

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

The SLBC meeting of Mizoram for the quarter ended December, 2017 was held at the Conference Hall, New Secretariat, Aizawl on 18.04.2018 (Wednesday) at 10:00 a.m. under the Chairmanship of Shri Lalnunmawia Chuaungo, IAS, Principal Secretary (Finance), Govt. of Mizoram. Ms Lalremsangi, Chief Manager, SBI who represented the SLBC Convener welcomed the Chairman, other senior government officials, GM from RBI and all Banker participants in the meeting. She thanked the chairman for giving an opportunity for holding of the meeting in spite of his busy schedule. She told the house that the SLBC meeting which is to be held every quarter could not be held on time within March 2018. She regretted for not being able to hold the meeting as per the calendar schedule. After that she requested the chairman for his opening remarks.

The Chairman thanked the SLBC Convener and welcomes all the members. He told the house that he is in the Finance Department, Government of Mizoram will be associated with the SLBC meetings in future as well. He proposed for self introduction of the members. As many as 51 members/invitees attended the meeting (Copy of the attendance sheet attached at Annexure-A). As many Head of departments deputed their representative, the chairman told the house that the head of the office/organisation, henceforth, attend the meeting in future so that the action points that emerges from the discussion are followed up properly.

Thereafter, with the permission of the chairman Smt. Lalremsangi, the representative of Convener SLBC from SBI Regional Business Office, Aizawl 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 September 2017 held on 19.12.2017 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 in 115 backward districts:

The Government of India, Department of Financial Services, New Delhi has identified **Mamit** district in Mizoram as of 115 backward districts in the country and has requested that: all bank accounts in such district should be seeded with Aadhaar by March 31st, 2018, the disbursement of 25% more Mudra loan during 2017-18 than the previous year, enrolment of all bank account holders under Pradhan Mantra Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantra Suraksha Bima Yojana (PMSY) and efforts have to be continued additionally to ensure access to banking services in 115 backward districts through activation of adequate banking outlets including business correspondents by February 28, 2018. The DCC/DLRC Meeting was held at Mamit on 28.02.2018 and discussed how to follow up the above instructions. The house requested the convener to incorporate the status as on 31st March 2018 in the next meeting. The chairman desired that PMJDY account should be opened for all eligible people so that every poor people will get access to banking service and Planning Department, Government of Mizoram should be invited in the meeting henceforth.

Action: SLBC Convener

Agenda-3: Interest Subvention on crop loans:

The house requested MCAB & MRB to get the auditor's certificate early and to resubmit the claim to NABARD as soon as possible.

Action: MCAB & MRB

Agenda-4: Signing of Memorandum of Understanding (MOU) between MRB & NERLP:

Memorandum of Understanding (MOU) between MRB & NERLP not yet been signed as a result . The MRB representative told the delay was due to rumours of another agency taking over the NERLP. It was clarified that the NERLP has been established to look after states of Mizoram, Nagaland, Sikim and Tripura whereas another agency i.e. NERCOM has been established to look after states like Assam, Manipur, Meghalaya and Arunachal Pradesh and such rumours bear no truth. The Chairman requested the MRB to take financing of SHGs under NERLP as an opportunity rather than as a challenge. The house requested the MRB to expedite signing of MOU. It was also decided to send letter to the MRB from SLBC in this regard.

Action: MRB / NERLP / SLBC Convener

Agenda-5: 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 in the last meeting. The achievement is significantly higher at the end of quarter ended December 2018 i.e. 182 loan sanctioned amounting to Rs.186.00 lakhs. The target is 1072 loans with an amount of Rs. 1044.00 crores. The chairman requested bankers to have 100% achievement in the scheme so that the rural people will be able to develop to the desired goal.

Action: All banks/SLBC Convener

Agenda-6: Achievement under PMEGP:

The representative of KVIC told the house that achievement under the scheme is 629 units in March 2018 as against the revised target of 473. It was mentioned that the sponsoring agencies sourced the loan proposal only in the third quarter of the year and banks can not complete the formalities on time. The house requested the agencies to sponsoring the application early henceforth.

