**AGENDA OF MEGHALAYA SLBC MEETING FOR**

**THE QUARTER ENDED JUNE 2021**

**Adoption of minutes:**

The minutes of the State Level Bankers’ Committee (SLBC) meeting held on 30.07.2021 for the Quarter ending March 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 30.07.2021 for the Quarter ending March 2021**

The Action points emerging out of SLBC meeting held through VC on 30.07.2021 and the ATR compliances is summarized below.

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| **S.No.** | **PARTICULARS** | **Action to be taken by** | **Compliance Remarks/ ATR** |
| 1 | Banks and Government employees are requested to get vaccinated as the consequence of second wave of Covid-19 pandemic is very severe and the only protection available for all of us is only through vaccination. | All Banks and Government employees. | Vaccination drives were conducted in Bank Zonal Office, Regional Offices and branches to ensure all bank employees are vaccinated. |
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| 2 | Banks are requested to refrain from deduction TDS on Banks deposits to ST community in the Sixth Scheduled area of Meghalaya, till such clarity is received from the Finance Ministry/ CBDT | All Banks | Banks have noted to refrain from deducting TDS. |
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| 3 | Banks were requested to settle the remaining transfer transactions of around 3400 CRAWL beneficiaries under Labour Department at the earliest | Labour Department, SLBC and Banks | Banks have taken up the matter with Labour Department. BoB, UBI, BoI have contacted Labour dept to provide with correct account numbers, Name and IFSC of remaining beneficiaries to settle the remaining transactions. |
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| 4 | Shri M S Rao, IAS & Chief Secretary to Govt of Meghalaya and Shri Ramesh R.S, CGM, SBI expressed concern on the poor performance of 8 banks (Union Bank, Federal Bank, ICICI, IDBI, IDFC, Kotak Mahindra Bank, South Indian Bank & YES Bank) whose CD Ratio is less than 20%. These banks are requested to work out a suitable strategy to improve their CD ratio by September, 2021 | Union Bank, Federal Bank, ICICI, IDBI, IDFC, Kotak Mahindra Bank, South Indian Bank & YES Bank | There is considerable increase in CD ratio of ICICI, Federal and Yes Bank during the quarter. However, Union bank, IDBI, IDFC, KMB and South Indian Bank are requested to work hard to improve the CD ratio. |
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| **5** | The Chief Secretary expressed with concern over the poor ACP performance of the State with only 59% in the last FY (2020-21). He suggested to take the average of last 3 Financial Years performance while finalizing the ACP Target allotted to banks based on Potential Linked Plan (PLP) of NABARD. He urged the Banks to strive hard for achieving the ACP Target for FY (2021-22) which has been approved in the house. | SLBC and member banks | The three years ACP target and achievement (in Crores) during the last three years.  **FY Target amt- Ach amt - Ach %**  **2018-19** 1810.00 1394.81 77.06%  **2019-20** 1935.72 966.31 49.92%  **2020-21**  2021.58 1192.93 59.01%  The ACP target of Rs. 2548 crores for the FY 2021-22 is recommended based on the PLP of NABARD for Meghalaya. Noted to consider the ACP achievement of the last three years while fixing the ACP target in future. |
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| **6** | On Financial Inclusion Out of 6459 villages with population below 2000 in the state, 6247 villages (96.71%) have been covered and 212 villages are pending as on March 31, 2021. The allotted banks i.e Axis Bank (33), IPPB (101), ICICI (14), MCAB (23) and SBI (41) are requested to seriously make efforts to cover these villages which is overdue for a long time now. | LDMs, Axis Bank, IPPB, ICICI, MCAB and SBI | The coverage of villages with less than 2000 population with banking outlets constituting 96% of the total villages. LDMs are following up with the Banks to cover the remaining villages. |
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| **7** | The Chief Secretary while appreciated the initiatives of the RBI under RBI Roadmap on the opening of banking outlets in villages with less than 2000 population in the State, he requested the Finance Dept to convene a meeting with the GM, RBI to discuss the coverage status because as per C&RD and Agriculture department data there are around 3000 villages under VEC which are not covered with any form of banking facilities. | RBI, Finance Department and Banks | Subcommittee meeting was held on 20.08.2021 chaired by the Secretary Finance and attended by Finance Department, SLBC, SBI and RBI. 3011 villages under VEC identified by the Govt is under data mapping to distribute to allotted banks. |
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| **8** | Under the **National Strategy for Financial Inclusion (NSFI) (2019-24**), out of 42 villages, 3 villages in the State are yet to be covered by banking services as on June 30, 2021. These villages are located at Narwan Village, East Jaintia Hills (allotted to SBI), Bengalkata and Pushkanipara villages in West Garo Hills (MCAB) are yet to be covered by banking outlets. He requested MCAB and SBI to cover the three villages within August 31, 2021. | MCAB and SBI | SBI have recommended to deploy a CSP at Narwan village, East Jaintia Hills. The BC is expected to operate shortly after it is approved by FIMM department.  The two uncovered villages originally allotted to MCAB is re-allotted to MRB. Deployment of BC is expected within September, 2021 for these two villages. |
