

**Minutes of the State Level Bankers' Committee (SLBC) Meeting of Mizoram
For the quarter ended September 2017**

The SLBC meeting of Mizoram for the quarter ended September, 2017 was held at the Conference Hall, New Secretariat, Aizawl on 19.12.2017(Tuesday) at 11:00 a.m. under the Chairmanship of Shri. Lalmalsawma, IAS, Chief Secretary, Govt. of Mizoram. Shri Dibyendu Chaudhuri, Regional Manager, SBI and Convener SLBC welcomed the Chairman, other senior government officials, AGM from RBI and all banker participants in the meeting. He thanked the chairman for allowing holding of the meeting in spite of his busy schedule. He told the house that the SLBC meeting is held twice during this quarter i.e. meeting for June 2017 quarter and this meeting for September 2017 quarter. Even then, he regretted for not being able to hold the meeting as per the calendar schedule. He thanked the chairman for allowing holding of the meeting in spite of his busy schedule. He told that this meeting is very important for introspection for all member banks as we have another one quarter at hand for achieving our respective targets for the FY 2017-18. After that he requested the Chief Secretary for his opening remarks.

The Chief Secretary thanked the SLBC Convener Mr. Chaudhuri and welcomes all the members. He told the house that the meeting probably will be the last meeting for this year 2017. He told the house that we have to achieve the target set for us for all of us. He told that the meeting will review the performance of all individual banks and also as a team for the period up to the quarter ended September 2017. In order to save the time, he proposed for a quick round of self- introduction of all members. As many as 60 members/invitees attended the meeting (Copy of the attendance sheet attached at Annexure 'A').

Thereafter, with the permission of the chairman Shri Dibyendu Chaudhuri, Regional Manager, SBI and Convener SLBC then proceeded with the agenda items.

Agenda – 1: Adoption of minutes of the last meeting:

The Convener SLBC informed the house that the minutes of State Level Bankers' Committee meeting for the quarter ended June 2017 held on 3.11.2017 was circulated to all members. Since no request for amendment of the minutes was received, the house adopted the minutes.

Agenda-2: Review of GOI/RBI/NABARD instructions regarding financial inclusion:

a) Financial Inclusion Camp /Mudra Promotion Campaign:

Under instruction from the Government of India, Department of Financial Services, New Delhi vide letter to the Indian Bank Association and Conveners of State Level Bankers Committee vide letter F.No. 21(23)/2014-FI (MISSION) dated 16th September, 2017 and in liaison with the state government the Mudra Promotion Campaign was successfully held at Kulikawn YMA Hall, Aizawl on 11.10.2017 wherein the Honorable Minister of State, Government of India, Shri Gajendra Singh Sekhawat as Chief Guest and the state Finance Minister Pu Lalsawta as Guest of Honour. 32 Banks and FIs put up their respective stalls. As many as 56 Mudra loan was sanctioned on camp-date.

b) Banking Facility for Senior Citizens and Differently-abled Persons

The Reserve Bank of India vide letter to all scheduled commercial banks including regional rural banks has instructed that RBI/2017-18/89 DBR.No.Leg.BC.96/09.07.005/2017-18 dated November 9, 2017 has advised banks to provide a clearly identifiable dedicated counter or a counter which provides priority to senior citizens and people who are differently-abled including visually impaired persons.

c) Door Step Banking

In view of the difficulties faced by senior citizens of more than 70 years of age and differently-abled or infirm persons (having medically certified chronic illness or disability) including those who are visually impaired, the Reserve Bank of India vide letter to all scheduled commercial banks including regional rural banks has instructed that RBI/2017-18/89 DBR.No.Leg.BC.96/09.07.005/2017-18 dated November 9, 2017 has also advised banks to make concerted effort to provide basic banking facilities, such as pick up of cash and instruments against receipt, delivery of cash against withdrawal from account, delivery of demand drafts, submission of Know Your Customer (KYC) documents and Life certificate at the premises/ residence of such customers.

d) Rationalization of Merchant Discount Rate (MDR) for Debit Card Transactions

The Reserve Bank of India vide letter to all scheduled commercial banks/ regional rural banks / Urban Co-operative Banks /State Co-operative Banks / District Central Co-operative Banks /Payment Banks and Small Finance Banks /All Card Network Providers that RBI/2017-18/105DPSS.CO.PD No.1633/02.14.003/2017-18 dated December 6, 2017 has specified the maximum MDR applicable to debit card transactions which shall be effective from **January 1, 2018** as follows:

