

**MINUTES OF THE 59th SLBC MEETING FOR THE QUARTER ENDED JUNE, 2019 FOR
MANIPUR HELD ON 24th SEPTEMBER, 2019 AT THE CONFERENCE HALL, MANIPUR
SECRETARIAT, IMPHAL**

The SLBC meeting for the quarter ended June, 2019 was held on 24th September, 2019 at the Conference Hall, Manipur Secretariat, Imphal. The meeting was chaired by Dr. Suhel Akhtar (IAS), Additional Chief Secretary, Govt. of Manipur and attended by M.H. Khan (IAS), Additional Chief Secretary, Shri Rakesh Ranjan (IAS), Principal Secretary, Finance, Shri. L Kailun, ADGP (L/O & AP), Shri Sumant Singh (IAS), Commissioner/ Planning, Smt. Anna Arambam, Director/ Institutional Finance (DIF), Shri Digmanu Gupta, GM, Network II, SBI, North East Circle, Guwahati, Shri Sushanta Sahoo, DGM SLBC, SBI, Guwahati, Ms. Mary Tangpua, GM, RBI, Dr. KJ Satyasai, GM, NABARD, senior officials of the State Government, DCs/ADCs of the districts and senior officials from different Banks.

Shri. Lalkholun Hangshing, Regional Manager, SBI, Imphal, on behalf of SLBC Convener Bank, opened the meeting by welcoming all the dignitaries, members and participants present in the conference hall.

I. Adoption of the Minutes of the last SLBC meeting:

The SLBC Convener informed the House that minutes of last SLBC meeting held on 08.07.2019 was approved by the Chairman and accordingly, circulated to all members. However, ALLAHABAD BANK has requested for amendment in point number II.9 and the Chairman approved the same. With no further objections to the revised minutes from any of the members, the House adopted the same.

II. Declaration of Drought in Manipur and initiating necessary relief measures:

The SLBC Convener informed the House that the State Government, vide order dated August 31, 2019, has declared drought in the State of Manipur, with moderate to severe intensity. All districts, except Pherzawl has been declared to be drought affected. The SLBC adopted the same.

The GM, RBI stated that initiation of relief measures, including rescheduling of loans, can be undertaken provided that the assessed crop loss is at least 33%. She advised SLBC Convenor Bank to upload the drought notification on the dedicated portal provided by RBI (if not already done) and further proposed formation of a Sub-committee to monitor the functioning and implementation of the relief measures as per the relevant Master Direction of RBI.

In this connection, all Banks are to ensure submission of district wise data by their branches, relating to accounts affected by drought, to the respective LDMs for consolidation and onward submission to SLBC Nodal officer.

The AGM, NABARD apprised that on restructuring of loans, the short term loan will be converted into term loan, and applicable interest rate applied. Interest subvention of 2 percent per annum will be available for the first year on the restructured loan amount, and from the second year onwards, it will attract normal rate of interest.

The Chairman expressed concern over the increased interest rate as it could be more painful to the farmers. GM, SBI clarified that the loanee will be clearly explained about the pros and cons, and consent form will also be taken from them.

(Action Point: District Administrations and Banks)

III. Discussion on Action Taken Report (ATR) of the Dec'18 quarter SLBC Meeting and Discussion thereon:

1. Clarification on Manipur Public Demand Recovery Act, 2003 - The SLBC Convenor apprised the house that as per instruction from LHO, Guwahati, a meeting was conducted on 20th, September,

2019 with Banks and their empanelled lawyers. Accordingly, empanelled advocates have been advised to submit their opinion within 12 days from the date of the meeting on the following:

- (i) Manner of calculation of interest (U/S/16)
- (ii) The Register, Books and Accounts to be kept by the certificate officer, inspection of such records, fees and recovery of expenditure (S/16a), and
- (iii) Recovery of poundage fees etc.

(Action point: SLBC and Banks)

2. Progress in respect of RSETI Kakching:

The AGM UBI apprised that the proposed RSETI site required some repair works, a toilet and Hostel facility for female candidates. The DC, Kakching informed that temporary accommodations are available in ITI building, and required arrangements can be made. For hostel facility, she added that the bank can start with male candidates till infrastructure is complete. The GM, RBI, suggested that as RSETI, Churachandpur has been functioning without any hostel facility; UBI may also commence operation of the RSETI at Kakching along similar lines.

Replying to the query from the Chairman regarding commencement of training at RSETI Kakching, the AGM, UBI informed that the matter is with their higher authority and is expected to start functioning by next quarter.

