No.3/230/2016-D/IF
GOVERNMENT OF MANIPUR
FINANCE DEPARTMENT
(Institutional Finance)

Imphal, the 26th June, 2020

To,

The Chief Manager, Lead Bank Office,
State Bank of India, Regional Business Office,
Babupara, D.C. Lane, Imphal – 795001

Subject:- 62nd State Level Bankers' Committee Meeting for the quarter ended March, 2020 held on 19.06.2020 – Approval of Draft Minutes.

Sir,

With reference to the above subjects, I am to inform you that the draft minutes for the 62nd SLBC meeting for the quarter ended March, 2020 held on 19.06.2020 has been approved and a copy of it is enclosed herewith for your kind circulation to all the members for required necessary actions.

Yours faithfully,

Anna Arambam
26/6/2020

(**Anna Arambam**)
Director, Institutional Finance, Manipur

Copy to:-

1. Staff Officer to Chief Secretary, Government of Manipur.
2. Addl. Chief Secretary (Finance), Government of Manipur.

Minutes of the 62nd SLBC meeting for the Quarter ended March, 2020 held on 19th June, 2020 in the Conference Hall, Old Secretariat

List of participants is at Annexure – I.

The meeting began with Additional Chief Secretary, Finance emphasising the need for economic revival with reference to Aatmanirbhar Bharat Abhiyan and special reference to the Chief Minister's meeting with Banks on 16th June at Chief Minister's Secretariat. He asked the Joint Secretary, Finance to start a presentation, which mainly focused on the outcome of the meeting with the Chief Minister and the Banks.

The Chairman pointed out that the main focus of the meeting should be on MSME sectors as announced by the Central Government. He also remarked that in the State of Manipur, although the Banks had done a lot of good work, there is a need to make the Government aware of what it is doing. In order to ensure that the benefits of the various schemes launched by the Central/State Government reach the intended beneficiaries, the State Government and the Banks need to work hand in hand. The Chairman, therefore, advised that the Banks, through the Lead Bank, need to regularly apprise the State Government of the various programmes that are being implemented. Regarding the issue of manpower constraint in the banks due to the present COVID-19 situation, the Chairman said that the banks should not face any problem as they have been exempted from any restrictions on movement. He, however, emphasized the need to observe quarantine and COVID-19 precautionary measures, which will continue although there is no community spread so far in Manipur.

The SLBC in-charge introduced himself and welcomed all the dignitaries present for the SLBC Meeting. He informed that because of the present COVID-19 situation, the meeting would be joined through video conference by SLBC Controller Shri. Sunil Tandon, Chief General Manager, Shri. Sushanta Sahoo, DGM(SLBC) and Shri Mihir Das, AGM(SLBC). In the opening remarks of the SLBC Convener, he said that in spite of the pandemic it was very fortunate that the SLBC meeting for the March Quarter could be held well on time. He apprised the House that despite all the odds being faced in the present situation, the Banks are giving their best efforts to ensure that the banking services are not hampered. One such effort is the rolling out of the GCEL (Emergency Covid19 loan- **Guaranteed Credit Emergency Line)** loans to tide over the resource crunch, especially in MSME sectors (20%). Further, banks have deferred repayment of Term Loan instalments for 2 quarters, i.e, up to 31.08.2020, which is a huge relief to the borrowers in terms of regular instalment burden and also to the banks in controlling NPA. Another area which banks have been extending service to the general public, especially in the semi urban and rural area, is through the various CSPs spread across the State – this has greatly aided in payment of PMGKY and other small transactions. Other areas which can be further tapped through CSPs and bank branches are PMJDY, PMJJBY and APY. Though times were tough, especially in the months of April, May and June, 2020, the Banks did their utmost to ensure that cash is available in ATM booths at all times. The role of the banks in ensuring the flow of the economy of the State in particular and the country in general was highlighted, and cooperation from all gathered was sought in this regard.

The SLBC Nodal Officer was then requested to proceed as per the Agenda.

The Nodal Officer, SLBC started with the Agenda which was circulated to all the members.

Agenda 1. Adoption of minutes of last Special SLBC meeting held on 21.04.2020.

The Minutes was adopted unanimously by the House.

Agenda 2. Action Taken Report of last Special SLBC meeting.