Sr. No	Merchant Category	Merchant Discount Rate (MDR) for debit card transactions (as a % of transaction value)	
		Physical POS infrastructure including online card transactions	QR code-based card acceptance infrastructure
1.	Small merchants (with turnover up to ₹ 20 lakh during the previous financial year)	Not exceeding 0.40% (MDR cap of ₹ 200 per transaction)	Not exceeding 0.30% (MDR cap of ₹ 200 per transaction)
2.	Other merchants (with turnover above ₹ 20 lakh during the previous financial year)	Not exceeding 0.90% (MDR cap of ₹ 1000 per transaction)	Not exceeding 0.80% (MDR cap of ₹ 1000 per transaction)

e) Interest Subvention on crop loans:

The representative of NABARD told the house that no claim on interest subvention on crop loans has been received from MCAB & MRB till date whereas the last date is 25.12.2017. The representatives of MCAB & MRB told that they will submit the claim within the stipulated time.

Action: MCAB & MRB

Agenda-3: Follow up action on the decision of SLBC meeting:

a) Credit achievement of Government Sponsored Schemes under NRLM through NERLP:

So far 22 loans amounting to Rs.38.03 lakhs have been reported as sanctioned up to September, 2017 in Aizawl district. After September 2017, another 14 more loans amounting to Rs.22.00 lakhs. No loan has been sanctioned yet in Lunglei district upto September 2017. A sum of Rs.1.50 lakh has been sanctioned in December, 2017 in Lunglei district. The representative of Mizoram Rural Bank told that signing of Memorandum of Understanding (MOU) between MRB & NERLP could not yet been completed as they are waiting for the draft MOU getting vetted from the corporate office of SBI. He told the house that MOU will be signed within 2 to 3 days.

Action: MRB&NERLP

b) Credit achievement of Government Sponsored Schemes under NRLM through MzSRLM:

As many as 22 loans amounting to Rs.26.90 lakhs has been reported as sanctioned to SHGs sponsored by MzSRLM under the scheme up to September, 2017. It was also reported that loan amounting to Rs.81.50 lakhs was sanctioned by MRB and Rs.6.00 lakhs by MCAB till November 2017. Since the target for the FY 2017-18 is very high i.e. 1137 loans amounting to Rs.1174.50 lakhs, banks are requested to sanction loans to all eligible SHGs sponsored by MzSRLM to achieve the target.

Action: MRB/MCAB/SBI/MzSRLM

c) Credit target and achievement of PMEGP:

The Nodal Officer of SLBC reported having sent letter to the controlling office of ICICI Bank, HDFC Bank, Federal Bank, Indusind Bank, Yes Bank and South Indian Bank on non-sanctioning of loans under PMEGP during the year 2016-17.

The South Indian Bank Ltd. told that 3 loan proposals under PMEGP is under process and will be sanctioned shortly. The representative of Federal Bank told having received 3 applications and 2 proposals are under process whereas 1 application was rejected/returned. Yes Bank reported having started sanctioning the loan under the scheme. Meanwhile, Federal bank reported that one applicant did not turn up for interview and could not be contacted. The house requested the sponsoring agencies to help banks to trace out such applicants and banks as well should inform the sponsoring agencies also about untraceable applicants. The house also requested all banks to complete sanctioning of loans under the PMEGP quickly as final quarter of the year is approaching and dispose of all applications well on time otherwise at the end of the year we will do in a hurry and not do justice to the beneficiaries.

Action: DIC/KVIB/KVIC/all banks

d) Credit target and achievement under Self Employment Programme (SEP) under NULM:

The total achievement under the scheme is reported as 106 units amounting to Rs.4.52 crores during April 2017 to September, 2017. The representative of UD&PA department of Mizoram under NULM told the house that Mizoram state is the best performing state at the national level. He also requested bankers to continue sanction of loan to the SEP beneficiaries sponsored by MzNULM and to claim interest subsidy from the department.

Action: All Banks

e) Opening of branch at other centers

The representative of MRB told the house having obtained license for opening a branch at Sakawrdai and identified the building and the branch is expected to be opened within December 2017. He told that Tuipuibari village will be taken up subsequently. Appointment of BC for Bukpui village will be done after appointment of National BC for the bank for which proposal is in progress.

The representatives of SBI, MRB & MCAB also told that they will take care of the proposal received from the Director of R.D. Department, Government of Mizoram (the details of which was shown at the agenda background papers of last meeting) for opening of a bank branch at 40 unbanked villages while formulating plans for opening new branches for the FY 2019-20. The house requested the concerned banks to find ways to open bank branch at these villages.