(Action point: UBI)

3. Punjab & Sind Bank to provide in-principal approval for opening branch at Kasom Khullen:

The Zonal Manager, PSB apprised the House that the bank has been allotted Kasom Khullen, T Waichong, Khekman and Arong Nongmaikhong for opening branches, and approval has been received only for Khekman and T Waichong. The process of opening a branch in Khekman is 95% complete and is expected to come up next month. For T Waichong, a joint visit had been conducted with Director/Institutional Finance, SDO and other Govt. Departments. It was found that there was no further development and even the condition of the building has further deteriorated. Basic amenities like water, electricity and connectivity were also not available.

The GM, RBI stated that banks should have informed their inability to comply with their commitments in the initial stage of allotment and cannot decline the proposal now as six years have passed since the initial allotment. She further enquired whether the bank would be able to open the branch at T Waichong if water, electricity and building were provided by the Govt. The Zonal Manager, PSB, replied that if basic amenities are provided, the bank is willing to open a branch at T Waichong.

The Principal Secretary Finance clarified that as stated in the last Sub-Committee meeting, arrangement for provision of water and electricity at composite sites had been made. For T Waichong, as ground floor is ready and staff quarter is also available nearby, the bank should not have any issue in opening the branch even if the first floor for accommodation is not ready. It was also pointed out that the building was completed a few years back, but due to non occupancy by the bank, it has deteriorated. He further added that banks should first obtain approval for opening branch or at least before completion of the building.

Regarding connectivity issues, DC Kangpokpi, informed that a Jio tower is available, and bank can also explore installation of a V-SAT.

(Action point: PSB)

4. Head Office of Allahabad Bank to approve opening of branch at Purul:

The Chief Manager, Allahabad Bank informed that in-principal approval for opening the branch is yet to be received from their Controlling Office, but it is expected in two/ three weeks time.

(Action point: Allahabad Bank)

5. Finance Dept. and UBI to chalk out plan for opening Bank branch at Tousem:

The AGM, UBI apprised that as stated in earlier meetings, the Govt. Departments are requested to ensure proper infrastructure. Further, it is found that other Govt. offices are functioning from District HQ. The SDO Tousem is not stationed at Tousem.

On the query of functioning of SDO Tousem by Principal Secretary Finance, the ADC Tamenglong informed that the SDO building is incomplete so it is functioning from District HQ at the moment. The District Administration was advised to take necessary steps so that SDO/Tousem can start functioning from the Sub-Divisional headquarters.

(Action point: District Administration & UBI)

6. Axis Bank to give in-principal approval for opening branch at Sangaikot:

The DC, Churachandpur informed the House that in the last DCC meeting, Axis Bank had informed that it is ready to open the branch. Basic amenities like water and electricity is yet to be provided. Replying to the query of the Chairman, he further informed that water supply and electricity works will be completed in few days. As Axis bank representative was absent in the SLBC meeting, the progress report in this regard, could not be ascertained.

(Action point: District Administration & Axis Bank)

7. RBI to take up the matter with the Head Office of Canara Bank for non-approval of opening of branch at Andro:

Canara Bank informed in the Sub-Committee meeting held on 13.09.2019 that response from their higher authority is awaited.

(Action point: Canara Bank)

8. Chingai & Lunchung Maiphei TD Blocks Bank Branch:

(i) Lungchong Maiphei TD :

The DRM, Jorhat Region, Bank of Baroda, apprised that the bank could not obtain the security clearance for opening a bank branch at Lungchong Maiphei due to the following reasons:

- (a) The latest security inspection of the allotted site does not conform to the security guidelines of the Bank.
- (b) The proposed premises is located inside the complex of Sub Divisional Head Quarter; however, the offices in the complex are non-functional. The campus area is secluded and the building allotted for the bank is a standalone building without any security arrangements in place.
- (c) The area is militant infested. The nearest police station at Somdal village is 10-12 km away from the site. There is no other security establishment such as Army/ Paramilitary/ CRPF in the vicinity of the site.

In view of the above, the possibilities of dacoity, extortion & kidnapping of Bank employees cannot be overlooked. Further the site is devoid of necessary amenities like electricity, water supply and leased line connectivity. Other offices in the complex are also non-functional.

On query of the Chairman on security at Lungchong Maiphei, the DC Ukhurul informed that as the SDO is stationed in the area, there should not be any issue.

The DC, Ukhurul was requested to conduct a joint inspection with the bank and other concerned departments and furnish a status report in this regard.

