**AGENDA OF MEGHALAYA SLBC MEETING FOR**

**THE QUARTER ENDED DECEMBER 2021**

**Adoption of minutes:**

The minutes of the State Level Bankers’ Committee (SLBC) meeting held on 20.12.2021 for the Quarter ending September 2021 was circulated to all the members. Since no request for amendment has been received, the house is requested to adopt the said minutes.

**Agenda -.1:**

**Action Taken Report of SLBC Meeting dated 20.12.2021 for the Quarter ending September 2021**

The Action points emerging out of SLBC meeting held through VC on 20.12.2021 and the ATR compliances is summarized below.

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| **S. No.** | **PARTICULARS** | **Action to be taken by** | **Compliance Remarks/ ATR** |
| 1 | Low activation of Rupay cards compare to the number of Rupay cards issued. Banks are requested to furnish the reasons why there is low activation of rupay cards and the way forward to improve activation | All Banks | Low activation mainly happened because the customers in villages are not withdrawing cash with ATMs  The banks assured to create awareness through FLC camps and various campaigns to increase Debit Cards usage and activations by customers. Special promotional drives will be conducted during festival occasions. |
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| 2 | The status and initiatives on PMJDY account saturation in the State. | All Banks | Banks have been undertaken regular awareness in the branches on PMJDY through intense internal mailers and educative reference pamphlets. The total PMJDY accounts with the bank is **671549.** MRB and SBI have opened 76.59% of PMJDY accounts |
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| 3 | The bank to ensure that the under privileges and low income group of society are getting access to bank credit | All Banks | The Banks with a view to ensure loan availability to the poor, farmers and low income groups have extended loans under KCC to agri and alied activities, Mudra loans to entrepreneurs, PMEGP to unemployed youths, MSME, Revolving Fund and Project Finance to SHGs, Education loans, Housing loans under PMAY schemes etc. Out of total loans of Rs.13745.78 crores, Rs.5995.51 crores is extended to Priority sectors constituting 43.61% |
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| 4 | In the Country, out of 74 crore smart phone users only 2% are using for digital transactions. Therefore, through FLC banks can leverage to improve digital penetration in the State. RBI is requested to highlight the digital penetration in the State in the next SLBC meeting | Banks, SLBC and RBI | The digital coverage to 18,78,917 individuals operative SB accounts is 59.27% with debit/ RuPay card facilities, 25.06% having internet banking, 42.28% having mobile banking/ UPI/ USSD coverage and 13.06% coverage under AEPS.  Out of 44850 business accounts ,the eligible operative Current accounts and Business accounts coverage under internet banking, POS/ QR and mobile banking facilities are 39.70%, 38.48% and 29.26% respectively as on December 31, 2021. |
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| 5 | The chairman requested the Banks to improve the enrolment under SSS and provide information on the number of customers covered under social security schemes (PMJJBY, PMSBY and APY), out of which the number of claims made and settled. | All Banks to submit the detail report in separate annexure | Awareness campaigns through pamphlets, branches and FLCs have been initiated for Social security schemes. The total no of enrolment under PMJJBY, PMSBY and APY as on December 31st 2021 is 174854, 399441 and 35643 respectively. Out of which 457 claims were made and 377 cases were settled. |
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| 6 | Government is requested to help in recovery of Government sponsored NPA loans and pending Bakijai cases. It has been decided to write/ direct from the Chief Secretary to all DCs to initiate suitable actions to recover bank dues under Bakijai cases. Mr Ramesh, CGM of SBI requested the district administrations to conduct credit awareness camps in the State to maintain good credit discipline. | Finance Department and District Administration, Government of Meghalaya | Letter No.FIF.11/1998/754 dated 08.02.2022 was circulated to the Deputy Commissioners of all the districts to organize regular recovery drives for settlement of pending Bakjai cases and loan NPAs. |
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| 7 | Kotak Mahindra Bank (KMB) is requested to update the present status of restriction in loan sanction. Shri Ramesh RS, CGM SBI assured to take up the matter from SBI, LHO Guwahati with CMD of KMB in this regard**.** | KMB and SBI, LHO Guwahati | SBI Letter No. SLBC/SH/2021-22/ 54 dated 24.12.2021 to extend loan under priority sectors and improve CD ratio, was sent to the CEO & MD of KMB |