Action: MRB/MCAB/SBI

Opening of Banking Outlet/Part-time banking Outlet:

In this connection the representative of RBI told the house that they have issued a Rationalisation of Branch Authorisation Policy-revise guidelines vide letter RBI/2016-17/306 DBR.No.BAPD.BC.69/22.01.001/2016-17 May 18, 2017 to the Chairman and Managing Director/Chief Executive Officer of all Domestic Scheduled Commercial Banks(Excluding Regional Rural Banks), Small Finance Banks, Payment Banks and Local Area Banks to enable them to open a Banking Outlet/Part-time Banking Outlet. As per the guidelines a '**Banking Outlet**' for a Domestic Scheduled Commercial Bank (DSCB), a Small Finance Bank (SFB) and a Payment Bank (PB) is a fixed point service delivery unit, manned by either bank's staff or its Business Correspondent where services of acceptance of deposits, encashment of cheques/ cash withdrawal or lending of money are provided for a minimum of 4 hours per day for at least five days a week. A banking outlet which does not provide delivery of service for a minimum of 4 hours per day and for at least 5 days a week will be considered a '**Part-time Banking Outlet**'. The Banking outlet or Part-time banking Outlet is to be opened at all Unbanked Rural (Tier 5 & 6) Centre that does not have a CBS-enabled 'Banking Outlet of Scheduled commercial banks, a Small Finance Bank, a Payment Bank or a Regional Rural Bank nor a Local Area Bank or licensed Co-operative bank for carrying out customer based banking transactions. It was also pointed out that the RBI had sent letter to all SLBC Convener Banks on 10/10/2017 to report the status of action taken to them within 30th November, 2017. At least 25 percent of the total number of 'Banking Outlets' opened during a financial year should be opened in unbanked rural centres.

After a thorough discussion it was decided that all banks having an allotted villages under RBI roadmap where population is more than 2000 should immediately carry out viability survey of all individual villages for opening of brick and mortar branch or a Banking Outlet. The outcome of the survey will be discussed in the next SLBC meeting. Name of the villages and banks to which allotted are shown below:

VILLAGES WITH POPULATION FROM 2000 TO 5000 WHERE BRANCH IS TO BE OPENED.

SL NO	DIST	NAME OF VILLAGE	POPULATION	ALLOTTED TO	BANK/BRANCH
1	MAMIT	KAWRTETHAWVENG	2008	SBI	0
2		RAJIBNAGAR	3530	SBI	0
3		DAMPARENGPUI	2156	MRB	0
4		SILSURI	3349	MRB	0
5		MARPARANORTH	2129	MRB	0
6	KOLASIB	N.THINGDAWL	3111	MRB	0
7		HORTOKI	2544	MRB	0
8		SAIPHAI	2052	SBI	0
9		SAIPUM	2359	SBI	0
10	AIZAWL	LOWER SAKAWRDAI	2505	VJB	0
11		PHUAIBUANG	2134	BOB	0
12	CHAMPAI	VAPHAI	2252	HDFC	0
13		FARKAWN	2700	MRB	0
14	SERCHHIP	KEITUM	2022	MRB	0
15	LUNGLEI	MAR'S'	2511	SBI	0
16		TUICHAWNG	2464	MCAB	0
17		CHERHLUN	2235	SBI	0
18		THINGSAI	2241	SBI	0
	LAWNGTLAI	0	0	0	0
BANK BRANCH TO BE OPENED BY					
SBI	7	VJB	1	HDFC	1
MRB	7	BOB	1	MCAB	1

Action: BOB/HDFC Bank/MRB/MCAB/SBI/Vijaya Bank

The LDM, Kolasib reported that bank managers in Kolasib & Mamit district do not know the SSA/villages allotted to them. The house requested the SLBC Convener to provide the list of SSA/villages to these banks.

Action: SLBC Convener

f) Shallow Tube Well (STW) scheme 2017-18 & 2018-19

The representative of NABARD told that the scheme is still under feeding and people are not yet ready.

Banking Plan for Piggery Development in Mizoram: The representative of NABARD told that people are interested in Piggery Development Plan where banks have already financed. He said that they have a target of Rs.19.00 crores to be financed under the scheme and NABARD will distribute the scheme in January 2018 for discussion in the next meeting.

