

**GOVERNMENT OF MEGHALAYA
FINANCE (ECONOMIC AFFAIRS) DEPARTMENT
INSTITUTIONAL FINANCE BRANCH**

No. FIF 3/2024/33

Dated Shillong, the 12th March, 2025

From: Smti N. Tariang
Director Institutional Finance & Ex-Officio
Joint Secretary to the Government of Meghalaya
Finance (Economic Affairs) Department
Government of Meghalaya

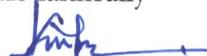
To: The Assistant General Manager
R-I & Convener SLBC, Meghalaya,
SBI Administrative Office, Lead Bank Section
Dhanketi, Shillong - 793001

Sub: Minutes of the SLBC meeting for quarter ending September, 2024, held on 16th January, 2025.

Sir,

In inviting a reference to the subject cited above, I am directed to forward herewith the Minutes of the SLBC meeting for the quarter ending September, 2024, held on 16th January, 2025, at Vivanta Meghalaya, Shillong, under the Chairmanship of Shri D.P.Wahlang, IAS, Chief Secretary and Chairman SLBC Meghalaya, for favour of information and necessary action with a request to kindly circulate the same to all the member banks.

Yours faithfully



Director Institutional Finance & Ex-Officio
Joint Secretary to the Government of Meghalaya
Finance (Economic Affairs) Department

Memo No. FIF 3/2024/33-A

Dated Shillong, the 12th March, 2025

Copy forwarded to:-

1. P.S. to Chief Secretary to the Government of Meghalaya, for information of Chief Secretary.
2. P.A. to Principal Secretary / Commissioner & Secretary / Secretary / Additional Secretary / Joint Secretary, to the Government of Meghalaya _____ Department for favour of information of Principal Secretary / Commissioner & Secretary / Secretary / Additional Secretary.
3. All Deputy Commissioners for favour of information and necessary action.
4. The State Director, Khadi and Village Industries Commission, Shillong – 793001, for favour of information and necessary action.
5. The Chief Executive Officer, Khadi and Village Industries Board, Shillong – 793001, for favour of information and necessary action.

By order etc.,



Director Institutional Finance & Ex-Officio
Joint Secretary to the Government of Meghalaya
Finance (Economic Affairs) Department

MINUTES OF THE SLBC MEETING FOR THE QUARTER ENDED SEPTEMBER ENDED 2024 HELD ON THE 16.01.2025 AT 4.00 PM

The State Level Bankers Committee (SLBC) Meeting for the quarter ended September 2024 was held on 16th January 2025 at Vivanta Meghalaya, Shillong, under the Chairmanship of Shri Donald P. Wahlang, IAS & Chief Secretary, Govt. of Meghalaya.

Shri. Anindya Deb, AGM SBI & SLBC Local Convener, in the opening address welcomed all the participants and requested Shri. Ashwin Prabhakar Kulkarni, Convener SLBC, to address the gathering.

Shri. Ashwin Prabhakar Kulkarni, DGM (SLBC) in his speech informed that there has been small growth of deposits (YOY growth of 8.78%) and advances (YOY growth of 10.42%). He informed that the CD ratio has improved from 50.25% to 50.69%, the state CD ratio is well below the national benchmark of 60%. He urged banks to increase their advances portfolio so that CD ratio will reach the national benchmark. There has been good growth in priority sector where the state has achieved 43.95% which is above the minimum target of 40%. However, agriculture advances stand at 17.23% which is still below the national benchmark of 18% set by RBI. There is YOY growth of 16% in total priority sector advances, which is an indication of the level of commitment by banks to ensure growth of agriculture and MSME advances. In ACP performance banks have achieved 50.77% of the target as on September 2024. He urged banks to increase financing in KCC, Animal Husbandry and Fisheries under the KCC saturation program. He urged banks with NIL outstanding in Govt Sponsored Schemes to take steps to sanction advances under the Govt Sponsored Schemes and also to actively participate in the flagship schemes of the Government, viz., PM Vishwakarma, PM Svanidhi, PMEGP etc. He informed that while overall NPA in Govt Sponsored schemes have reduced, NPA in NULM at 50% is alarming and it creates a negative impact on credit culture. He urged all stakeholders at the district level to focus on efforts to reduce the NPA under the scheme. He informed that considering the benefits of Social Security Scheme vis-a-vis the low premium, the schemes should be promoted by District Administration and Banks to increase the coverage under the schemes. BCs/CSP channels are to be leveraged for growth in enrollment under the schemes.