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| 8 | Out of around 800 BCs reported by banks, around 500 BC are without conducting any transactions. Member banks are requested to provide substantive reasons why transactions are not flowing through these BC. Major defaulters are IPPB, MRB and HDFC Banks. | IPPB, MRB, HDFC and other Banks with Nil transactions of CSP | The BC **under IPPB** are operated only through adhaar authentication (AEPS). Because of low penetration of adhaar and poor network connectivity transactions are very negligible.  **MRB**- Initially transactions were not happened as the machines were under configuration process. Now the online transactions are initiated after the machines (Micro ATM) are configured with respective Current accounts. **HDFC** – Low footfall in BC point have been due to migration of labourers; villages with scarcely population and poor connectivity contributed to low BC transactions. |
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| 9 | Under FI -Coverage of remaining villages with less than 2000 population, no improvement of village coverage though the number of BC have increased from 709 to 796 during the quarter. | All Banks | Banks have assured to deploy more BC in the remaining uncovered villages. As on 31.12.2021 there are 802 BCs. Out of which 71 BCs are inactive. As on 31.12.2021 out of 6459 villages, 97.77% are covered with banking outlets. |
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| 10 | The CD ratio of the State has come down to 40.41% because the Corporate advance for Rs.475 crores under Canara bank is migrated to Assam. Canara Bank is requested to report the amount lended within Meghalaya under SLBC Meghalaya as per prevailing guidelines of Government. | Canara Bank | Canara Bank have included NEEPCO advance under Meghalaya, as a result Canara bank CD ratio have increased to 93% as on 31.12.2021 and the State CD ratio increased to 43.75%. |
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| 11 | Besides Special DCC/DLRC meeting to be conducted in the districts with less than 40%, the LDMs are also directed to conduct Block Level Bankers committee meeting regularly in line with RBI LBS guidelines. Shri P Gangte, GM RBI has pointed out that no Special DCC meeting was conducted in East and West Jaintia Hills district despite having CD ratio of less than 40% for many years. LDM is requested to report the status of conducting DCC/ DLRC meetings, Special DCC meetings in district with less than 40% and conduct of BLBC meeting regularly | LDMs and LDM of East Jaintai and West Jaintia Hills district. | **East & West Jaintia Hills districts**-DCC/ DLRC meeting and Special Sub-committee meetings were conducted on 13.11.2021 and 10.12.2021. However, BLBC meetings were not conducted in view of Covid restrictions. Matter was taken up with BDOs and assured to conduct as the restriction is removed now.  **East Khasi Hills**-DCC/DLRC meetings were conducted for June quarter and BLBC meeting was conducted in Mawsynram and Sohiong on 29.11.2021 and 08.02.2022  **West & South West Khasi**-DCC/ DLRC meetings were conducted upto June-2021 quarter. Special DCC Sub-committee for West and South West Khasi was conducted on 10.12.2021 and 27.12.2021 respectively. |
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| 12 | Banks are requested to dispose of all PMEGP pending proposals within 15.01.2022. As on 30.09.2021, 274 PMEGP proposals were sanctioned against the target of 1391. | All Banks | Banks have assured to dispose the eligible PMEGP proposals and requested implementing agency to coordinate with the allotted bank branches so that any issues can be resolve in time. As on December 31st 2021 348 PMEGP loans were sanctioned by banks. |
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| 13 | Self Help Groups (SHG) maintaining accounts with six months and above should be considered for credit linkage by banks | All Banks | Banks assured to consider to extend SHG loans where SHG accounts maintenance have completed six months or more, in line with RBI guidelines. |
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| 14 | Agriculture department is requested to provide effective SOP relevant to business standards and regulations for operation in connection with the Farmers ID Card prepared by NIC. | Director of Agriculture, Government & NIC, Government Meghalaya | The SOP and the mobile App of Farmers to verify the farmers Identity and data base is circulated to member banks for their confirmation |
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| 15 | Nongkrem dance Festival on 12th November every year is requested to declare as Holiday under NI Act as bank branches waere under compulsion to close the branches every year on this special occasion of the State | Government of Meghalaya | Instructions was submitted to General Administrative Dept from the Finance department bearing No. FIF. 20/2021/24 dated 01.02.2021 to consider Nongkrem dance festival as holiday under NI Act. |
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| 16 | IPPB have covered only 20 villages out of 101 allotted villages under RBI road map for FI. IPPB is requested to coordinate with RBI and arrange to cover all the remaining vilages through BC | IPPB | 13 additional villages were covered in South Garo Hills by IPPB during the quarter. Remaining 78 villages will be cover with CBS branches which is under process of migration to CBS. |

