

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

The SLBC meeting of Mizoram for the quarter ended March, 2017 was held at the Conference Hall, New Secretariat, Aizawl on 29.06.2017 at 12:00 noon under the Chairmanship of Shri. Lalmalsawma, IAS, Chief Secretary, Govt. of Mizoram. Shri Dibyendu Chaudhuri, Regional Manager, SBI and Convener SLBC welcomed the Chairman and other senior government officials. He also welcomed the new GM NABARD, Shri R.K. Srivastava who was representing NABARD in SLBC for the first time, AGM from RBI, all Banker participants in the meeting. He thanked the chairman for allowing holding of the meeting in spite of his busy schedule and that too on the last available day. He also mentioned about non-receipt of SLBC data in time from some of the member banks. He said that the meeting will try to focus on the pertinent points and be brief to avoid the stress of avoidable lingering discussions. After that he requested the Chief Secretary for his opening remarks.

The Chief Secretary thanked the SLBC Convener and told the house that the meeting is for the quarter ending March 2017 and has been convened rather late. He welcomed the participants on behalf of the Government of Mizoram as well as on his own behalf. He told that we have been discussing several issues in this forum one of which is the CD ratio. He shared with the house about the Chief Minister's address of the Mizoram Cooperative Apex Bank's 24th Conference held the day before in which he raised similar concern and he expressed his desire that all the banks are maintaining a favorable CD ratio. He also read out a letter from the Finance Minister, Pu Lalsawta, who wanted to share with the meeting on 'Loan to Farmers/Entrepreneurs under national Livelihood Mission scheme'. The Finance Minister wanted the meeting to discuss matters of non-sanctioning of loans by banks under the schemes. The Chairman requested all bankers present to take note of the matter and sincerely try to improve the situation at their respective banks as far as possible.

Thereafter, Shri Dibyendu Chaudhuri, Regional Manager, SBI and Convener SLBC thanked the chairman for his opening remarks 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 December 2016 held on 23/03/2017 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 instructions regarding financial inclusion:

Promotion of Digital Payments / Organising of DigidhanMela etc.

The meeting was apprised on the observance of a function to mark the culmination of Digidhan mela which was organized at the I&PR Auditorium, Aizawl on 21.04.2017 where all banks operating in Mizoram (Aizawl) participated. The house was also told about Celebration of Financial Literacy Week was observed in the state from 5th June, 2017 to 9th June, 2017. While discussing the Celebration of Financial Literacy Week the DGM, NABARD told the house that rural branches now can avail the reimbursement facility offered by NABARD to purchase hand-hold projector for use at FLCS and asked banks to utilize the facility.

Action: MCAB/MRB & SBI

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

a) Credit achievement of Government Sponsored Schemes under NRLM FY 2016-17:

The achievement on credit under NRLM is very low. The NERLP representative told that many loan applications are pending mostly with MRB branches. Most of the SHGs under NRLM maintained their bank account mainly with the MRB, HDFC & SBI. The house requested these three banks to sanction loans under these schemes to achieve the target during this year. Meanwhile, the NERLP was requested to provide the list of branches where loan applications are pending with list of SHGs (applicants) to MRB (HO).

Action: NERLP, HDFC, MRB, SBI

The NERLP representative told that Branch Managers at rural centers do not know the RBI instructions on NRLM. Meanwhile, the representative from MzSRLM also told that bank managers at rural areas do not know the categorization of districts which led to problems with reimbursement of interest subvention. The RBI instruction has clearly mentioned which district is under category-I and category-II. The Commercial Banks and Cooperative Banks will lend to all the women SHGs in Rural areas at the rate of 7% and additional subvention claims of 3% in the 250 districts which includes Aizawl, Serchhip and Lunglei districts in Mizoram. For the purpose of Interest Subvention of additional 3% on prompt repayment, a SHG account will be considered prompt payee if it satisfies the criteria specified by Reserve Bank of India (RBI). For category II districts, comprising of districts other than the above 250 districts, all women S.H.Gs under DAY-NRLM will be eligible for interest subvention to avail the loan facility at an interest rate of 7%. He requested the controlling offices of banks to provide the RBI instructions to their branch managers at rural centers in this regard. Meanwhile, the NERLP was requested to provide the list of branches where loan applications are pending with list of SHGs (applicants) to MRB (HO).

Considering the low level of awareness among the branch managers at rural centers the house decided that '**One day training on NRLM**' should be conducted for bankers at Aizawl to coincide with the next SLBC meeting for sensitizing the scheme to the branch managers and NABARD is has been entrusted to convene training.

It was also decided to conduct a '**District level workshop for Bank Managers on NRLM schemes**' in each districts of the state with MzSRLM as the convener.

Action: NABARD, MzSRLM, NERLP, HDFC, MRB, SBI & MCAB,

b) Credit achievement of Government Sponsored Schemes under PMEGP:

The achievement as on date as reported by State KVIC office is 488 loans with margin money of Rs.488.42 lakhs only out of the annual target is 655 and Rs.1310.74 lakhs which is 74.50% and 37.26% respectively. Pu C. Lalbiakthanga, Addl. Director of Industries told the house that achievement was too low whereas the achievement last year was more than 100%. He also brought it to the notice of the house that some private banks did not sanction any loan during the year under review.