Action: NABARD/SLBC

g) Loan sanctioned under Stand Up India (SUI) scheme:

A total of 12 loans amounting to Rs.2.13 crores were sanctioned during the year up to September 2017 under the scheme from 2 districts i.e. Aizawl and Lunglei districts. The house requested banks to sanction at least 2 (two) loans each **by all branches.**

Action: All Banks

h) Report on Financial Literacy Campaign /Financial Literacy Centers

As many as 76 by rural branches and 3 by LDMs conducted Financial Literacy Campaign during the quarter. The representative of NABARD told the house that reimbursement of 249 FLC have been sanctioned till date. The representative of RBI told that the FLC policy has been reviewed and new guidelines have been issued. He said as per RBI letter to the Chairman/MD & CEO all Scheduled Commercial Banks (Including RRBs) vide letter RBI/2016-17/236 FIDD.FLC.BC.No.22/12.01.018/2016-17 dated March 02, 2017 which says:

Financial Literacy Centres (FLCs): FLCs were advised to conduct special camps for a period of one year beginning April 1, 2017 on "Going digital" through UPI and *99# (USSD)". Two posters, one on **UPI** and one on ***99#** have been prepared for the benefit of the trainers and the audience. The English, Hindi and local language versions of the two posters are available at the [financial education webpage](#) of the Bank for download and printing purposes. While the A2 and A3 sizes can be used by trainers, A4 and A5 sizes can be distributed to the general public during the camps.

Besides the special camps on going digital, FLCs will continue to conduct the tailored camps for the different target groups as prescribed in their [circular dated January 14, 2016](#). The tailored content for each target group is currently being prepared and is expected to be shared with banks/FLCs in due course of time.

Rural branches of banks: Rural branches of banks are henceforth required to conduct only one camp per month (on the Third Friday of each month after branch hours). This camp will cover all the messages that are part of the [Financial Awareness Messages \(FAME\) booklet](#) and the two digital platforms UPI and *99# (USSD). In case there are two or more rural branches in a village, the LDM may ensure that the rural branches conduct the camps on rotation basis every month.

Action: MRB/SBI and all LDMs

i) Pradhan Mantri Awas Yojana – Gramin (PMAY-G)

Since no data has been made available by banks under the scheme, the house decided that banks should submit the data in a separate letter to the Chief Manager (Lead Bank) from the quarter ended December, 2017 before 15/01/2018. The house also requested the SLBC Convener to take up the matter with the concerned authority to incorporate the menu in the dynamic site of onlineslbcne.nic.in.

Action: All Banks/SLBC Convener

j) CSS under Pradhan Mantri Awas Yojana – Urban (PMAY-Urban)

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Action: All Banks/SLBC Convener

k) Social Security Schemes

The Chief Manager (Lead Bank) Aizawl has conducted campaign on APY for the muster roll staff of PWD at E-in-C Office, Aizawl and has also requested other departments to arrange for meeting for the campaign. Meanwhile all other social security schemes like PMJJBY, PMSBY and APY are always included in every financial literacy campaign. Since the achievement is very low i.e. PMJJBY-38846, PMSBY-60580 and APY-1652 in the entire state the house requested banks to try to cover all eligible savings bank account holder of their bank. The CM (Lead Bank), Aizawl is requested to conduct campaign at DC office, Aizawl.

Action: Chief Manager (Lead Bank), Aizawl / DC Aizawl

l) Rural Self Employment Training Institute (RSETI)

The Director of SBI-RSETI, Aizawl told the house that proposal for sanction of Rs.1.00 crore from the Corporate Social Responsibility (CSR) fund also has been submitted to the Corporate Centre of SBI on 16.08.2017. Meanwhile he told the house that credit linkage is very low i.e. 33.36% only whereas the national percentage is 54%. The low level of settlement on credit linkage at present is due to undue delay in sanction of Mudra loan proposals sourced by RSETI for the year 2016-17 and rejection of the proposals for want of collateral. The position of Mudra loan proposals pending at various banks branches as told by the Director is shown below:

(Amount in lakhs)

Sl. No.	Bank (Branches)	No. of loan application sourced	No. of loan sanctioned	Amount sanctioned	Nos. Pending / reject
1	SBI (Branches)	40	8	4.00	32
2	MRB (Branches)	56	15	7.50	41
3	BOI (Aizawl Branch)	1	1	0.50	0
4	HDFC Bank Aizawl(Dawrpui)	1	1	0.50	0
5	MCAB (Branches)	6	2	1.00	4
6	MUCO Bank	2	2	1.00	0
7	Syndicate Bank (Aizawl)	1	0	0	1
8	Vijaya Bank	1	1	0.50	0
9	UCO Bank (Thuampui)	2	0	0	2
10	Bank of Maharashtra	1	0	0	1
11	Punjab & Sind bank	1	0	0	1
	TOTAL	112	30	16.50	82

It was clarified to the banks that for sanctioning of MUDRA no collateral or third party guarantee should be insisted upon. The house requested all banks to sanction PMMY loan applications sourced by the RSETI without insisting collateral security or guarantor. Regarding claim for reimbursement of training cost of Rs.16.56 lakhs to the RSETI the representative of MzSRLM told the house having submitted the demand to the Government of Mizoram who again submitted the same with recommendation to Ministry of Rural Development (MoRD), Government of India on 7th November, 2017. The RD Department, Government of Mizoram is requested to pursue the matter with the MoRD with a reminder.