**Agenda – 2: Review of Financial Inclusion Initiatives, Expansion of banking Network and Financial Literacy**

1. **Status of opening of banking outlets in unbanked villages, CBS-enabled banking outlets at the unbanked rural centres (URCs)**

During the quarter ending December 2021 State Bank of India has opened five new branches at Purakhasia, Sohryngkham, Mawdiangdiang, Mylliem and William Nagar in FY 2021-22. PNB have open one branch in Tura and MRB have deployed two BC at Rongara block as branch opening is not feasible in Rongara, South Garo Hills.

Remaining allotted banks i.e MCAB (allotted-3), PNB (allotted-3), MRB(allotted-1), NESFB(allotted-1), Canara Bank(allotted-1) and Axis Bank(allotted-1) are requested to accord top priority to open the allotted branch.

Out of 6459 villages with less than 2000 population, 6315 villages were covered under RBI road map constituting 97.77%. Most of the remaining villages are located in the interior part of the State particularly in South Garo Hills, East Garo Hills and West Garo Hills districts where the infrastructures like internet connectivity, road communications, power supply and business potentials are poor.

In regard to DFS uncovered villages, there are still 13 unbanked villages in the State where allotted banks are yet to deploy banking outlets. ICICI (8 villages) and MCAB (5 villages). ICICI and MCAB are requested to complete deployment of BC/CSP latest by 31.03.2022 and upload the same in DFS Jan Dhan Darshak App

**(b). Review of Operations of Business Correspondents – hurdles/issues involved –BC/CSP:** As on 31.12.2021 there are 802 BCs deployed by Banks and IPPB across the State. BCs are playing a very important role in promoting Financial Inclusion services and economic upliftment at locations other than bank branches to achieve greater financial inclusion.

**(c) Progress in Increasing Digital modes of Payment in the State: Provision of Continuous Connectivity with sufficient Bandwidth/ Resolving connectivity Issues.**

As on 31.01.2022, 98.70% of the operative Saving accounts and 99.75% of the operative Current accounts are covered were covered with at least one of the digital facilities against the total operative Saving and Current accounts.

(d). **Farmers ID Card**

The Standard Operating Procedure (SOP) and the mobile App “**MEG FARMER APP”** to access identified farmers was received on 10.02.2022 from the Technical Director of NIC, Meghalaya State Centre. The same is circulated to the banks for their consideration and sharing of Branch Managers detail as guided in SOP.

**Agenda 3. Review of Business Development and Credit Disbursement by Banks in FY2021-22:**

**Deposits:** The total deposits in the quarter ending December 2021 is ₹.31420.61Crores against ₹.28869.89 **Crores** in December-2020 with a YoY growth of ₹.2550.71 Crores. (Bank-wise position is shown in page no 16).

