**AGENDA OF MEGHALAYA SLBC MEETING FOR**

**THE QUARTER ENDED SEPTEMBER 2021**

**Adoption of minutes:**

The minutes of the State Level Bankers’ Committee (SLBC) meeting held on 29.10.2021 for the Quarter ending June 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 29.10.2021 for the Quarter ending June 2021**

The Action points emerging out of SLBC meeting held through VC on 29.10.2021 and the ATR compliances is summarized below.

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| **S.No.** | **PARTICULARS** | **Action to be taken by** | **Compliance Remarks/ ATR** |
| 1 | Banks with NIL disbursement in Mudra loans, Agriculture and Agri-allied activities like Piggery, KCC for Dairy and Fishery activities to make concerted efforts with special focus for extending working capital requirement of farmers and entrepreneurs. | CBI, IOB, PSB, UCO Bank, Axis Bank, Federal Bank, ICICI, IDBI, IDFC, IndusInd, KMB, NESFB, SIB, Yes Bank, JCUB, MCAB, SCUB and TCUB. | Banks have confirmed to focus in extending more loans under Mudra, Agriculture and allied activities. District level KCC camps for two months wef from 15.11.2021 for agri and allied activities is being conducted throughout the State.. |
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| 2 | Banks are facing mounting overdues at around 50% and NPA at around 12% in Agriculture loans and Government sponsored schemes.loans. | Government department and District Bakijai officers | Finance department have taken up with the DC vide No.FiF.11/1998/739 dated 06.11.2021 on banks NPA and Bakijai cases. |
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| 3 | Banks to put in place suitable mechanism to increase lending quarter on quarter, particularly Banks with less than 20% CD ratio  KMB, IDFC and SIB to submit the reporton planning and strategy to improve CD ratio | KMB, IDFC, SIB, Yes Bank, Union Bank, NESFB and Finance Department | There are five banks with less than 20% CD ratio in September 2021 against seven banks in the last quarter.  IDFC and SIB have started offering more loan segments and assured to cross 20% CD ratio within March-2022. KMB is not authorized to sanction any loan by controller.  Two banks i.e Yes bank and IDBI have crossed the 20% benchmark during the quarter. |
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| 4 | Branch expansion plan to open branches in rural areas is very slow. This will have negative impact in Financial Inclusion and financial services in rural areas. | SBI, NESFB, MCAB, PNB, MRB,Canara and Axis bank | SBI have open three branches at Sohryngkham, Mawdiangdiang, and William Nagar from the target of 5 branch for 2021-22. MCAB have open a branch in Umkiang, East Jaintia Hills. |
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| 5 | Dr V Kumar D, Commissioner & Secretary Finance department pointed out the need to stop TDS deduction from VEC accounts under MGNREGA daily wages | All Banks | Banks have been informed to stop deducting TDS from VEC accounts under MGNREGA immediately. |
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| 6 | Banks are requested to submit the BC details report bank-wise | All banks | BC details have been submitted to Finance department on 02.11.2021 |
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| 7 | As the major issues of FI and banking services in villages depends on Internet connectivity, Road communication, and irregular power supply. The Banks are requested to submit the status report to finance department and SLBC | All Banks | Nine banks have submitted the reports, SLBC is following up with the remaining banks to submit at the earliest |
|  |  |  |  |
| 8 | PMEGP Schemes – A separate review meeting to resolve the pending proposals with various banks | Industries department, Finance Dept, KVIC and Banks | Separate review meeting was held on 10.11.2021. Banks have informed about the difficulty to contact the beneficiaries. Banks assured to sanction and disbursed eligible proposals. |
|  |  |  |  |
| 9 | Shri Sampat Kumar, Principal Secretary to the Government of Meghalaya requested the Banks to ensure opening of pending SGH Saving bank account at the earliest. | MRB, MCAB, SBI, PNB, CBI, NESFB, UCO Bank | Banks assured to open remaining accounts if there is no issues. The matter was discussed in the review Sub-committee meeting held on 02.12.2021 |
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| 10 | Uncovered villages in Jandhan darshak app – HDFC, MCAB and ICICI Banks are requested to cover the remaining 15 villages and upload the banking touchpoints in Jandhandarshak app by November, 2021 | MRB, MCAB, ICICI Bank | ICICI bank and HDFC have reported having covered the allotted villages but updation of banking touch points in the app is expected to complete by 05.12.2021  MCAB with remaining five uncovered villages is requested to cover at the earliest. |
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| 11 | IPPB have covered only 20 villages out of 101 allotted villages under FI plan, despite having 239 BCs and 8 branches. A separate Sub-committee meeting is suggested to be conducted between IPPB, Finance Department, RBI and SLBC to resolve the issue of remaining uncover villages by IPPB. | SLBC, Finance Department, RBI and IPPB | A Sub committee constituting Government, RBI, SLBC and IPPB was held on 03.12.2021 to resolve the issues |
|  |  |  |  |
| 12 | PM Svanidhi Scheme performance report requested to submit by all banks daily/ regularlyto SLBC for compilation and submission to DFS, Govt of India | NULM & All banks | Banks and NULM assured to submit the report regularly |
|  |  |  |  |
| 13 | COVID-19 vaccination of the banks employees, Chief Secretary requested all the banks to submit the report on vaccination taken by employees, which bank/branches and employees has taken or are yet to take the vaccine. | All banks | Vaccination drives were conducted in Banks Zonal Office, Regional Office and branches to ensure that all Bank employees get vaccinated. Guidelines have been issued for protection through vaccination. Around 89% of the total staff have completed vaccination as on October 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)**

