, Successor Shri Jogendra Pal Singh & Shri Milind Bhirud, General Manager, NABARD, Goa.

She also welcome 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 117<sup>th</sup> SLBC.

She said that as a percentage of Total Advances, the PSL reported has improved to 42.41% (as below). The position this quarter has seen major improvement and need to be maintained above 40% for the upcoming quarters. the CD ratio has also improved marginally from 30.38 % to 30.58 %. All banks need to pull up their socks and show drastic improvement in their respective credit portfolios.

Against the annual target of Rs. 5100 Crores and Achievement stood at ₹5655.59 Crores (110.89%) as on end of March 2022. I would like to congratulate all the banks for going over and above the ACP target. But still some concerns remain such as Agri Infrastructure (3.90 %), Export credit (5.30 %), Social Infrastructure (2.33 %) and renewable energy (6.15 %). I advise all banks to improve lending for these sectors.

There is a decrease in zero balance accounts from 16,071 to 14,367. I advise all banks to expedite funding all the remaining accounts wherever feasible.

Banks have undertaken 92 camps against the target of 84. I urge the Banks to conduct more for financial literacy camps so that the customers can be educated to avoid responding to the fraudulent calls and falling prey to them.

She observed that in PMJJBY total accounts of 2,88,575 has been covered (increase of 75,588 accounts annually) and in PMSBY total account of 7,92,395 has been covered (increase of 2,36,509 accounts annually). Atal Pension Yojana (APY) total accounts 67,558. Banks should make efforts to increase.

It has been observed in the last 2-3 quarters that the SLBC meeting is not happening within the stipulated 45 days from the end of the quarter. To facilitate the same, the SLBC convener has been advised to keep the SLBC portal open for around 10 days for encapsulation of data from the end of the quarter. To this effect SLBC was advised vide email dated June 15, 2022. Further, SLBC was also advised to get the details from all the banks in the State of Goa regarding pledge financing and to send a progress report (LBS MIS I, II & III) on Annual Credit Plan for every completed quarter.

To enhance the quality of currency management services at the grassroots level, all bankers may put in place a feedback mechanism whereby the Reserve Bank would be able to get qualitative feedback on various currency related parameters, such as,

1. Quality of the banknotes in circulation.
2. Feedback on extent of exchange facilities of soiled and mutilated notes provided by the bank branches.
3. Supply of fresh banknotes by the bank branches.
4. Distribution of coins by the bank branches.
5. Availability of display of notice boards at bank branches indicating the availability of note and coin exchange facility.
6. Ascertain if the bank branches are providing exchange facilities to non-customers of the bank also.

With these few words, Madam concluded her speech.

**Dr. Milind Bhirud, General Manager, NABARD, Panaji Goa.**

Dr. Milind Bhirud welcomed Dr. Puneet Kumar Goel, Chief Secretary, Government of Goa, Dr. V. Candavelou, Principal Secretary (Finance), Government of Goa, Shri Vikas Gaunekar, Additional Secretary Finance, Govt. of Goa, the Outgoing Convenor Ms. Sukhvinder Kaur and welcomed the incoming Convenor Mr. Jogendra Pal Singh, Smt. Smita C. Kumar, Regional Director, Reserve Bank of India, Goa.

He also welcome 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 117<sup>th</sup> SLBC.

He congratulated Bankers for achieving the overall target under ACP at 111% but highlighted that target for all sub sectors have not been achieved. Targets under Agriculture, CL & ATL targets have been achieved but Agricultural Infra and Ancillary activities have not been achieved.

He stated that there is good scope for financing of Storage – RG and CS, biotech projects and for Nurseries. Under Ancillary activities, Food and Agro processing and ACABC has good scope. Banks should also focus on financing under Subsidy linked schemes like AIF, PMFME, PMMSY etc.

He observed that there are anomalies in targets and achievements under CL and MSME sectors when compared with the last year. Under MSME, targets are overachieved but not under export credit, Social infra and Renewable Energy sector. Banks to focus in these areas and improve upon in the remaining quarters.

He requested Banks to focus on Credit Guarantee Scheme promoted by Government of India where by the applicant can avail collateral free loans upto Rs.2.00 Crs. Banks to have a dedicated KCC, Animal Husbandry and Fisheries camps, so that targets under saturation camps are achieved. Banks should also focus on PM Kisan Beneficiaries.

NABARD has been given targets under CSS – FPO schemes. NABARD is working.