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| **9** | Activation of RuPAY Card & Aadhar enrolment and Aadhar Seeding: The Chief Secretary stressed upon the need to increase the number of Rupay cards as out of 6.46 lacs PMJDY accounts only 2.70 lacs accounts were activated with Rupay Cards. Shri Ramesh R.S., Chief General Manager of SBI emphasized the Banks for Aadhar enrollment in a Mission mode. Banks are requested to focus on Aadhar seeding as it would facilitate DBT process. | GAD, SLBC and Banks | Banks have assured to mobilise more Rupay cards under PMJDY and increase adhaar enrolment and adhaar seeding in bank accounts. |
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| **10** | **Active BC/CSPs**: The Chief Secretary requested the member banks to submit the existing and active BCs of each Bank. He informed that as of now only Meghalaya Rural Bank and MSRLS are providing the active BC. | SLBC and all Banks | Out of 737 BCs, there are 49 Inactive BC as on March, 2021. |
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| **11** | Punjab National Bank has been allotted for opening of RSETI in Jaintia Hills district by the District Consultative Committee (DCC). In the meeting the house has advised PNB to initiate for setting up of RSETI in Jaintia Hills. | PNB | PNB have been advised vide letter No.AO/SLBC/2021-22/28 dated 18.08.2021 to open RSETI in Jaintia Hills district. |
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| **12** | Shri A.B. Kamble, Director of KVIC Shillong requested the banks to sanction the 584 pending proposals of PMEGP loans at the earliest possible. These pending proposals are the carry-over from 2020-21 including the target of the June, 2021 quarter. | All Banks | Banks have noted and assured to sanction the eligible proposals at the earliest. |
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| **13** | The Chief Secretary has requested all Banks operating in South Garo Hills and South West Khasi Hills to extend more loans under PMMY. He appreciated the banks for doing fairly well in credit link to SHGs through MSRLS, but requested the Banks to do more in coordination with MSRLS.  MCAB is requested to facilitate the sanction of higher Limit to SHG loan implemented by MSRLS as was sanctioned by SBI and MRB. | All Banks in South Garo and South West Khasi Hills districts and MCAB | Banks have sanctioned 10 and 3 PMMY proposals in South Garo and South West Khasi Hills during the quarter and assured to increase the numbers in the following quarters of FY.  MCAB have assured to sanction SHG loan Limit in line with RBI guidelines |
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| **14** | Aspirational District of RiBhoi has achieved digital coverage of 98.54% for SB accounts and 98.48% for Current Accounts as on 31.06.2021. Shri Ramesh R.S. CGM, SBI and GM, RBI requested all the Banks operating in RiBhoi district to prioritize the achievement of 100% digitization in the shortest possible time. | LDM and Banks in Ribhoi district | As on 30.06.2021 digital coverage of 98.96% in SB Accounts and 99.02% in Current Account were achieved upto 30.06.2021.  In the last DCC meeting held on 23.08.2021 it was agreed to complete the exercise for 100% coverage in both SB & CA by September, 2021 |
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| **15** | The Chief Secretary called upon MCAB and SBI to consider opening bank branch at Raksamgre and Tikrilla in West Garo Hills., which was allotted by Finance Department, Govt of Meghalaya. He informed that the Government is ready to incentivize for opening new branches in terms of Lands and logistics supports. | Action: SBI and MCAB | SBI branch is opened at Tikrikilla, West Garo Hills.  MCAB have been advised to open a branch at Raksamgre, West Garo Hills vide Letter No.AO/SLBC/2021-22/17 dated 18.08.2021. |
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| **16** | Shri AK Sarangi, General Manager NABARD suggested to call for a Sub-Committee Meeting to discuss the issue of DFS Uncovered villages. The Chief Secretary also suggested to share the remaining uncovered villages with the Government and the Deputy Commissioner of respective districts for better co-ordination amongst all stake holders | SLBC and MCAB | Sub-Committee meeting was held on 03.09.2021 to resolve the issue of 21 DFS uncovered villages. ICICI Bank, HDFC and UCO bank have assured to covered within September and MCAB have committed to cover 3-4 villages within September, 2021. |

**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)**

A Sub-Committee meeting was held on 20.08.2021 to understand the gaps/ limitations with regard to uncovered villages with less than 2000 population. The meeting was presided by Shri EY Chen, Secretary Finance, Govt of Meghalaya and attended by representatives from Finance Department, SLBC and Reserve Bank of India. It was decided to re-submit to allotted banks the 3011 villages identified by VEC under C&RD to ascertain the location of banking outlets to these villages. The list of 3011 villages were provided by SRES, C&RD , Govt of Meghalaya

The progress report of branch opening in FY 2021-22 in 15 areas identified by the Finance Department, Govt of Meghalaya is submitted to Finance Department on 26.08.2021 and discussed in Sub Committee held on 03.09.2021. The allotted banks are State Bank of India, PNB, MCAB, NESFB, Canara Bank, Axis Bank, and MRB.