(i) The Additional Chief Secretary, Finance remarked that the figures were "Nil" in respect of 17 bank figures for KCC loans sanctioned during the lockdown period, which is viewed very seriously. MSCB, MD said that they had sanctioned KCC loans amounting to Rs 15 lakh during the lockdown period but it has not been reflected. GM, RBI advised that MSCB to ensure that data is uploaded on the portal as this may be due to non-updation on the portal.

(ii) **NPA under Make in Manipur:** The Commissioner (C&I) informed the House that the department needs some more time to further study the matter in details, and will be able give an update in the next SLBC meeting.

(iii) **Opening of RSETI in Kakching & Ukhrul**: On the query of the GM RBI, the AGM PNB replied that since RSETI Building was being used as quarantine centre at present, they were unable to make it functional. The Nodal Officer, SLBC informed that opening of RSETI at Ukhrul by SBI is under process.

The CM, Credit (SBI) informed the House that since 2014-15, RSETI Churachandpur has incurred Rs 61 lakh in cost, but till now approximately Rs 21 lakh only has been reimbursed, and requested the concerned Department to expedite the reimbursement of the outstanding expenses. The SMD MSRLM informed that they had submitted all the bills to MoRD and also written to MoRD for early release of the outstanding amount.

Agenda 3. Review of Deposit, Advances and CD Ratio:

(i) Deposit, Advances and CD Ratio in the last three Financial Years for Manipur:

The SLBC Nodal Officer appraised that the CD ratio of the quarter ended March 2020 stands at 61% and growth in advances is 17% in March 2020 over March 2019. The CD ratio of 4 banks are under 40%, 14 banks are between 40%-60% and 10 banks are above 60%

Agenda 4. Review of Credit Disbursement

(i) **ACP performance during the year**

The SLBC Nodal Officer apprised the House that the overall achievement for the FY 2019-20 stands at 128%. The achievement sector wise are - Priority Sector Advance 49% comprising of Agri 24%, MSME 81% and Other Priority Sector 55%. The achievement under Non priority Sector is 363%.

Noting the vast difference in achievement between Priority and Non-Priority Sectors, the ACS/Finance remarked that this is not a good indicator and shows poor performance in the Social Sectors; he asked the banks to ramp up their performances in the Priority Sector during the FY 2020-21. The Chairman MRB opined that Banks normally tend to perform more on the last quarter of the financial year but due to present situation of the country, banks were unable to perform and this has resulted in lower achievements in the Priority Sector.

(ii) **Adoption of ACP Target for FY 2020-21**

The SLBC Nodal Officer apprised the House that the respective LDMs have uploaded district-wise targets in the portal and the targets were already approved at the DCC level. The GM, RBI informed that Urban Co-operative Bank is not under the purview of the SLBC and hence, targets under are not required to be fixed by the SLBC. The House unanimously approved the ACP target of the remaining banks, other than IUCB.

The ACS, Finance advised the banks to achieve 25% in Priority Sector lending in the first quarter, i.e., June quarter itself. The Banks informed that as per their respective policies, most of the transfers and promotions are done during the first quarter. Further, there is considerable decrease in the footfall of customers in the branches due to lockdown. In view of these factors, achievement of 25% under ACP in the first quarter may be a little difficult but banks will try their best to achieve the target taking into consideration the Hon'ble Prime

Minister's Special Economic & Comprehensive Packages as well as State Government programs and policies. AGM, PNB opined that it is usually during the third and fourth quarter Banks pick up in credit portfolio. It was, however, re-iterated that the banks need to put in extra efforts due to the announcements made by the Hon'ble Prime Minister and Finance Minister during the lockdown, and they need to play a crucial role in the revival of the economy of the State.

(iii) **PMEGP:**

(a) **Performance for FY2019-20**

The Nodal Officer SLBC apprised that out of 2400 target 793 loan have been disbursed amounting to 22.74 crs. The AGM PNB requested the concern departments to send the proposal to the branches as early as possible.

(b) **Adoption of PMEGP Target for FY 2020-21**

The SLBC Nodal Officer presented the target for PMEGP FY 2020-21. The House unanimously approved the target.

Agenda 5. Opening of Bank Branches at Unbanked Blocks, Unbanked Urban Local Bodies, and CBS-enabled banking outlets at the Unbanked Rural Centres

The Chairman advised the Banks and Government Departments to expedite the process as it has been a long pending agenda in the SLBC. Completion of the process will not only help the masses but it will also help in implementing Government Policies and Schemes. MDS informed the House that for repairing work of the proposed buildings in the unbanked blocks, they would require fund amounting to Rs 5.23 crores. The banks were also advised to take necessary action as per decision in the Review Meeting of Unbanked Blocks held on 26th May, 2020.

