Minutes of the State Level Bankers' Committee Meeting for the Quarter ended June, 2017 held on the 25th, September 2017 at the Yojana Auditorium, Meghalaya Secretariat Building,Shillong.

The meeting was chaired by Shri Y. Tsering, IAS, Chief Secretary, Government of Meghalaya.

2. The list of participants is at Annexure "A

3. Shri. Rajeev Arora, Deputy General Manager, SBI, Administrative Office, Shillong, in his opening address welcomed all members present with special welcome to Shri. P K Agrahari, Secretary, Finance and Shri P. Gangte, DGM of RBI to their first SLBC meeting. Further, he stressed on CD Ratio which has gone up from March 2017, and also expressed concern about those Banks which are yet to show any improvement. He requested banks to mobilize funds to contribute for the overall development of the state by deploying as much resources in bankable ventures. He also mentioned one important issue discussed in the last SLBC meeting, i.e the absence of title deeds in Meghalaya that affect most of housing activities, since the cost involved in Registered Mortgage is very high. He requested the State Government for consideration on waiver or partial relief on stamp duty for Registered Mortgage and also to arrange for noting of bank charges in the Revenue records at Sub-registrar office in order to motivate the bankers.

4. Shri P.Gangte, DGM, RBI, in his address mentioned that Public sector banks with 199 branches and MRB with 94 branches plays a very important role in the state in terms of implementation of Government schemes and requested to put more efforts to cater to the needs of the public. He stated that CD Ratio of Banks has improved from March 2017 to June 2017 quarter, but CD Ratio of 9 districts has gone down below 40% as compared to preceding quarter. Banks with CD Ratio below 20% need to take up the matter seriously and to submit an action plan to SLBC and sort out suitable mechanism to improve and their progress will be closely monitored by RBI. In ACP, achievement by banks is only 14.31% for the 1st quarter and stressed that Banks should try to achieve 50% by end of December 2017 quarter. Regarding Financial inclusion, he stressed that coverage of villages is to be done in a time bound manner and banks are to make all

efforts to cover the remaining villages either by bank branches or BC outlets. He also requested the State Government to introduce financial literacy awareness as part of the school curriculum.

5. Shri. Y. Tsering, IAS, Chief Secretary and Chairman SLBC, in his key note address welcomed all dignitaries attending the meeting. He stated that Government of India has been making special emphasis on financial inclusion and priority sector lending. He informed that on 20th Sept'17, a Video conference with Secretary, Finance Department, New Delhi, was held to discuss the organization of Financial Inclusion/Mudra Promotion Camp to be held in 50 locations in India from 25th Sept to 19th Oct'17, and in Shillong the camp was held on the 9th October at U Soso Tham Auditorium, where the Deputy Commissioner, East Khasi Hills District, was designated the coordinator of the event with support from SLBC convener and all banks. They were are called upon to take advantage of the camp and to promote Mudra loans, financial inclusion schemes and digital payment methods to encourage consumers and merchants to increasingly shift to digital mode. He commented on CD Ratio where Government is very concerned with those banks below 20% and requested those banks to look into the matter and make effort for improvement. The State Government is contemplating whether to continue Government deposits with banks whose CD Ratio is very low. Although number of PMJDY accounts have improved, but activation of Rupay card is only 37% of the Rupay cards issued, and stressed that banks should ensure maximum activation of cards.He also emphasized onFinancial literacy camps held by banks which should not remain conventional, but to conduct awareness programme on digital products, activation of Rupay cards, enrollment of Pradhan Mantri social security schemes like PMSBY, PMJJBY and APY for the benefit of the rural people. He also emphasized on opening of a banking outlet at Khrang village, EKH District, Khonjoy at SWKH District and more ATMs in South Garo Hills, and requested Banks to undertake the responsibility for the same.

6. **Discussion on the regular agenda items:**

The Agenda wise discussion was initiated by Shri. Bimal Deb Roy, AGM & SLBC Convener

Agenda — 1: Adoption of minutes:

The Committee approved the Minutes of the last SLBC Meeting

Agenda — 2: Progress of Financial Inclusion:

a) Pradhan Mantri Social Security Scheme:

The number of PMSBY enrollment is 1,12,151, PMJJBY is 52,278 and APY is only 5,447.