He observed that Co-operative bank share in Agricultural finance is less than expected. The exposure should be increased in KCC and JLG. NABARD is making efforts to convert PACS as MPCS with support under AIF. PACS should be fully computerised within say next 3 years.

Banks to promote Financial Literacy and Financial awareness camps to reduce the Cybercrimes. Banks should also increase coverage under Social Security Schemes. NABARD can support such activities through enabling infra and providing demo mobile vans etc.

With these few words, he concluded his speech.

**Dr. Puneet Kumar Goel, (IAS) Chief Secretary, Govt. of Goa.**

Dr. Puneet Kumar Goel welcomed the Outgoing Convenor Ms. Sukhvinder Kaur and welcomed the incoming Convenor Mr. Jogendra Pal Singh, Smt. Smita C. Kumar, Regional Director, Reserve Bank of India, Goa) & Shri. Milind Bhirud, General Manager, NABARD, Goa.

He also welcome 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 117<sup>th</sup> SLBC and the last meeting of the financial year 2021-22.

At the outset, he admitted that the meeting was delayed as the Government could not give earlier date due to administrative reasons and hope that the next quarter meeting will be held in time. He suggested to hold 118<sup>th</sup> SLBC between 11<sup>th</sup> to 20<sup>th</sup> August 2022. He congratulated all the Banks for the good performance in most of the areas. He highlighted few areas of concerns like low CD ratio. As the low CD ratio is issue for the last several years, he called upon the Banks to take issue seriously and to ensure that a senior level officer is deputed for SLBC. This Officer is expected to appraise his senior about the issues discussed in the meeting. Low CD ratio is not taken serious by many banks and no action is seen being taken to improve this. Now, the State Government has decided to investigate this issue with seriousness. Many Banks approach State Government for deposits. Now before giving the deposit to the banks, government will check the CD ratio of the Bank. Last SLBC, the same was discussed but did not find mention in the minutes. This time I

want this to be minuted. The draft of the minutes will be approved by the Chairman and only then signed by the Convenor.

He expressed his displeasure against the Banks for not sponsoring the schemes under which Credit Guarantee is given by the Government (CGTSME). The performance of the Banks under this category needs to be reviewed. He felt that there is a reluctance on the part of the Banks to finance under this scheme. He said he can't say this about Goa but in North India, the situation is serious. He said that this scheme is designed for the benefit of the entrepreneurs, who do not have anything to mortgage. He said that the next SLBC only the seniors should attend and each bank to give details of the loan sanctioned in the State of Goa under the scheme. He said that the limit under the scheme is Rs.2.00 Crs. He demanded the details from the bank as to number of applications received under the scheme and in how many cases, the banks have explained to the applicant about the scheme. He also demanded training for the bankers in MSME finance. He noted that the ground reality vis a vis the figures shown in the presentation is totally different. He noted that the Branch Manager wants to give only risk-free loans, although with the credit cover these loans are risk free. He felt that may be due to spoiling of annual confidential report at the yearend due to account going bad, the BMs are reluctant to give loans. He said that he is aware of the 1 or 2% higher rate of interest being charged to cover the insurance premium fee from the customer. During the discussion, Chief Secretary was informed that 75% of the loan amount is reimbursed subject to the conditions laid down by the CGTSME. Ms. Sukhvinder Kaur updated that it is difficult to dispose of the property which is taken as security and that Bank also prefer CGTSME scheme route as it is mandated by the Banks as per extent instructions to the branches.

During the discussion, Chief Secretary informed about the meeting held by Western Zonal Council under the guidance of Home Ministry which was chaired by Home Minister Shri Amit Shah. The home minister gave a clear direction to open Brick and Mortar Bank branches in 5 non banked villages irrespective of population, in the State of Goa. Either banks should open branches, or the Government of Goa will link the decision to park deposit with Banks. During the discussion, it was decided as under:

Sl No	District code	Sub District name	Name of the village	Total Pop	Distance to nearest service	Nearest service point	Distance range	Following Bank will open Branch
1	586	Quepem	Cavorem	920	5011	Bank Branch	5 TO <6 KMS	<b>AXIS</b>
2	586	Quepem	Gocoldem	579	5130	IPPB	5 TO <6 KMS	<b>UBI</b>
3	586	Sanguem	Sonauli	63	6515	IPPB	6 TO <7 KMS	<b>SBI</b>
4	585	Satari	Satrem	176	5459	IPPB	5 TO <6 KMS	<b>HDFC</b>
5	585	Satari	Caranzol	839	6420	IPPB	6 TO <7 KMS	<b>BOI</b>

He expressed his displeasure to HDFC for deputing his Junior officer to SLBC meet and Regional Head of HDFC Bank not attending the meet.