During the quarter ending September 2021 State Bank of India has opened three branches at Sohryngkham, Mawdiangdiang and William Nagar against the target of five branches for FY 2021-22. MCAB have open one branch in Umkiang, East Jaintia Hills.

Remaining 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, 6279 villages were covered under RBI road map constituting 97%. 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.

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

**(b). Review of Operations of Business Correspondents – hurdles/issues involved –BC/CSP:** To make BC model successful it is imperative to address key infrastructures required by BC like pay,emt of remuneration regularly/ internet/ mobile Connectivity. As on **3.09.2021** there are **796 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.**

As on 30.09.2021 99.96% of the identified merchants/ traders/ bausiness/ service providers were on-boarded in aspirational district Ribhoiand 99.25% coverage is achieved against the total operative accounts with at least one of the digital facilities.

(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 September 2021 is ₹. **30504.92** Crores against **₹.28709.99** Crores in September-2020 with a YoY growth of ₹ 1794.93 Crores. (Bank-wise position is shown in page no 14).

**Advances:** The total Advances in the Quarter ending September-2021 is ₹.**12326.47** Crores as against ₹.**12373.94** Crores in September 2020 with a negative YoY growth/ decline of ₹. 47.47 Crores (Bank-wise position is shown in page no.14). The CD ratio at the end of September 2021 is 40.41%

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

|  |  |  |  |
| --- | --- | --- | --- |
| **Financial Year** | **Deposits** | **Advances** | **CD Ratio** |
| 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% |
| September-2021 (Fy 2021-22) | 30504.93 | 12326.47 | 40.41% |

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

**Five banks** out of **31** Banks are with CD ratio of less than 20% as on **30-09-2021**, as against **seven** Banks during quarter ended June, 2021.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sl.** | **Bank Name** | **June 2021 (%)** | **Commitment** | **September 2021 (%)** |
| 1 | KMB | 0.32 | BM is restricted to sanction loan | 0.15 |
| 2 | IDFC | 0.57 | Submitted action taken Report and strategies to extend more loans particularly in PSA | 1.60 |
| 3 | South Indian Bank | 4.99 | -do- | 5.71 |
| 4 | NESFB | 19.22 | -do- | 13.72 |
| 5 | Union Bank | 17.32 | -do- | 18.79 |