Action Points: ***Banks to encourage more enrolment of social security schemes and also improve the enrolment of APY.***

b) Pradhan Mantri Jan DhanYoiana:

Under the PMJDY, a total number of 4,32,314 accounts have been opened and 91,904 Rupay cards pin activated out of 2,49,193 Rupay cards issued so far.

Action Points: ***All Banks to ensure activation of Rupay Cards issued to all account holders.***

c) Pradhan Mantri Mudra Yojana (PMMY)

During the first quarter of FY 2017-2018 the total amount sanctioned is Rs.14.50 crore and total disbursement is Rs.14.06 crore to 1072 numbers.

Shri. A Baidya, Manager SIDBI informed that the figure quoted in the booklet as on June 2017 is not at par with the Mudra portal, and that the data reported in the portal is higher than reported by banks. He requested all Banks to update data in the portal, so that the figures will tally with Deptt of Financial Services.

Action Points: ***All Banks to give more loans under Mudra and report the data on time.***

d) Coverage of villages with population below 2000:

Out of 6,459 villages allotted to Banks, 5517 villages are covered by branches and BCs.

Action Points: ***All Banks to cover the remaining respective villages allotted to them within the stipulated during the FY 2017-18.***

e) <u>Organizing awareness Programs (FLC):</u>

258 FLC camps were organized by the 202 rural branches of member banks in the state during the current quarter June 2017.

<u>Action Points:-</u> ***All banks to conduct one FLC per rural branch every month to build awareness among the rural people in the state and submit the report to SLBC Convener on time.***

<u>Agenda No. 3: Development in banking operation in the State:</u>

The total deposit of banks in the State stood at Rs.22,737.19 crore and the advances at Rs.8,709.54 crore. The CD ratio for the Quarter ending June 2017 is 38.31%. There are 14 Banks with CD Ratio below 20%.

<u>Action Point-</u> ***All Banks with CD ratio less than 20 % to find alternative mechanisms to ensure further growth and improve the ratio in the next quarter.***

<u>Agenda No.4: Review of Performance under ACP 2017-18:</u>

The Priority Sector Advances stood at Rs.4,438.18 Crore to total advance of Rs.8,709.54 Crore which is 50.96 % against the benchmark of 40%.

<u>Action Points:</u> ***All banks to give more emphasis on Priority Sector Advances by Sept 2017.***

<u>Agenda No. 5: Agricultural Advances:</u>

The total outstanding as on June 2017 stood at Rs.2101.30 Cr. Agricultural advance under ACP is Rs 118.30 Cr during 1st quarter of FY 2017-18.

<u>Action Points</u>: ***All banks to focus more on Agricultural Advances.***

<u>Agenda No. 6: Review of progress of financing under MSME Sector:</u>

The total outstanding for MSME sector is Rs 1,466.14 Crore. Out of the 2017-18 targets of Rs 820 Crore, an amount of Rs.98.83 Crore has been disbursed up to June 2017, which is 12.05% of the target.

<u>Action Points:</u> ***All banks to coordinate with line Department to enable more credit linkage and achieve their allotted target before the fourth quarter.***

Agenda No. 7: Government Sponsored Schemes:

a) Implementation of PMEGP-

PMEGP Bank wise target for the State for FY 2017- 18 has been fixed for 860 numbers amounting to Rs.17.20 Crore (MM). So far total of 29 applications amounting to Rs.105.80 lakh have been sanctioned.

Director KVIC informed the house that achievement during FY 2017-18 is very less, with only 26 sanctions involving Rs.54.00 lakh. Leading banks are SBI, MRB and MCAB. Last year achievement was only 20% and there is lot of pending cases. He also informed that they have arranged a Bankers' meeting on the 10th October 2017 and requested all banks to attend so that all their problems will be solved.

<u>Action Points:</u> ***All Banks to expedite the sanction of pending loans of eligible PMEGP borrowers.***

b) National Rural Livelihood Mission:

A target of Rs 3.35 cr for 9 blocks comprising of 819 SHGs for FY 2017-18 is fixed and 11 proposals amounting to Rs 5.50 lakh have been sanctioned.