Action: DIC/KVIC/KVIB

The house also decided that PMEGP beneficiaries should henceforth be given EDP training at RSETI also in future as there is only RSETI in the portal for claiming the subsidy.

Action: KVIC/KVIB/Industry Department/SBI-RSETI

Agenda-7: Achievement under Self Employment Programme (SEP) under NULM:

The representative of MzSULM in UD&PA Department told the house that banks sanctioned 292 loans to individuals out of the target of 350, 11 loans sanctioned to groups out of the target of 100 and only 24 loans were sanctioned to SHGs out of the target of 300 groups up to March 2018. The representative of MzSULM also told that some banks insist on collateral security from the applicants and many loan applications were turned due to this. It was clarified that as per instruction of the RBI vide para. 4.2 Collateral under Chapter-IV of RBI/FIDD/2016-17/37 Master Direction FIDD.MSME & NFS.3/06.02.31/2016-17 dated July 21, 2016 banks are mandated not to accept collateral security in the case of loans up to Rs.10 lakh extended to units in the MSE sector. The house requested banks to follow the instruction in this regard. The MzSULM also told that they are ready for joint recovery with banks in case of NPA loans if required. The house requested Bankers to sanction all loan applications sourced by the MzSULM.

Action: All Banks/MzSULM

Agenda-8: Opening of new branch

Sakawrdai (Aizawl District): The representative of MRB told the house that everything is ready for opening a branch at Sakawrdai but for installation of V-sat. He told that the V-sat engineer will visit the villages shortly and the branch will be operational once V-sat is installed at the premises. The representative of MRB also told that they will require security from the state government to which the chairman, who is also in charge of Home Department told that there is no security problems in the area as the state government had recently entered into MOU on peace agreement with the then underground people who had since surrendered all their arms accordingly. The house requested the MRB to make the branch at Sakawrdai village operational as soon as possible.

Action: MRB

Farkawn (Champhai District): The house discuss the request received from the Village Council of Farkawn village for opening SBI branch at their village and request the SBI to find possibility for opening a branch thereat as soon as possible.

Action: SBI

a) Opening of Banking Outlet/Part-time banking Outlet:

No progress report has been received from banks for opening of brick and mortar branch or a Banking Outlet / part-time banking Outlet under RBI roadmap in villages where population is more than 2000. There are 18 villages in the state at present having more than 2000 population as shown below:

VILLAGES WITH POPULATION ABOVE 2000 TO 5000 WHERE BRANCH IS TO BE OPENED					
SL NO	DIST	NAME OF VILLAGE	POPULATION	ALLOTTED TO	Remarks
1	MAMIT	KAWRTETHAWVENG	2008	SBI	
2		RAJIBNAGAR	3530	SBI	
3		DAMPARENGPUI	2156	MRB	
4		SILSURI	3349	MRB	
5		MARPARANORTH	2129	MRB	
6	KOLASIB	N.THINGDAWL	3111	MRB	
7		HORTOKI	2544	MRB	
8		SAIPHAI	2052	SBI	
9		SAIPUM	2359	SBI	
10	AIZAWL	LOWER SAKAWRDAI	2505	VJB	MRB opening a branch
11		PHUAIBUANG	2134	BOB	
12	CHAMPAI	VAPHAI	2252	HDFC	
13		FARKAWN	2700	MRB	
14	SERCHHIP	KEITUM	2022	MRB	
15	LUNGLEI	MAR'S'	2511	SBI	
16		TUICHAWNG	2464	MCAB	
17		CHERHLUN	2235	SBI	
18		THINGSAI	2241	SBI	
BANK BRANCH TO BE OPENED BY					
SBI	7	VJB	1	HDFC	1
MRB	7	BOB	1	MCAB	1

The house requested the concerned 7 banks to visit the villages and arrange to appoint BC/CSP and open a banking outlet/Part-time Banking Outlet there as early as possible and to be liberal in remunerations. The chairman also request the SLBC to put up a note regarding problems on appointment of BC/CSP in the state to him.