Agenda 6. Allotment of Banks to the Unbanked Blocks for which banks have not been allotted yet.

SLBC Nodal Officer apprised the House that in the Review Meeting of Unbanked Blocks and DBT implementation in the State held on 26th May 2020, 12 new unbanked blocks were allotted to Banks for opening brick and mortar branches at the allotted sites. The House may approve the same. The GM RBI advised that since IOB is under PCA, IOB might find it difficult to take up the task. Hence the house decided to re-allocate Lhungtin Block of Kangpokpi District to PNB. Accordingly, the following allocation of banks was approved by the House.

Sl. No.	Name of District	Name of Block	Name of Bank
1	Jiribam	Borobekra	MSCB
2	Kangpokpi	Champhai	PNB
3	Kangpokpi	Lhungtin	PNB
4	Kangpokpi	Bungte Chiru	PSB
5	Kangpokpi	Kanchup Geljang	SBI
6	Ukhrul	Jessami	SBI
7	Kamjong	Sahanphung	BOI
8	Tengnoupal	Kangbarol	CANARA
9	Churachandpur	Mualnam	AXIS
10	Churachandpur	Kangvai	ICICI
11	Churachandpur	Sangdong	UBI
12	Noney	Haochong	HDFC

Agenda 7. Progress of appointment of more BCs to facilitate DBT implementation.

The ACS Finance advised SLBC Convener that the matter to be discussed in detail in the next Financial Inclusion Sub Committee meeting.

Agenda 8. Inclusion of Financial Education in School Curriculum

The Deputy Secretary Education(S) informed the House that in the State, preparation of syllabus and curriculum is done by SCERT and BOSEM. A meeting was conducted on 13th January, 2020 by the Commissioner (Education-S) in a decision was taken to make an effort to include Financial Education in the School Curriculum by 2022. Accordingly, Director (SCERT) has been requested to find probable timeline for overall review of the Curriculum as per the New Education Policy so that decision of Inclusion of Financial Education can be aligned with the overall review of the Curriculum. The Financial Education Workbook provided by RBI was also shared with SCERT and BoSEM for their consideration.

Agenda 11. Adoption of Bank-wise SHG linkage target for FY 2020-21 under MSRLM

The SMD, MSRLM informed the House that the targets were provided by National Mission Management Unit under MoRD and further added that after approval of the target by the SLBC, the Department will start sending proposals to the banks. The House unanimously adopted the target for the FY 2020-21.

Agenda 12. Miscellaneous Agenda

(i) Inclusion of India Post and IPPB in the Financial Inclusion Activities/ DBT: The Senior Manager, IPPB requested to all the State Government Departments for inclusion of IPPB in the implementation of DBT in Government Schemes as IPPB has a wide outreach across the State with 393 BCs functioning at present. The ACS, Finance advised IPPB to provide their district-wise as well as block-wise details of BCs to Finance Department, banks and concerned District Administration.

(ii) Considering the presence of 23 branches of PNB and being the second largest Bank in the State, the House proposed that PNB set up a Regional Office in the State so that it could facilitate faster decision making and smoother functioning of the Bank.

(iii) The ACS, Finance remarked that as per M.K. Jain Committee recommendations a minimum of 33.33% (1/3rd) of target for crop loan and term loan needs to be earmarked for livestock sector by all banks. All banks were requested to ensure the same.

(iv) The AGM, PNB proposed to the House for PNB to be allowed to set up RSETI at Imphal East District. The Chairman appreciated the proposal and also remarked that the volume of credit linkage is comparatively low and an improvement is expected on this front.

The CGM SBI (through Video Conference) addressed the House and appreciated the banks for coming forward in such a critical moment. Under the flagship programme of Hon'ble PM's Special Economic & Comprehensive Packages, banks have sanctioned 20% of the outstanding loans under MSME through GECL to all eligible borrowers. He further appealed to all the banks to sanction and disburse all pending proposals and take active part in Government Schemes like loan to Street Vendors of Ima Keithel, Agriculture related loans, MSME, etc. and help in reassuring and building of the economy of the State.

The meeting ended with thanks from the Chair.

24/6/20

(**Dr. J. Suresh Babu**)
Chief Secretary
Government of Manipur