(Action: SLBC and all the Banks)

2. Shri. Donald P. Wahlang, IAS & Chief Secretary, Govt of Meghalaya in his address, welcomed all the participants in the meeting and informed that at the Government level there is a PRAGATI Meeting under the Chairmanship of the Honorable Prime Minister with all the Chief Secretaries of the states. The meeting is held on the 26th of every month to review the progress of certain Govt Schemes. In recent meetings two schemes were the focus of discussion viz, the PM Surya Muft Bijli Scheme and PM Vishwakarma Scheme. He explained that PM Surya Muft Bijli Scheme is a scheme for installation of solar rooftop on individual houses for solar power generation and does not have any income criteria. The subsidy under the scheme is applicable for power upto 3 KW and maximum subsidy amount is Rs 78,000/-. The extra electricity that is generated will be fed back into the MeECL grid as MeECL is in a position to install net metering system for the scheme which will enable the individual/customer to earn some extra income in case their consumption is less than the generated capacity. Since all citizens are eligible for the scheme, he urged all the members to avail the scheme and to promote it to their customers and clients. To avail the scheme, the citizen have to apply online and the nodal agency for the scheme is the Power Department. He directed SLBC to provide details of the advances given to their customers under the scheme in the next SLBC meeting.

(Action: SLBC and all the Banks)

- (a) The Chief Secretary also informed about PM Vishwakarma and it is observed that the State's performance till now is very low. However, in the last one month the scheme has gained a lot of traction in the state. The Deputy Commissioners and Banks have publicity meetings to publicized about the scheme.

He emphasized that both the schemes PM Surya Ghar and PM Vishwakarma are very important and they are being monitored at the highest level. He urged all the banks to give importance to the schemes and to show some performances/advances under these schemes by the next SLBC meeting.

(Action: SLBC and all the Banks)

- (b) He also emphasized the importance of Social Security Schemes namely PMJJBY, PMSBY, APY as it will be helpful to the people who faced the maximum hardship especially people under BPL. He also informed that apart from these schemes there is another scheme viz, PM SYM (Pradhan Mantri Shram Yogi Maandhan), under Labour Department, Government of India, a contributory pension scheme for daily wage labourers. The contribution under the scheme is very small compared to the benefits available to the customer and he urged the banks to introduce/publicize this scheme to their customers. He asked SLBC to include this scheme in the agenda for discussion along with other Social Security Schemes in SLBC meetings.

Concluding his address, the Chairman urged all the stakeholders and banks to work towards enhancing the living standards of the people under BPL and those who are marginally above BPL, so that they too are empowered and their economic condition improves.

(Action: SLBC and all the Banks)

3. Detailed discussion on the Agenda of the meeting.

The Minutes of the last SLBC meeting for the quarter ended June 2024 was adopted by the house without any request for change.

- (a) **Agenda No 1:** It was informed that some banks are forcing SHG members to avail insurance under PMJJBY and PMSBY. The Chairman, MRB informed that no bank is forcing the SHG members to avail the insurance. He requested banks and MSRLS to give awareness to the SHG members about the benefits of the schemes so that the members will be encouraged to enroll themselves. The Chief Secretary reiterated that all stakeholders publicize the new scheme PM SYM where the Government of India contributes 50% of the pension and 50% is from the beneficiary. The Government has taken a policy decision with building and other constructions workers which has a huge amount as corpus that will make the contribution for the beneficiary.

(Action:- SLBC and MSRLS)

- (b) **Agenda No 2: Expanding and Deepening of Digital Payment Eco-system:** The Convener informed that there has been improvement in the percentage of coverage under digital payment system from 69.08% as on June quarter to 74.03% on September quarter. He informed that in the Sub-Committee meeting the two major banks have assured to improve their digital payment coverage, namely MRB from 45.91% to 75% and MCAB from 26.89% to 50% by March 2025. Once they achieve the above coverage, the overall coverage for the state will go to above 90%.