(Action point: District Administration & BOB)

(ii) Chingai TD block in Ukhurul & Willong TD in Senapati

The DRM, Jorhat Region, Bank of Baroda, apprised that the Board of Directors of erstwhile Vijaya Bank had given approval for opening branches at Chingai in Ukhurul district and Willong in Senapati district and necessary manpower had been arranged back in 2017 for opening the Branch by 31-08-2017. However, during joint inspection along with MDS, district officials and bank staff, it was observed that electricity, water, lease line and other minimum infrastructure were yet to be completed. Till date the necessary infrastructure has not been provided and the block has a strong hold of NSCN.

Therefore, it is not feasible for opening a brick and mortar branch in view of the lack of security, transportation and minimum amenities.

The GM, RBI advised that since the Government is ready to provide space in BDO office for opening the bank branch at Chingai TD block, BOB should re-examine the matter. Bank of Baroda informed that the matter will be taken up with their higher authority.

(Action point: BOB)

9. Phungyar TD Block Bank Branch:

The Chief Manager CBI, apprised that their Head Office at Guwahati has written to Zonal Office at Kolkata for necessary approval and it is expected soon.

(Action point: CBI)

10. Khoupum TD Block Bank Branch:

The representative of UCO bank apprised that their higher authority has accorded approval for opening the branch in June 2019, but it could not materialize due to non completion of the building. DC Noney apprised that the roof of the proposed building had been blown off in cyclone Fani, and the repair work is expected to be completed soon.

(Action point: DC, Noney and UCO)

11. Henglep TD Block Bank Branch

The representative of ICICI bank apprised that SLBC had allotted for opening of branch in two blocks namely, Khenjoy in Chandel and Henglep in Churachandpur. A branch had been functioning in Khenjoy with great difficulty. Apart from issues in network and transportation, man power is another problem, as 3 senior managers had resigned because of the difficulties in the area. Anticipating similar kind of problems in Henglep, the bank has requested the District Administration to consider shifting of the proposed site to a more accessible location.

The DC Churachandpur apprised that SDO Henglep has identified Thingkeu Village near S Kholian Bazar which is located at the Churachandpur-Thanlon-Henglep tri-junction on Tipaimukh road. Thingkeu Village is more accessible, has internet connectivity and has an army TOB stationed there.

The Chairman opined that if ICICI does not have any objection it can be adopted. The representative of ICICI bank informed that they have no objection.

(Action point: DC, Churachandpur and ICICI)

12. Thongkhong Laxmi NP Bank Branch:

The AGM, United Bank of India apprised that they had completed the survey and recommendation was sent to their Regional Office and response is awaited.

(Action point: UBI)

13. Lamshang Nagar Panchayat:

The Chief Manager, Allahabad Bank informed that they had indentified a BC and the proposal for opening the BC outlet has been send to their Head Office for approval.

(Action point: Allahabad Bank)

14. Opening of a Nationalized Bank Branch and ATM at Thanga:

The Chief Manager CBI, apprised that in that last meeting only, it came to his knowledge that Thanga has been allotted to CBI under village above 5000 population. He further added that he will visit Thanga shortly and apprise the matter to their higher authority.

(Action point: CBI)

IV. Review of Deposit, Advance and CDR

The SLBC Convener apprised the House that in the State, the Deposit level is Rs. 9284.24 Crs and Advances Rs.5841.66 Crs as on June 2019. The CD ratio stands at 63% which is a 4% increase from

June 2018-19. He further added that NESBF with 906%, Bandhan 233%, Dena 136% and HDFC 129% have the highest CD ratio, whereas IndusInd with 0%, Yes Bank with 11%, MSCB with 24%, and Union Bank with 35% are at the bottom.

On query by the Chairman regarding IndusInd Bank's "Nil" figures, the AGM UBI clarified that in an earlier meeting, it was mentioned that their figures were not segregated State-wise. Yes Bank representative informed that this financial year they have got approval for lending in Govt Schemes and they have recently started giving loans.

V. Review of Credit Disbursement

1) ACP performance during the year

The SLBC Convener apprised the House that achievement under ACP stands at 6% for Agri, 21% for MSME and 10% for other priority sectors. The Principal Secretary, Finance stated that the performance under Agriculture sector is always poor, while MSME is doing comparatively well.

The GM SBI, opined that banks can finance under NRLM to improve the agriculture portfolio, as their level of NPA is comparatively low. He further requested the RD&PR Dept to provide applications under NRLM to the bank branches.