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

b) Opening of Banking Outlet/Part-time Banking Outlet:

The house recommended opening of Banking Outlet/Part-time banking outlet in the following villages by SBI as soon as possible.

(1) Serchhip District: (i) Lungpho, (ii) Sialhau, (iii) Thentlang, (iv) Hriangtlang, (v) Hualtu and (vi) Piler

(2) Champhai District: (i) Melbuk, (ii) Kelkang, (iii) N. Khawbung, (iv) Ngur and (v) Vapar

Action: SBI

Agenda-9: Banking Plan for Piggery Development in Mizoram:

The representative of NABARD told that a sum of Rs.8.00 crores was disbursed in the state as subsidy to farmers who avail loan from banks under Piggery Development Plan. The chairman wanted to have AH & Veterinary Department of the state government to undertake publicity of the scheme to the general public so that all needy people in the state will be able to avail of the scheme. (Unfortunately no representative from AH & Veterinary Department do not attend the meeting). The chairman also told NABARD to increase the subsidy allocation for Mizoram and to report to him if there is any problem with their corporate office.

Action: AH&Vety Dept./NABARD/SLBC

Agenda-10: Loan sanctioned under Stand Up India (SUI) scheme:

The house was told that as many as 25 loans amounting to Rs.4.72 crores up to December 2017. The house told all banks to sanction minimum 2 loans in a year.

Action: NABARD/SLBC

Agenda-11: Report on Financial Literacy Campaign /Financial Literacy Centers

Altogether 26 rural branches reported having conducted Financial Literacy camp during the period under review. The house reiterated that all FLCs should conduct special camps on "Going digital" through UPI and *99# (USSD)" and also to continue conduct the tailored camps for the different target groups. The house also house wanted all banks, nationalized banks and private banks to organize FLC in rural areas and should be able to report the achievement in the next meeting.

Action: All Banks / all LDMS

Agenda-12: Credit-Link Subsidy Scheme under Pradhan Mantri Awas Yojana – Urban

As many as 147 loans amounting to Rs.851.86 lakhs have been sanctioned up to December, 2017. The representative of UD&PA Department told the house that many banks have not reported any achievement. He also told that some banks are charging processing fees from borrowers in respect of housing loans sanctioned under the scheme which is not correct. He said that the loan processing charges are to be reimbursed from HUDCO and banks should submit claim accordingly on quarterly basis. The house requested all banks to follow the instruction in this regard. The house also allowed carryover of all pending applications of FY 2017-18 to be financed during the FY 2018-19.

Action: All Banks

Agenda-13: Social Security Schemes

Since the achievement is very low the house requested banks to have more campaign on the scheme in collaboration with RD Department & UD&PA Department so that all eligible customers are enrolled in the scheme.

Action: All Banks/LDMS/RD Department & UD&PA Department

Agenda-14: Rural Self Employment Training Institute (RSETI)

The Director of SBI-RSETI, Aizawl told the house that credit linkage is very low i.e. 33.36% only whereas the national percentage is 54%. He told that low level of credit linkage has resulted in less scoring in the annual appraisal. The low level of settlement on credit linkage is due to undue delay in sanction of Mudra loan proposals sourced by RSETI and unreasonable rejection of the proposals for want of collateral. It was clarified to the banks that MUDRA itself is the guarantor and no other 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.

Action: All Banks

Agenda-15: CD Ratio:

The CD ratio as on December, 2017 is reported as 41.81%. Detail is as under;

Rs. In crores

FY & Quarter ended	Deposit	Advance	CD Ratio
FY 2017-18 December 2017	8275.59	3459.72	41.81%
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%

As the overall CD ratio is below the expected level all banks are expected to roll out a roadmap for achieving the expected level of CD ratio and to present the same in the next meeting.

Action: All banks

District- wise CD ratio for December 2017 quarter:

The District-wise CD ratio is given below.