Representatives of these banks who are present in the meeting told that they will sanction the loan during the current year (2017-18) and clear the back log.

Action: ICICI Bank, HDFC Bank, Federal Bank, IndusInd Bank, Yes Bank and South Indian Bank.

c. Credit target and achievement under NULM for 2016-17:

The achievement under Self Employment Program (SEP) for the FY 2016-17 as reported by the bank is 289 units amounting to Rs. 490.11 lakhs out of the target of 200 units and with an amount Rs.2000.00 lakhs. Since the achievement is very low and some banks have not sanctioned any loan the house requested banks to finance all eligible applications under NULM sourced by MzSULM in the current Financial Year.

Action: All Banks

d) Requests for opening of branch at other centers:

The present position of applications for opening of bank branch at the following villages is as under:

- (i) Bukpui village, Kolasib District (Population - 996)
- (ii) Tuipuibari village, Mamit District (Population -1159)
- (iii) Sakawrdai village, Aizawl district (Population - 2505)

The MRB told having done survey of the villages and will open the Branch at Sakawrdai and Tuipuibari villages within this financial year. They also told to find ways for appointment of BC for Bukpui villages.

Action: MRB

- (iv) N. Kanghmun village, Mamit district (Population -858)

The MCAB told that they will consider appointment of BC/CSP instead of brick and mortar branch.

Action: MCAB

- (v) Kawrtethawveng village, Mamit district (Population - 2008)
- (vi) Rajivnagar village, Mamit district(Population - 3530)
- (vii) West Phaileng village, Mamit district (Population - 4377)
- (viii) Longpuighat village,(Lawngtlai district Population - 945)

SBI having undertaken necessary survey of these villages and told that it may consider appointment of BC/CSP for Kawrtethawveng & Longpuighat villages as the population is very less. In the case of Rajivnagar village, the SBI representative told that the village is more or less a part of Tuipuibari village and since MRB is planning to open a branch at Tuipuibari village it will not be viable to open two branches in such adjoining villages. They also told that MRB branch is already functioning at West Phaileng village and there is no justification for opening of another bank branch.

Action: SBI

ATM at Darlawn village:

The Regional Manager of SBI reported to the house that ATM has been installed at Darlawn village and inaugurated on 14th May, 2017 which is a significant development for the area.

Agenda - 4: CD Ratio:

The CD ratio of the state as on 31.03.2017 stood at 39.88% which indicates a slight decrease of 1.73% over that of % 41.61% in the last quarter. The CD ratio for March 2017 quarter is given below:

(Rs.in lakh)

Financial year 2016-17	Deposit	Advance	CD Ratio
March 2017	790243.93	315112.61	39.88%
December 2016	727915.18	302890.26	41.61%
September 2016	727288.17	289567.16	39.81%
June 2016	649470.92	285407.75	43.94%
Financial year 2015-16			
March 2016	642318.55	283861.04	44.19%

The CD ratio of banks like Yes bank, ICICI Bank, Federal Bank, South Indian Bank and Axis Bank were less than 20%. As there have been no improvement in the CD ratio the house decided that the SLBC should write to controllers of these banks to extend loans to more people of the state. The South Indian bank told that their CD ratio will increase substantially during the current year as they are going to finance building projects. All the low CD ratio banks mentioned above individually told the house that they will have CD ratio above 20% by the end of September, 2017.

Action: Yes bank, ICICI Bank, Federal Bank, South Indian Bank and Axis Bank

Priority Sector Advances:

The total lending under Priority Sector (PS) advances at the end of the quarter were Rs.181,406.30 lakhs out of the total advances of Rs. 315,112.61 lakhs. The percentage of PS advance is 57.56 as against the benchmark of 40%.

Agenda - 5: Agricultural Advances:

Agriculture advances at the end of March 2017 was Rs.17,494.99 lakhs out of a total advance of Rs.315,112.61 lakhs which is 5.55% 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

It was decided to constitute a Sub-Committee of SLBC for improvement of agriculture advance with NABARD as the convener. Members for the said sub-committee will be from NABARD, Agriculture Department, Horticulture Department, Fisheries Department, Revenue Department, MRB, MCAB, SBI and HDFC Bank.

Action: NABARD

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

The overall achievement of ACP as on 31.03.2017 is 114.98% which is 2.43 less than last year on YOY basis. The Percentage of achievement under Priority Sector is 110.26% whereas under Non-Priority Sector the achievement is 124.05%.

Agenda - 7: Review of progress in financing MSME sector:

The overall growth under MSME sector was reported as on 31.03.2017 is Rs.115.14 crores over December, 2016 and Rs.109.88 crores over March, 2016.

Agenda -8: Review of performance under MUDRA (PMMY) Loan:

As many as 6929 PMMY loans amounting to Rs.94.57 crores were sanctioned during the year under the scheme.