The Commissioner, Planning, Govt of Manipur informed that under the Start-up Scheme, 4000 online applications have been received. On completing three stages of screening, 40 promising businesses were selected. He requested banks to come forward to help these start ups build their business enterprises. Last financial year, Bank of Baroda had taken up 29 such projects. The GM, SBI remarked that this could be a prospective opportunity under MSME and appealed to all the banks to participate.

The Chairman enquired about the "Nil" figures of BOB, IND, SYN, INDUS, NESFB and YES Bank. SLBC convener replied that data was not uploaded in the SLBC portal by the concerned banks. The Chairman advised that banks should upload their data in the portal, for meaningful deliberations in SLBC meetings.

The SBI DGM informed the House that SLBC is facing data integrity problem in all the States in Northeast. He appealed to all the banks to put accurate data in the portal.

(Action: All Banks)

2. Status report of giving loans to fish farmers: The SLBC Convener apprised the House that the data presented was of 23rd September 2019. Banks have received 1163 applications, out of which 435 loans have been sanctioned amounting Rs. 9.82 Crs. The Chairman opined that considering the target of 2871, applications received by the banks are only 1163, which is below 50%. The Fishery Dept. should look into the matter. Replying to the query of their performances, CBI apprised that earlier forms were incomplete and after rectification 24 applications are under process; HDFC apprised that 10 are under process and remaining 58 applications have been rejected; SBI apprised that 258 applications have Project Report issues regarding scale of finance, KYC Issues, inability to provide third party guarantee for 1.5 lakh etc.

The Chairman asked all the banks to dispose off the applications which have been received at the earliest.

(Action point: All Concerned banks)

3. Prime Minister Mudra Yojana (PMMY)

The SLBC Convener apprised the House that in the June Quarter, 3028 loans have been sanctioned amounting to Rs.37.77 Crs under PMMY. However, banks like PNB, Axis, Bandhan, IndusInd, NESFB, Yes, IUCB, MPCB and MSCB have reported "Nil" figure in the portal.

VI. Opening of Bank branches at unbanked Blocks, Unbanked Urban local bodies, and CBS-enabled banking outlets at the Unbanked Rural Centres

a) Opening of bank branches in unbanked blocks: The SLBC convener informed the house that out of the 27 unbanked blocks identified, new bank branches have been opened in 12 blocks as on 30th June, 2019 and 15 blocks are yet to have a bank branch.

1. Paomata TD

The MD, MSCB apprised the House that, as stated earlier in the Sub-Committee meeting held on 13.09.2019, the building has not been handed over to the district administration by the contractor, so further progress could not be achieved.

(Action Point: DC, Senapati & MSCB)

2. Vangai Range TD

The Representative of the HDFC bank apprised that they had visited the site and found the building was incomplete, and electricity and water supply was not available. A report had been submitted to the DC. On query by the GM, RBI regarding status of approval from their higher authorities, he replied that approval has not been received and the same will be submitted on completion of the infrastructure by the state government.

(Action Point: HDFC)

3. Tipaimukh TD

The SLBC Convenor apprised that in the sub-committee meeting held on 13.09.2019, the representative of Axis Bank apprised that their Circle Office decided not to go ahead, due to poor connectivity.

(Action Point: Axis Bank)

The GM, SBI apprised the House that in places where infrastructure issues are being faced by Banks, banking facilities can also be provided through IPPB outlets and CSPs.

b) Opening of Bank Branches at Unbanked Urban Local Bodies

1. Kakching Khunou

The SLBC Convenor apprised that in the Sub-Committee held on 13.09.2019, Syndicate Bank informed that they have written to their regional office and are awaiting for their response.

(Action Point: Syndicate)

2. Shikhong Sekmai

The Chairman remarked that IndusInd Bank has again failed to send their representative to provide their status report.

The Chairman viewed the repeated absence very seriously.

(Action Point: IndusInd Bank)

3. Lilong (IW) NP

The representative of IDBI apprised the House that the Central Government has infused 9000 Crore to the bank and it is expected to come out of PCA by next quarter. Thereafter, they can start the process.

(Action Point: IDBI)

4. Oinam NP

The SLBC Convenor apprised that in the Sub-Committee held on 13.09.2019, Bank of India informed that their Regional Office has received permission for opening 5 branches in the Northeast Region, but allocation is yet to be finalised.

(Action Point: BOI)

c) Unbanked Rural Centers.