(Action:- MCAB and MRB)

- (c) **Agenda No 3:** During discussing on the banks with CD Ratio less than 25%, representative from Jana Small Finance Bank informed that they have started advances in Gold loans. Representative ESAF informed at present they are starting with Gold loan advances and they will start Micro Finance from next financial year. YES Bank informed that their internal lending policy does not allow them to give loans for Govt Sponsored Schemes and Mudra loans. The Chief Secretary asked SLBC to write to the Secretary Department of Financial Services for clarification in the matter. The SLBC Convener proposed to increase the minimum benchmark for CD Ratio of Banks from 25% to 30% which was accepted by the house.

(Action: SLBC and banks with CD ratio less than 25%)

- (d) **Agenda No 4: Government Sponsored Scheme Implementation of PMEGP Scheme:** the Convener informed that there are some banks namely Bank of Maharashtra, Bandhan Bank, Federal bank, HDFC, IDFC, IndusInd bank, Kotak Mahindra, South India bank, Yes Bank, ESAF, JSF NESEB and Ujjivan Bank with nil PMEGP advances. He requested the representative from KVIC to send proposals of PMEGP applicants to these banks to speed up the disbursement process, as KVIC usually send proposals to three major banks only namely, SBI, MCAB and MRB and since these banks have huge applicants, hence there is delay in the process of disbursement. Regarding pending applications with the banks, MCAB and MRB requested KVIC to share the list of pending application so that necessary action can be taken from the banks.

(Action: KVIC and SLBC)

- (e) **Agenda No 5: Position of NPA in respect of schematic lending, Certificate Cases and Recovery of NPAs:** The Convener informed that NPA percentage in PMEGP is high consisting of 17.08% of total NPA. Shri. Osman Nongbri, Managing Director MCAB, informed that the main reason for loans becoming NPA is due to lack of awareness on utilisation and maintenance of Cash Credit accounts. He informed that the Term Loan portion generally remains standard because customers know how to maintain the same. Another reason is the Legacy loans which are pending for long time and are difficult to clear off from their books. The Convener clarified that the Legacy loans referred by MCAB are those where the loan amount was disbursed by credit to the borrower's savings bank account and borrowers misuse the funds. At present all banks are disbursing the loans by paying to the vendors who supply the machinery, raw material etc. Therefore, there is less NPA in new loans sanctioned.

(Action: SLBC)

- (f) **Agenda No 6: Matrix Score:** The Chief Secretary observed that there is a huge gap in the score obtained by the top 3 banks and the rest of the banks. He asked banks to check the Matrix data and analyze the parameters where their score is very low. They should take corrective action to improve their performance in these areas so that their overall score will improve. The Chairman MRB requested the Government to reward those banks who have performed well as per the Matrix. The Chief Secretary informed that Government has got very little control over utilisation of Government deposits which remains in the bank accounts for a very short time. At present Government deposits are utilised within a stipulated time and Government of India is monitoring the funds very closely. However, he assured that the State Government and the Finance Department will explore how to incentivise the well performing banks.

(Action: Finance Department and SLBC)

- (g) **Agenda No 7: Opening of new Branch/ATM:** The Convener informed that there are three

proposals for opening of new branches:

- (I) Namdong village in West Jaintia Hills, recommended by Deputy Commissioner West Jaintia Hills.
- (II) Sohka village in West Jaintia Hills where survey was made by MRB and found to be not viable and
- (III) Miangkain Village in West Khasi Hills proposal given by the people of the village to the Hon'ble Chief Minister.

Regarding opening of pending branch by Axis bank, as building is available now, it has been decided that Axis Bank will open the branch before 31st March 2025. MD MCAB informed that Ranikor Branch is under progress and it will be opened by March 2025. Regarding Purakhasia Branch he informed that they have not been able to get suitable building for opening the branch. Canara Bank informed that the ATM installation at Sohiong will be opened by March 2025.

ATM penetration: The Convener informed that RBI has conducted a survey of all districts. They have prepared a list containing number of ATMs required for each district. As per the data two districts namely East Garo Hills and North Garo Hills have achieved the target. However, there are two districts, viz, West Jaintia Hills with 21 numbers target and West Garo Hills with 42 numbers target which are still pending to be opened and needs special focus.