AS on 30.06.2021 there are 21 unbanked villages allotted by DFS to MCAB-8, ICICI-9, HDFC-3 & UCO bank-1. Review meeting was held on 03.09.2021. Member Banks are requested to accord top priority to deploy with BC/CSP those villages and updated the details in Jandhan darshak app within 30.09.2021

**Financial Inclusion Roadmap of RBI under “National Strategy for Financial Inclusion (NSFI) : 2019-2024**– To provide Banking access to every village/ hamlets of 500 Households within 5 KM radius in hilly areas by March-2020.

Out of 42 villages with 500 households, three remaining uncover villages is desired to cover with banking outlets within 30.09.2021. Two villages i.e Bengalkata & Pushkanipara in West Garo Hills which was originally allotted to MCAB was re-allotted to MRB on 09.09.2021 to cover with BCs fixed point within 30.09.2021. Narwan village in East Jaintia district allotted to SBI is expected to open with CSP at Narwan village within September-2021.

**(b) Review of Operations of Business Correspondents – hurdles/issues involved –BC/CSP:** Business Correspondents are responsible for delivering banking services at the doorstep in the villages. They play a very important role in promoting Financial Inclusion and support economic upliftment at the village level. To make BC model successful it is imperative to address key infrastructures required by BC like internet/ mobile Connectivity and better remuneration. As on **31.06.2021** there are **709 BCs** deployed by Banks and IPPB across the State.

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

All the banks operating in the states should give special focus on providing Digital products to the account holders with atleast any one of the facilities such as Debit Cards/ Rupay Cards/ UPI/ Internet Banking/ POS to increase the Digital modes of Payments in the State. As on 30.06.2021 digital coverage of 98.96% in SB Accounts and 99.02% in Current Account were achieved. In the last DCC meeting held on 23.08.2021 it was agreed to complete the exercise for 100% coverage in both SB & CA by 31st August, 2021

**(d) Setting-up of Solar Powered V-SAT:**

NABARD is requested to give the overall status Report of Solar Power V-Sat

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

**Deposits:** The total deposits in the quarter ending June 2021 is ₹.**30120.62** Crores against ₹.**27106.27** Crores in June-2020 with a YoY growth of ₹ **3014.35** Crores. (Bank-wise position is shown in page no 14).

**Advances:** The total Advances in the Quarter ending June-2021 is ₹.**13237.12** Crores as against ₹.**11768.35** Crores in June, 2020 with a YoY growth of ₹ **1468.77** Crores (Bank-wise position is shown in page no.14). The CD ratio marginally increase from **43.42%** to **43.95%** at the end of June-2021 with an absolute increase of advance by **₹ 1468.77** Crores.

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

|  |  |  |  |
| --- | --- | --- | --- |
| **Financial Year** | **Deposits** | **Advances** | **CD Ratio** |
| June-2020 (FY 2020-21) | 27106.27 | 11768.35 | 43.42% |
| September-2020 (FY 2020-21) | 28709.99 | 12373.94 | 43.09% |
| 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% |

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

**7** out of **30** Banks are with CD ratio of less than 20% as on **30-06-2021**, as against **8** Banks in the quarter ended March, 2021.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sl.** | **Bank Name** | **March-2021 (%)** | **Commitment** | **June 2021 (%)** |
| 1 | KMB | 0.20 | Submitted action plan and strategies to extend more loans particularly in PSA | 0.32 |
| 2 | IDFC | 0.20 | -do- | 0.57 |
| 3 | South Indian Bank | 5.21 | -do- | 4.99 |
| 4 | Yes Bank | 2.08 | -do- | 13.99 |
| 5 | Union Bank | 18.21 | -do- | 17.32 |
| 6 | IDBI | 18.87 | -do- | 18.03 |
| 7 | NESFB | 21.46 | -do- | 19.22 |

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

There are **06** districts (East Jaintia, East Khasi, South Garo, South West Khasi, West Jaintia & West Khasi Hills) with C.D. Ratio below **40%** as on **30th June 2021**. District with less than 40% to ensure that Special Sub-committee meeting is conducted quarterly with suitable strategy and action plans to improve the district CD ratio.