Action: SBI/MRB/MCAB/Syndicate bank/BOM/P&SB and RD Dept.

Agenda – 4: CD Ratio:

Deposits: The house was told that there is an increase of in aggregate deposits of Rs.279.66crores during the quarter ended September, 2017 over the June, 2017 quarter and an YOY increase of Rs.990.73crores over September, 2016.

Advances: The house was told that there is an increase of Rs.122.24crores during the quarter ended September, 2017 over the June, 2017 quarter and an increase of Rs. 469.69crores over September, 2016.

CD Ratio in the State as on 30.06.2017:

The house was told that there has been a slight increase of 0.11% to 40.73% as of September, 2017 from 40.62% on June, 2017.

Rs. In crores

FY & Quarter ended	Deposit	Advance	CD Ratio
FY 2017-18 September 2017	8263.61	3365.36	40.73%
FY 2017-18 June 2017	7983.95	3243.12	40.62%
FY 2016-17 March 2017	7902.44	3151.13	39.88%
FY 2016-17 December 2016	7279.15	3028.90	41.61%
FY 2016-17 September 2016	7272.88	2895.67	39.81%
FY 2016-17 June 2016	6494.71	2854.08	43.94%
FY 2015-16 March 2016	6423.19	2838.61	44.19%

Among the Banks with less than 20% CD ratio the representatives of Yes Bank, Federal Bank and South Indian Bank told the house that they will be able to achieve not less than 20% CD ratio by the end of FY 2017-18.

Action: Union Bank, ICI CI Bank, Yes Bank, Federal Bank and South Indian Bank

Priority Sector Advances:

The total lending under Priority Sector (PS) advances at the end of the quarter was Rs.2016.42 crores out of the total advances of Rs.3365.35crores. The percentage of PS advance is 59.92 as against the benchmark of 40%.

Agenda – 5: Agricultural Advances:

Agriculture advances at the end of September 2017 was Rs.436.74crores out of a total advance of Rs.3365.35 crores which is 12.98% whereas the benchmark is 18%. The house requested bankers to extend more loans under agriculture during the FY 2017-18 to achieve the stipulated bench mark.

Action: All Banks

Agenda – 6: Performance under of Annual Credit Plan (ACP)

The overall achievement of ACP as on 30.06.2017 is 12.90% which is 8.89 less than last year on YOY basis. The Percentage of achievement under Priority Sector is 12.23% whereas under Non-Priority Sector the achievement is 14.24%.

KCC Loans: As the achievement under KCC loans is very low, the house requested all bank branches in Sub-Urban centers to finance KCC.

Action: All Banks

Agenda - 7: Progress in financing MSME sector:

The house was told that there was an overall growth of Rs.13.25crores as on September 2017 over June, 2017 and Rs.124.51crores over September, 2016.

Agenda -8: Performance under MUDRA (PMMY) Loan:

The house was told that 2609 loans amounting to Rs.102.84crores were sanctioned upto the quarter of the FY 2017-18 under the scheme.

Agenda 9: Review of loan sanctioned under Stand Up India (SUI) scheme:

The house was told that 5 loans amounting to Rs.99.70lakhs were sanctioned during the year up to September 2017 under the scheme. The house requested banks to sanction at least 2 (two) loans each per branch.

Action:All Banks

Agenda 10: Security related issues on banking:

The representative of Police department told the house that there is no specific issue on security of bank in Mizoram. He however told the house that there were been many instances of complaints regarding sell of bank accounts by residents of Mizoram which was used by miscreants for cheating different persons. He said that police department is contemplating filing of regular case against those people. The house requested bankers to give awareness to their customers on the matter.

Action:All Banks

Agenda – 17: Recovery under Bakijai cases

The house was told that there are as many as 136 cases amounting to Rs.54.85 Lakhs were settled under Bakijai cases during the quarter and there are 1465 pending cases at the end of the quarter. The house requested banks to utilize Bakijai scheme for recovery of loan in a more beneficial way.

Action: All Banks

The meeting ended with vote of thanks offered by Shri Ralte Ralkhuma, Chief Manager, Lead Bank, Aizawl and Nodal Officer (SLBC).

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