(Action: SLBC and RBI)

- (IV) **Agenda No 8: PM Surya Ghar – Muft Bijli Yojana:** MRB informed that they have sanctioned one loan since October 2024 but the vendor is yet to install the solar system. The Chief Secretary explained that as per experience shared by some beneficiaries, certain vendors are very slow in installing the solar rooftop and choosing them may lead to delay in implementation of the scheme. He suggested that banks should guide people to select vendors who are ready to install the solar system within a short period of time and increase coverage under the scheme. MRB informed that they have taken the initiative to convince all the landlords of their branches to avail the scheme. The Chief Secretary urged all banks to conduct literacy camps and create awareness about the scheme to the customers.

(Action: SLBC and all the Banks)

- (V) **Agenda No 9: Progress in Jan Suraksha Campaign (15.10.2024 till 15.01.2025):** The Convener informed about the status of the campaign where enrolment under PMJJBY is 17,585 numbers and under PMSBY 26,946 numbers. He informed that the state has achieved the target set for the campaign.

- (VI) **Agenda No 10: Any other Agenda:** The Chief Secretary suggested SLBC Convener to include new initiatives taken by as banks as the agenda so that the other banks can follow the steps.

(Action: SLBC)

4. Smti. Joan R Blah, General Manager (OIC), NABARD Shillong highlighted some important issues which is related to NABARD and banks, viz:

- (a) Since SLBC data is crucial for formulating and recalibrating NABARD's schemes, it is important to update the data, especially regarding CSPs in the state, to reflect the latest figures.

- (b) Agriculture loans by Private Bank has not yet improved. She cited East West Khasi Hills, West Khasi Hills and South West Khasi Hills where private banks are not participating in agriculture advances. She also requested the Controller of Central Bank Nongstoin branch to ensure that the branch continues to sanction quality agriculture loans and not to stop just because of high level of NPA.
- (c) Currently, South Garo Hills district does not have an LDM Office, hence establishing an LDM Office at the earliest would facilitate smooth coordination among stakeholders in the district. Establishing an RSETI in South Garo Hills would greatly benefit the trainees and support their livelihood. Opening a branch at Rongara is a positive step. Further exploration of opening additional branches and fixed-point CSPs is recommended in the district.
- (d) Regular BLBC meetings should be held in all the districts, as they are currently not taking place. These meetings are essential for the implementation of schemes and the resolution of block-level issues. She also informed that Department of Fisheries Government of India have suggested to include Fisheries and Aquaculture Infrastructure Development Fund (FIDF) as one of the agenda both in SLBC and DCC meetings. A quarterly review on the achievement against the target of GLC flow to the fisheries sector should be conducted.
- (e) She also suggested to simplify loan applications by the banks, especially KCC loan application form to assist farmers in applying for loans. Private banks should take up the financing of agriculture-related loans in Eastern West Khasi Hills, West Khasi Hills, and South West Khasi Hills. This issue was also addressed in the previous quarter. The inclusion of an insurance component in CM-Elevate programmes related to poultry, livestock, and piggery is a welcome step. Banks and insurance companies should sensitize the loanees about this component and facilitate adequate insurance coverage. There are reports of individual farmers not receiving agricultural loans from the Central Bank of India branch in Nongstoin, which is due to high NPAs. The Central Bank of India should address this issue with their Zonal Office.

(Action: SLBC and all the banks)

- (f) Shri. Olden Nongpluh, General Manager (OIC) RBI requested SLBC to ensure uniformity in mentioning figures in the agenda, either in lakhs or crores in all places. He suggested that in the data for top 5 or top 10 performing banks, one more row should be added which is the total of all other banks apart from the top 5 or top 10, so that we can have a better understanding about the percentage of performance of the top 5 or 10 banks. He also informed the house about RBI pilot project for online application of loans by launching the Unified Lending Interface. It is in similar lines like UPI if implemented the borrowers can apply the loans from anywhere and need not go to the branches.

(Action: SLBC)

The meeting ended with a vote of thanks by Shri. B. S. Thakur, Chief Manager of Canara Bank, Shillong Branch.



Shri D.P. Wahlang, IAS
Chief Secretary, Government of Meghalaya cum Chairman SLBC, Meghalaya