<u>Action Points</u>: ***All Banks to focus more on the scheme, maintain close coordination with the implementing agency i.e. MSRLS and ensure expedite sanction of proposals.***

c) Pradhan Mantri Awas Yojana (PMAY):

The Deputy Manager, HUDCO informed that in the 1st Quarter of 2017-18, HUDCO disbursed as Central Nodal Agency (CNA), a total amount of Rs 14.26 lakhs against 7 numbers of cases. As on 30th June, 2017, it disbursed a total subsidy amount of Rs 48.74 lakh against 29 number of cases in Meghalaya, out of which an amount Rs 27.48 lakh has been disbursed to MRB against 16 number of cases, and Rs 21.25 lakh was disbursed to MCAB against 13 number of cases under Credit Linked Subsidy Scheme (CLSS) of PMAY.

HUDCO also informed the house that, it had sanctioned PMAY on their own, amounting to Rs 20-25 lakh as Primary Lending Institutions (PLI)

Action Points: ***Banks to target the PMAY beneficiaries and provide loans under the above schemes.***

Agenda No 8: Functioning of RSETIs — Development in RSETI upto June 2017

Out of the target of 92 programmes to be conducted, 21 have been organized and a total of 547candidates have been trained for FY 2017-18. A total of 37 trainees have been credit linked by banks amounting to Rs. 93.64 lakh.

Chairman, MRB, Shri. D K Guha informed that due to the retirement of its Director, ,no programmes could be conducted during the quarter ending June 2017 by RSETI Nongstoin,. However, a new Director has been appointed now and training programmes will resume.

Agenda No. 9: National Urban Livelihood Mission:

A credit target of Rs.40.90 Crore covering 4,195 beneficiaries was fixed for banks under Self Employment Programme (SEP) of NULM in 2017-18. Out of which 12 applications amounting to Rs. 14.29 lakhs have been sanctioned by banks.

State Mission Manager, MUDA, Shi. S Kharjana informed that till date they have not received any applications from Groups (SEP) and SHGs Bank Linkage. Already 36 applications received for Individuals have been forwarded to all Banks which are yet to be sanctioned.

Action Points: Banks to sanction pending proposals and progress to be discussed in the next meeting.

Agenda No.10: Stand Up India :

As on 30.06.2017, a total of 16 proposals have been sanctioned, amounting to Rs. 4.87 Crore and amount disbursed is Rs.2.78 Crore.

Action Point: ***All Banks to ensure sanctioning of more loans under SUI.***

Agenda No: 11 Support from FIF for setting up of solar powered V-Sat connectivity:

Monitoring mechanism in SLBC — progress in implementation.

As on 31.06.2017, the following Banks have applied for V-Sats and sanctioned by NABARD (SBI--38, UBI-33, CBI--4 and Syndicate Bank—1)

DGM, SBI informed that 3 VSATs have been installed in Dark areas and 1 is under process. For the Grey Areas, orders have been placed for 17 V-sats that will be installed shortly.

CBI has informed that 2 V-sats installed, UBI to get approval from Head office &Syndicate Bank waiting for technical support from vendor.

12. Additional Agendas:

On opening of bank branches/BC outlets at Purakhasia, Khrang and Umdohlun, Banks are requested to ensure that banking facilities are made available for the benefit of the people as early as possible.

Lastly, as deliberated by our Chief Secretary on Mudra Promotion Camp to be held on 9th Sept 2017, Shri Bimal Deb Roy, AGM & SLBC Convener informed all Banks that the Hon'ble minister of State for Defence, Dr. S. R. Bhamre will be the Chief Guest and the Mudra Promotion Camp will be a day-long event with participation and setting of stalls from all the banks, public sector insurance companies, SIDBI, NPCI, UIDAI, NABARD, etc. on display of Mudra and Stand Up India success stories, Bank account opening, Aadhaar seeding and enrolment, Promoting digital payments, Enrolment of 3 Prime Minister Social Security Schemes etc. The Chief Guest will distribute sanction letters of Mudra and Stand up India to the beneficiaries, and e-mail in this regard has been sent to all Banks. He requested for active participation by all Banks in the Camp and to sanction more loans under Mudra & Stand up India during the campaign period as well as to submit sanction letters of Mudra beneficiaries to SLBC.

The meeting ended with a vote of thanks from Shri. Dilip Kumar Guha, Chairman, Meghalaya Rural Bank.

Chief Secretary, Meghalaya &
Chairman SLBC, Meghalaya.

Copy to:

All concerned