(Rs.in lakh)

District	Deposit	Advance	CD Ratio of Dec 2017	CD Ratio of Sep 2017	CD Ratio of Mar 2017	CD Ratio of Dec 2016
AIZAWL	633207.90	221175.90	41.76%	35.03%	32.65%	34.57%
LUNGLEI	59528.20	32869.56	55.22%	52.75%	55.23%	51.58%
KOLASIB	26291.20	12655.83	48.14%	49.15%	43.04%	47.43%
MAMIT	13541.26	6699.23	49.47%	48.24%	44.39%	42.55%
LAWNGTLAI	22876.46	24564.18	107.38%	88.57%	110.08%	118.53%
SAIHA	15415.54	17865.52	115.89%	89.23%	115.25%	110.88%
CHAMPAI	33348.41	19092.04	57.25%	57.44%	62.35%	60.82%
SERCHHIP	23349.80	11050.07	47.32%	46.18%	50.80%	48.61%
Total	827558.80	345972.30	41.81%	40.73%	40.14%	41.61%

Priority Sector Advances:

The total lending under Priority Sector (PS) advances at the end of the quarter ended December 2017 was Rs. 2109.64 crores out of the total advances of Rs. 3365.35 crores. The percentage of PS advance is 60.92 as against the benchmark of 40%.

Agenda-16: Agricultural Advances:

Agriculture advances at the end of December 2017 was reported as Rs.452.49 crores which is 13.08% out of a total advance of Rs. 3459.72 crores whereas the benchmark is 18%. The house requested bankers to extend more loans under agriculture to achieve the stipulated bench mark. The house also requested Agriculture Department/ Horticulture Department and Animal Husbandry & Veterinary Departments to prepare project for bankable schemes and should source loan proposals for bank finance so that credit flow to agriculture will be able to increase. Banks are requested to submit **agriculture loan application forms** to the chairman.

Action: All Banks/ Agri. Deptt/Horti. Deptt and AH & Vety. Department

Agl. loans sanctioned up-to the quarter ended December 2017:

Crop Loans	1548.89
Term Loans	9094.56
Total	10643.45
New KCC issued	3172
Cumulative position of KCC	32809

Agenda-17:: Security related issues on banking:

There problems regarding reported sell of bank accounts by residents of Mizoram which were used by miscreants for cheating different persons was again discussed. The house was told that if police case is filed against those people who sold their bank account can land in serious trouble. The house again requested bankers to give awareness to their customers on the implication of selling of bank account while opening of the accounts.

Action: All Banks

Agenda-18: Target for financing of SEP under DAY-NULM for the Year 2018-19

The draft district-wise physical target for finance of Self Employment Program (SEP) under DAY-NULM for the financial year 2018-19 was approved as under:

Sl No	Name of District	SEP-I	SEP-G	SHG-BL
1	Aizawl	135	30	80
2	Champhai	50	10	35
3	Kolasib	35	10	30
4	Lawngtlai	30	10	30
5	Lunglei	50	10	35
6	Mamit	35	10	25
7	Saiha	30	10	30
8	Serchhip	35	10	35
9	Total	400	100	300
	Loan limit	@ Rs.2.00 lakh/head	@ Rs.5.00 lakh/Group	@ Rs.1.00 lakh/SHG

Bank Wise & Branch wise Physical Target for SEP under DAY-NULM for the Year 2018-19 may be allocated by Task Force Committee in each District.

Action: MzSULM(UD&PA)

Agenda-19: Adoption of 2000 dwelling Units under Credit-Link Subsidy Scheme (CLSS) for the financial Year 2018-19.