**Advances:** The total Advances in the Quarter ending December-2021 is ₹.13745.79 Crores as against ₹.12803.92 Crores in December 2020 with a growth of of ₹.941.87 Crores (Bank-wise position is shown in page no.16. The CD ratio at the end of December-2021 is 43.75%

**Comparative position is as under: (Amt. in Crores)**

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| --- | --- | --- | --- |
| **Financial Year** | **Deposits** | **Advances** | **CD Ratio** |
| December-2020 (FY 2020-21) | 28869.89 | 12803.92 | 44.35% |
| March-2021 (FY 2020-21) | 30465.07 | 12969.53 | 42.57% |
| June-2021 (FY 2021-22) | 30120.62 | 13237.12 | 43.95% |
| September-2021 (FY 2021-22) | 30504.93 | 12326.47 | 40.41% |
| December-2021 (FY 2021-22) | 31420.61 | 13745.78 | 43.75% |

**Banks with CD ratio of less than 20%**

**Six banks** out of **30** Banks are with CD ratio of less than 20% as on **31-12-2021**, as against fiveBanks during quarter ended September, 2021.

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| **Sl.** | **Bank Name** | **September 2021 (%)** | **Commitment** | **December 2021 (%)** |
| 1 | KMB | 0.15 | Low CD ratio issue was taken up with the CEO of KMB Bank | 0.17 |
| 2 | IDFC | 1.60 | Submitted action taken Report and strategies to extend more loans particularly in PSA | 4.68 |
| 3 | South Indian Bank | 5.71 | -do- | 7.07 |
| 4 | NESFB | 13.72 | -do- | 18.37 |
| 5 | Union Bank | 18.79 | -do- | 18.84 |
| 6 | Yes Bank | 39.94 | -do- | 19.29 |

**CD Ratio-Review of District with less than 40% and Working of Special Sub-Committee of DCC**

There are 05 districts (East Jaintia, East Khasi, South West Khasi, West Jaintia & West Khasi Hills) with C.D. Ratio below **40%** as on **31st December 2021**. District with less than 40% have confirmed having conducted Special Sub-committee meetings to improve the district CD ratio as mentioned in ATR compliances. (Details in Page-134)

**Priority Sector Advances**

The total Priority Sector Advances is at **₹.5995.50** Crores against the total Advance of ₹.13745.78 Crores constitutes **43.61%** during the quarter and is well above the benchmark of **40%** set by RBI. Bank wise position given in **page no 18-19.**

Agriculture outstanding advances as on December 2021 is **₹.2715.82 Crores** against the total advance of ₹.13745.78 Crores which is 19.76% of total advances against the benchmark of **18%**. Bank wise details furnished in **page No.22.**

**The Priority Sector Sub-Segment wise outstanding as on 31-12-2021:**

(Amt. in Crores)

|  |  |  |
| --- | --- | --- |
| **Sub-Segment** | **Outstanding as on 31-12-2021** | **% against Total Advance** |
| **Agriculture** | 2715.81 | 19.75% |
| **MSME** | 2464.26 | 17.92% |
| **Other PS** | 815.43 | 5.93% |
| **TOTAL** | 5995.50 | 43.61% |

**ACP Targets achievements for FY 2021-22 as on 31st December 2021 is furnished here under:**

**Priority Sector - Segment Wise Target & Achievement (Page 32-33)**

(Amt. in Crores)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **As on 31st December2021** | **Agriculture** | **MSME** | **Other PS** | **Total PSA** | **NPS** | **Grand Total** |
| **Yearly Target** | 1335.01 | 930.10 | 282.86 | 2547.97 | **1760.00** | 4307.97 |
| **Achievement** | 137.39 | 665.24 | 72.65 | 875.28 | **2462.07** | 3337.35 |
| **Achievement %** | 10.29% | 71.52% | 25.68% | 34.35% | 139.89% | 77.46% |

The ACP performance of Private banks remains very low.