During the deliberation on opening of the branch, Banks shared the RBI directives of opening branch for population of 3000 and above and below that Banks were free to open CSPs. The banks also shared that due to very limited population, the branch if opened will be a loss-making branch abinitio and will never turn around.

While referring the second meeting where all the Chief Secretaries along with Finance Secretaries were called by Hon'ble Prime Minister at Dharmshala. A state wise presentation was made as to how the State is functioning on financial and growth path. Presentation was made by two experts and that he wanted to share the outcome of the meet. He desired to present few important points as under:

1. Limited scope for Agriculture lending in the State of Goa. The lending institution should focus on units manufacturing Carbohydrates like Rice, Wheat and ethanol is now manufactured and mixed with petrol. However, our real strength is in pulses & Oil. Although in terms of percentage it is low. We need to focus on how to double or triple the production is an area we all need to focus. The credit flow to this segment needs to be targeted. Director of Agriculture needs to be invited to the meeting and strategies to be drawn to improve the credit flow to this segment by identifying few farmers. Ministry of Agriculture is very supporting and willing to give all type of technical support and all type of guidance and willing to come down to Goa for assistance. Madhya Pradesh has done a good work in this area and the Additional Chief Secretary agreed to depute suitable person to guide Goa in this regard. Farmers to be given finance either under the Credit Guarantee schemes or any other Priority Sector scheme and give the farmers the benefit of interest subvention/Subsidy, whereby the actual cost of interest will be less than 3%. Considering the Central Government interest subvention of 3% and State Government interest subvention of 4%, the actual rate of interest works out to Zero for limits up to Rs. 2.00 lacs. SLBC to highlight the details of such support given by the Banks to the farmers. He said that Government of Goa has various schemes to meet the requirements of the farmers, but the biggest challenge is to how to double the production.
2. How to ensure financial inclusion thereby achieving the growth in all the segments of the economy. Finance Secretary from the Ministry of Finance desired to increase the growth from the existing level of 7% to 10%. He highlighted how China has grown during the last 10 years and how India is struck at 6.5% growth. The Ministry showed from where the growth comes. One of the measures to achieve the growth is through export of low scale products like China exports growth is through export of foot wares.

The Ministry has submitted a detailed presentation to the States and the State is going to share the details to the bankers in due course. He desired that the Senior Bankers should come together and draw a plan of action in the desired direction. He informed the house that in the small State category, Sikkim is fast catching up with Goa. He also admitted that the Government of Goa is aware of the shortfall in not

creating a very conducive atmosphere for setting up of business units. The Government is aware of the short coming and Hon'ble Chief Minister is very keen in attending to the bocks thereby making the full process simple and fast. However, after doing the administrative process smooth, he expected Banks to come forward and give feedback as to the area creating bottlenecks in smooth movements. One such observations is requirement of SANAD for construction of house/flat is compulsory although the area is in Settlement Zone. He felt that as Senior Banks comes from various States with exposure to various rules and regulations, they should come forward to let the Government of Goa know, if any rules are super flux and are not required. The Bankers can submit their suggestion either through SBLC, NABARD or RBI. He also invited suggestions for withdrawals of act or cutting down on compliances.

Finally, he said that with growth in the economy by higher lending, CD ratio can be improved in the long run.

With these few words, he concluded his speech.

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

Observations during the presentation:

1. Agenda item no 8. Government sponsored schemes: 39 proposals were returned by the Banks.
2. Chief Secretary has instructed Banks to submit the reasons of the return in respect of 39 applications within a week's time. **(Data Submitted)**

The meeting ended with a vote of thanks by Shri Naveen Kumar Gupta, Deputy General Manager (B&O) & SLBC Secretary, Panaji – 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: 15.07.2022.



General Manager (NW-1) &  
Convenor (SLBC)



<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 as portal will be closed by 24.07.2022.	All Banks
4	Financial inclusion – Zero balance accounts	To be totally funded wherever feasible.	All Banks
5	Application under PMSVANidhi scheme to be disposed immediately	All applications should be disposed of within 15 days.	All banks
6	Financial Literacy Camps	More camps to be held and the target to be achieved. Citizens to be educated on precautions to be taken while responding to unknown calls.	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 24.07.2022. Non confirmation will result in writing a letter by SLBC to the M.D./C.E. O of the defaulting Bank.	All Banks