The SLBC Convenor apprised that as per the meeting conducted by RBI with all the LDMs in the State, it is found that there are 4 villages with population above 5000, 11 villages with population between 2000 and 5000, and 775 villages with population above 2000, which are unbanked. Out of 2515 villages, 1725 village are banked and 790 villages are still unbanked. The population of these villages are as per 2011 Census.

The GM, RBI enquired about the status of the 4 unbanked villages with population above 5000, in Senapati allocated to SBI. The GM, SBI informed the process is almost complete and BCs will be assigned shortly.

The Principal Secretary Finance apprised the House that, due to non opening of bank accounts, the populace of these unbanked areas are deprived of all benefits under State Govt and Central Govt Schemes as these are to be availed through DBT.

VII. Doubling Farmers' Income by 2022:

The Director, Agriculture informed that a strategy was published in 2017 wherein convergence of different Departments (Agriculture, Horticulture, Veterinary etc) and skill development training were emphasized. As no response was received from other departments for convergence, Agriculture Department has decided to commence this programme with focus on integrated farming.

The process of identification of beneficiaries is going on, and the Dept is on the lookout for good and sincere farmers who will repay their loans.

(Action point: Director Agriculture)

VIII. Implementation of Pradhan Mantri Fasal Bima Yojana

The Director, Agriculture informed that Kharif notification has been issued, and enrolment process is going on. The Rabi proposal has been forwarded to the administrative department for issuing of notification. The Scheme will cover the damages caused by drought.

(Action point: Director Agriculture)

IX. Inclusion of Financial Education in School Curriculum:

The GM, RBI stated that financial education is in the process of being adopted by CBSE and has already been incorporated in the State school curriculum of Tripura, among others. She requested the State Govt. to include financial education as a part of school curriculum by 2020. RBI also has been continuously conducting financial literacy camps across the state to spread awareness and educate the common public.

The Commissioner/Education apprised that the State Govt. has declared all working Saturdays as "No School Bag Day" for students from class I to VIII, so it could be an opportunity to conduct financial awareness camps in the schools. For class IX and X there is a chapter in Economics and for XI and XII, it is available as optional papers like Accountancy, Economics etc.

The Chairman advised Education department to work in consultation with RBI for inclusion of Financial Education in the State Board school curriculum.

(Action point: Education (S) Dept.)

X. Adoption of Uniform Banking Hours by DFS/IBA

The SLBC Nodal Officer of Manipur informed the House that in the meeting of the IBA Sub-Committee on Banking for Customer Convenience, it was decided that the following three types of Customer Banking Hours would be adopted by the Public Sector Banks on Pan India basis.

The matter was discussed with all LDMs in Manipur, and the time slot of Timing Set 2 has been considered as most suitable for the State. The house unanimously adopted the Customer Banking Hours time of 10 A.M to 4 P.M and Banks will adopt the same from 1st October 2019 onwards.

(Action Point: All Banks)

XI. Adoption of NULM target 2019-20, & Status report by MAHUD

The SLBC Convener apprised the House that MAHUD had submitted the NULM target for FY2019-20, and has been allotted to bank branches as per Municipal and Nagar Panchayat areas. The house unanimously adopted the same.

XII. Adoption of MSRLM Target

The SLBC Convener apprised the House that MSRLM had submitted the Annual SHG Bank Credit Linkage target for FY2019-20 under MSRLM. The house unanimously adopted the same.

XIII. Performance by HUDCO on PMAY

The Regional Manager, HUDCO gave a presentation on PMAY. He highlighted the features of the schemes and benefits to the customers as well as banks under PMAY.

XIV. Miscellaneous:

- (i) SLBC convener informed the house that as per the direction of RBI, Kakching District in Manipur has been identified as the target district to be made 100% digitally enabled. Accordingly, a Sub-committee on Digitisation has to be formed to draw a roadmap to implement 100% digitization in the designated district within a time frame of one year.

(Action Point: All Banks, Govt. Departments)

- (ii) **Reallocation of bank for opening branch at Kwakta Municipal Council, Bishnupur District:** The GM, SBI, apprised the House that since Kwakta is just 7-8 Km away from Moirang, opening a Brick and Mortar branch will not be necessary as a CSP can cater to their banking needs. Moirang has SBI, UBI, and MPCB branches operating in the area. The House unanimously consented to the proposal.

The meeting was concluded with a vote of thanks by Shri Susanta Kumar Sahoo, DGM, SLBC, SBI, Northeast Circle.