The draft town-wise physical target for adoption of financing 2000 Dwelling Units (DU) under Credit Link Subsidy Scheme (CLSS) for the financial Year 2018-19 for the following city/towns has been approved as under:

Sl. No	Name of city/ town	Total population Census 2011	Total Nos. of Households	%-wise allocation of DUs under CLSS for 2018-19	No. of DUs as per percentage	No. of DU allocated for 2018-19
1	Aizawl	314754	62951	46.87	937.46	1000
2	Lunglei	68752	13750	10.24	204.77	200
3	Champhai	48529	9706	7.23	144.54	150
4	Lawngtlai	20830	4166	3.10	62.04	60
5	Saiha	25110	5022	3.74	74.79	70
6	Kolasib	46878	9376	6.98	139.62	140
7	Serchhip	32019	6404	4.77	95.36	100
8	Mamit	14899	2980	2.22	44.37	40
9	Bairabi	4320	864	0.64	12.87	10
10	Biate	2277	455	0.34	6.78	10
11	Darlawn	3769	754	0.56	11.23	10
12	Hnahthial	7187	1437	1.07	21.41	20
13	Khawhai	2496	499	0.37	7.43	10
14	Khawzawl	13518	2704	2.01	40.26	30
15	Lengpui	3282	656	0.49	9.78	10
16	N. Kawnpui	7732	1546	1.15	23.03	20
17	North Vanlaiphai	3602	720	0.54	10.73	10
18	Sairang	5950	1190	0.89	17.72	20
19	Saitual	11619	2324	1.73	34.61	20
20	Thenzawl	7259	1452	1.08	21.62	20
21	Tlabung	4554	911	0.68	13.56	10
22	Vairengte	10554	2111	1.57	31.43	20
23	Zawlnuam	11617	2323	1.73	34.60	20
	Total	671507	134301	100	2000	2000

Bank Wise & Branch wise Physical Target inter-se allocation of Dwelling Units may be done by Task Force Committee in each District.

Action: UD&PA

Agenda-20: Target for Finance of SHGs under MzSRLM for the FY 2018-19:

The draft district-wise physical and financial target for finance of Self Help Groups under MzSRLM for the financial year 2018-19 was approved as under:

Sl No	Name of District	Physical target	Loan amount target (Amount in lakhs)	Loan Type
1	Serchhip	125	625.00	CCL
2	Kolasib	120	600.00	
3	Champhai	135	675.00	
4	Mamit	70	350.00	
5	Lawngtlai	70	350.00	
6	Saiha	20	100.00	
	Total	540	2700.00	

Bank Wise & Branch wise Physical Target inter-se allocation is also approved. The house requested all concerned banks to please achieve the target for the FY 2018-19.

Action: All Banks

The chairman told that only heads government departments should henceforth attend the meeting. The chairman also told the house that only senior-most manager/branch-head of banks who can take decision should henceforth attend the meeting.

The representative of the following Government Departments / Banks / Insurance Companies does not attend the meeting which was viewed serious:

Government Departments:

- 1) Director, Horticulture Department
- 2) Director, Fisheries Department
- 3) Director, AH & Vety. Department
- 4) Director, Industries, Trade & Commerce Department
- 5) Project Director, SLMC, RD Department
- 6) Registrar Co-op. Societies Department
- 7) Chief Engineer, Minor Irrigation Department
- 8) Secretary, NLUP Board
- 9) Joint Director (Handloom & Handicraft), Industries Department
- 10) Postmaster General, Aizawl
- 11) Commissioner/Secretary, LE & IT Department
- 12) Secretary, ICT Department
- 13) Jt. Director, Trade & Commerce, ITC Department
- 14) The Assistant Director (Handicrafts), GOI, Chaltlang
- 15) General Manager, BSNL

Banks:

- 1) Central Bank of India
- 2) Punjab National Bank
- 3) Syndicate Bank
- 4) Bank of Baroda
- 5) Bank of Maharashtra
- 6) ICICI Bank Ltd.
- 7) Mizoram Urban Co-op Development Bank Ltd.
- 8) South Indian Bank
- 9) North Eastern Development Finance Corporation Ltd. (NEDFI)

Insurance Companies (Public Sector):

- 1) Life Insurance Company of India (LIC)
- 2) National Insurance Company (NIC)
- 3) New India Assurance Company (UIAC)
- 4) Oriental Insurance Company (OIC)

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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