**ACP Achievement in Agri Loans for the Quarter ending December 2021 (Bank wise details in page No.36-37)**

The Total Agriculture Loans sanctioned during the Quarter ending December 2021 is ₹**.137.39 Crores**, out of which 16484 numbers of KCC Crop loans were sanctioned **for ₹.94.49 Crores**.

**Agenda: 4. Government Sponsored Scheme Implementation of PMEGP Scheme:**

1. **Prime Minister Employment Generation Program (PMEGP**)

PMEGP Bank wise target for the Financial Year 2021-22 has been fixed for 1391 numbers amounting to  ₹ 38.37 Cr (Margin Money). As on December 31st 2021, 348 PMEGP loans were sanctioned by member banks. Details are placed in page No.117 (Director, KVIC is requested to appraise the house).

Review meeting have been conducted with banks/ Institutions to speed up the sanction process of pending proposals.

1. **National Rural Livelihoods Mission Bank Linkage:**

The ACP target of SHG Bank credit linkage for FY 2021-22 under NRLM has been fixed for **7248 SHGs**. As on 31st December 2021, out of 6145 loan proposals submitted to banks 2879 SHG loans were sanctioned for Rs.36.75 crores. M**SRLS is requested to appraise the House**. (**Details in Page No-131**

1. **Pradhan Mantri Mudra Yojana(PMMY):**

PMMY:-The loans sanctioned under PMMY during the Quarter-3 of FY 2021-22 is as under:

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| --- | --- | --- | --- |
| **Category** | **Sanctioned (Amt. in Crores)** | | **Outstanding (Amt. in Crores)** |
| **No.** | **Amt.** | **Amt.** |
| **Sishu** | 2321 | 8.17 | 25.28 |
| **Kishore** | 2957 | 39.15 | 120.63 |
| **Tarun** | 813 | 41.06 | 98.49 |
| **Total** | **6091** | **88.38** | **244.40** |

**Details in page No.97 and 82-83****)**

**Agenda No.5 - Functioning of RSETIs**

During the FY 2021-22, 40 trainings were conducted by RSETIs for 948 trainees upto 31-12-2021.

**Non-reimbursement of Training expenses by RSETI Tura and RSETI Umran RSETI**

Pending claim of Rs.1.44 crores pertaining to re-imbursement of training expenses in respect of RSETI Umran and Tura (MSRLS to appraise the House)

**Agenda No.6 – Position of NPAs in respect of schematic lending, Certificate Cases and Recovery of NPAs**

Out of 16705 loan accounts for Rs.254.09 crores, there are 1890 NPA loan accounts constituting 9.84% of the total Government sponsored loan. The matter was taken up by the Joint Director Institution Finance & Deputy Secretary, Govt of Meghalaya vide No.FIF.11/1998/754 dated 08.02.2022 with the District administrations to organize recovery along with LDMs

**Agenda No.7 – Any other Agenda**

1. The operation of Bank branches and Business Correspondents (BC) is hamper due to lack of telecom connectivity in rural areas. BSNL and DoT is requested to address the issues
2. As on 31.12.2021, a total number of 346 Housing loans under PMAY with an outstanding amount of Rs.57.81 crores are maintained in the State. During FY 2021-22, 10 PMAY Housing loans were disbursed for Rs.1.80 crores details in Page-126. (National Housing Bank will appraise the house)
3. Government is requested to assist in taking physical possession of mortgaged properties of loan defaulters and handing over to Banks/ Financial Institutions for Sale/ Auction under Securatisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI Act 2002). (MRB will appraise the House)
4. Power point presentation by Agriculture Skill Council of India (ASCI)
5. Enrolment of all Street Vendors under Prime Minister’s Jan Suraksha Scheme (PMJSS) to extend PMSVANidhi loan schemes, and enrolment of PMSVANIdhi beneficiaries with PMSBY and PMJJBY. (Meghalaya Urban Development Agency will appraise the House)