**Priority Sector Advances**

The total Priority Sector Advances at **₹ 5710.67** Crores against the total Advance of ₹ **13237.12** Crores constitutes **43.14%** during the quarter and is well above the benchmark of **40%** set by RBI. Bank wise position given in **page no 15-16.**

Agriculture outstanding advances as on March 2021is **₹ 2730.27 Crores** (inclusive of RIDF investment ₹ **624.79 Cr**) against the total advance of ₹ **13237.12 Crores** which is **20.62%** of total advances against the benchmark of **18%**. Bank wise details furnished in **page no 19.**

**The Priority Sector Sub-Segment wise outstanding as on 30-06-2021:**

(Amt. in Crores)

|  |  |  |
| --- | --- | --- |
| **Sub-Segment** | **Outstanding as on 30.06.2021** | **% against Total Advance** |
| **Agriculture** | 2730.27 | 20.62% |
| **MSME** | 2188.97 | 16.54% |
| **Other PS** | 791.46 | 5.98% |
|  | 5710.67 | 43.14 |

**ACP Targets achievements for FY 2021-22 as on 30th June, 2021 is furnished here under:**

**Priority Sector - Segment Wise Target & Achievement (Page 29-30)**

(Amt. in Crores)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **As on 30th June 2021** | **Agriculture** | **MSME** | **Other PS** | **Total PSA** | **NPS** | **Grand Total** |
| **Yearly Target** | 1335.00 | 930.10 | 282.86 | 2547.97 | **1760.00** | 4307.97 |
| **Achievement** | 30.15 | 253.29 | 21.26 | 304.70 | 577.26 | 881.96 |
| **Achievement %** | 2.26% | 27.23% | 7.52% | 11.96% | 32.80% | 20.47% |

**ACP Achievement in Agri Loans for the Quarter ending June 2021 (Bank wise details in page no 33-34)**

The Total Agriculture Loans sanctioned during the Quarter ending June 2021 is ₹**.30.15 Crores**, out of which **3810** numbers of KCC Cards was sanctioned for ₹.**17.53 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),** out of which **24 PMEGP** loan proposals were sanctioned during upto June-2021 by the Banks. Total margin money of **₹ 1.45 crores** was disbursed as on **30th June 2021**. Details are placed in **page no.124** (**Director, KVIC is requested to appraise the house).**

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 **June 30th 2021** out of **2463** loan proposals received by banks, **449 SHGs** proposals were sanctioned for **₹ 6.14 Crores** **MSRLS will appraise the House**. (**Details in Page No-131)**

1. **Pradhan Mantri Mudra Yojana:**

PMMY:-The loans sanctioned under PMMY during the Quarter-1 of FY 2021-22 is as under:

|  |  |  |  |
| --- | --- | --- | --- |
| **Category** | **Sanctioned (Amt. in Crores)** | | **Outstanding (Amt. in Crores)** |
| **No.** | **Amt.** | **Amt.** |
| **Sishu** | 732 | 2.53 | 42.59 |
| **Kishore** | 908 | 12.79 | 148.93 |
| **Tarun** | 212 | 13.09 | 90.49 |
| **Total** | **1852** | **28.41** | **282.01** |

**Details in page No.81-81 and 96****)**

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

1. Opening of new Rural Self-employment Training Institute (RSETI) in Jaintia Hills district was allotted to PNB and informed vide letter No.AO/SLBC/2020-21/ 28 dated 18.08.2021. PNB has taken up the matter with their controller for approval to set up a new RSETI in Jaintia Hills district.
2. Branch Managers are requested to participate in the training programs and highlighted the available loan schemes to trainees and ensure credit linkage to eligible participants.

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

Banks are noted with concern the increasing number of Non-Performing Assets (NPAs) and requested the Government departments and Bakijai officers to coordinate with the branch Managers to resolve the pending bakijai cases. The total NPA under Priority sector advances stand at ₹ 554.02 Crores constituting 9.70% of total PS outstanding. In the other hand the total NPA under Non priority sector advances is ₹ 73.76 Crores constituting 0.99%

**Agenda No.7 – Any other Agenda**

(a). Street Vendors have been included in the category of “Retail Trade”, by the Ministry of Micro-Small and Medium Enterprises (MSME) vide Letter No.16/17/2020-P&G/Policy(E-19421) dated August 09, 2021. This move by the Government will benefit the Street vendor immensely by way of continue credt flow even after closure of PMSVANidhi scheme.

Street vendors would be covered for funding under “Priority Sector Lendings” and eligible for under MUDRA loans under SHISHU category. Member Banks are requested to sensitize the operating units and branches appropriately.

(b). The PMEGP ACP target for the financial year 2021-22 is approved by the State Level Monitoring Committee (SLMC) for 1391 units for Rs.38.37 crores margin money. The house may approve the proposal.

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