**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 September 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. (Details in Page-72)

**Priority Sector Advances**

The total Priority Sector Advances at **₹.6034.73** Crores against the total Advance of ₹.12326.47 Crores constitutes **48.96%** 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 September 2021 is **₹ 2716.72 Crores** (inclusive of RIDF investment ₹ **636.39 Cr**) against the total advance of ₹ **12326.47 Crores** which is **22.03%** 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 30-09-2021:**

(Amt. in Crores)

|  |  |  |
| --- | --- | --- |
| **Sub-Segment** | **Outstanding as on 30.09.2021** | **% against Total Advance** |
| **Agriculture** | 2716.72 | 22.04% |
| **MSME** | 2421.08 | 19.64% |
| **Other PS** | 896.93 | 7.28% |
|  | 6034.73 | 48.96% |

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

**Priority Sector - Segment Wise Target & Achievement (Page 25-26)**

(Amt. in Crores)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **As on 30th September2021** | **Agriculture** | **MSME** | **Other PS** | **Total PSA** | **NPS** | **Grand Total** |
| **Yearly Target** | 1335.00 | 930.10 | 282.86 | 2547.97 | **1760.00** | 4307.97 |
| **Achievement** | 78.18 | 420.43 | 48.92 | 547.53 | 1845.26 | 2392.79 |
| **Achievement %** | 5.86% | 45.21% | 17.29% | 21.49% | 104.82% | 55.53% |

The ACP performance of Private banks remains very low.

**ACP Achievement in Agri Loans for the Quarter ending September 2021 (Bank wise details in page no.27-28)**

The Total Agriculture Loans sanctioned during the Quarter ending September 2021 is ₹**.78.18 Crores**, out of which 10779 numbers of KCC Cards was sanctioned for ₹.51.41 **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 1088 proposals, 158 were disbursed during FY 2021-22 upto September-2021 by the Banks. Total margin money of ₹.2.58 crores was disbursed as on 30th September 2021. Details are placed in page no.66 and 95 (Director, KVIC is requested to appraise the house).

Banks with highest number of pending cases are SBI, MRB, MCAB, HDFC, CBI

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 30th September 2021, out of 3728 proposals submitted to banks 1331 SHG loan accounts were sanctioned upto September 2021. **MSRLS is requested to appraise the House**. (**Details in Page No-96)**

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

PMMY:-The loans sanctioned under PMMY during the Quarter-2 of FY 2021-22 is as under:

|  |  |  |  |
| --- | --- | --- | --- |
| **Category** | **Sanctioned (Amt. in Crores)** | | **Outstanding (Amt. in Crores)** |
| **No.** | **Amt.** | **Amt.** |
| **Sishu** | 1556 | 3.26 | 22.58 |
| **Kishore** | 993 | 17.64 | 106.49 |
| **Tarun** | 384 | 23.15 | 88.06 |
| **Total** | **2933** | **44.05** | **217.13** |

**Details in page No.46 AND 57****)**

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

1. The allotted new Rural Self-employment Training Institute (RSETI) for opening in Jaintia Hills district allotted to PNB is requested to speed up the process – PNB is requested to update the Progress Report.
2. Pending claim of Rs.1.39 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**

Banks have reported that initiation under Bakijai cases in the districts is very slow, despite high number of NPA of Government sponsored schemes. Notices were not served to the borrowers against the pending Bakijai cases.

**Agenda No.7 – Any other Agenda**

1. A total number of 374 Housing loan under PMAY with an outstanding amount of 60.56 crores as on September 2021. During 2021-22, 17 PMAY Housing loans were disbursed for Rs.2.60 crores
2. Additional Interest Subvention @ 2% under PRI scheme of the State Government.- Banks are requested to submit the Claim for FY 2020-21 (Out of 31 banks only 10 Banks have submitted the report)
3. Farmers ID Cards presentation was made by NIC in collaboration with Agriculture department on 30th November 2021