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

As many as 53 loans amounting to Rs.10.98 crores were sanctioned during the year under the scheme. Meanwhile the loan sanctioned to SC/ST sub-head with 4 loans was not understood as there was SC and ST sub-heads separately with more number of achievements. The Assistant Manager, SIDBI was told the house that she will look into the matter and clarify.

Action: SIDBI

Agenda -10: Security related issues on banking:

The representative of DGP, Mizoram told that there is no issue relating to security on banking services. He however told non-receipt of reimbursement of the cost of security guards provided to currency chest branches particularly from SBI. He said that Mizoram being a peaceful state has been punished by way of non-payment of reimbursement of security guards. He asked the SBI to pay for the same as early as possible. The Regional Manager, SBI in-turn requested the police authorities to provide all pending bills relating to treasury remittances to them so that the matter may be acted upon.

Action: SBI & Police Department

The representative of DGP, Mizoram also told that CCTVs at ATM booths were not working properly and request bankers to rectify the problems to enable easy identification of miscreants who stole money through the ATMs.

Action: All Banks having ATM in the state

Agenda - 11: Progress Roadmap for providing banking services in every village having population below 2000-

The house was told that out of 662 villages with less than 2000 population as per PMJDY SSA allotment (August 2014), banking services have been provided to 110 villages like branches, fixed located and periodically visited. The house request banks to give more incentives to BCs to them a boost. The RBI representative told the house that last time the number of covered villages was shown as 293 and now the reduced figure is quite difficult to reconcile with. She said that once the number of covered villages has been reported it should not be reduced later. If there are non-functioning BCs, that is the banks' job to activate them. The house decided to maintain the data reported earlier. Banks are, therefore, requested to provide the correct data while uploading the SLBC data.

Action: All Banks

The house was told that there are 18 villages having above 2000 population where bank branch is yet to be opened (i.e. SBI=7, MRB=7, VJB=1, BOB=1, HDFC=1, & MCAB=1). The concerned banks are requested to expedite opening of branches in these villages.

Action: SBI, MRB, VJB, BOB, HDFC & MCAB.

Agenda - 12: Financial Literacy Campaign/Financial Literacy Centres Report

The house was told that out of 67 rural branches of banks only 21 branches have conducted 21 Financial Literacy Camps during the quarter. Besides the above as many as 8 Special Financial Literacy Camps/Town Hall Meetings were conducted by Financial Literacy Centers (FLCs) by LDMs. As per the instructions all rural branches of banks and LDMs should conduct at least one FLC every month. The RD Department representative told that they are conducting FLC and request the SLBC to provide a Resource Person. The Chief Manager, Lead Bank, Aizawl told that he had already given his name for inclusion as Resource Person.

Action: Banks, LDMs & Secretary, RD Department

Agenda-13: Credit Linkage to Housing for all –

(a) Pradhan Mantri Awas Yojana- Gramin (PMAY-G):

The RD Department told the house that as many as 1720 applications had been sent to respective banks on 18/02/2017 and sending of more loan applications is unlikely. Moreover, he said not received fund for the FY 2017-18 from the Ministry of RD as yet on date. The house requested banks to sanction housing loans to the beneficiaries identified by the department.

Action: All Banks

(b) Pradhan Mantri Awas Yojana (PMAY-Urban)

The Credit Link Subsidy scheme (CLSS) under Pradhan Mantri Awas Yojana (Urban) is to be implemented from this year. The representative from UD & PA Department told the house that out of the target of 1000 dwelling units for 2016-17 only 169 units have been financed so far and the remaining are to be carried forward in the FY 2017-18. Besides this, the target for FY 2017-18 has been fixed at **2000** dwelling units including the brought forwarded from last FY. He also said that a new guideline for MIG category has been launched for the beneficiaries having an income up to 18.00 lakhs and the target allotted to the state under this is **800** dwelling units and seek approval of the house. After deliberation on the subject the house approved the target both under EWS/LIG and MIG for the FY 2017-18. Banks are requested to sanction loans as per the scheme. He also said that a separate committee is required to pursue the implementation of requested for formation of '**Sub-Committee for schemes under UD & PA Department**'. The house approved the request and decided to constitute a 'Sub-Committee with UD&PA Department as convener and banks as members.

Action: UD&PA Department / Banks

Agenda-14: Social Security Schemes

The participants told that the position of subscribers of Social security Schemes under PMJDY i.e. Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Atal Pension Yojana (APY) is very with low compare to the number of savings bank account holders in the state. The house request banks to step up efforts to market the schemes to increase coverage. The Chief Manager (Lead Bank) Aizawl told the house that they are going to organize special campaign for enrolment to APY scheme from the muster roll staff of some big departments under the state government.

The Chief Manager (Lead Bank) at Champhai and Aizawl told the house that the Social Security Schemes are always included in the topic of discussion at all FLCs and will continue to do so.

Action: Banks / LDMs

Agenda - 15: RSETI

There is a only one RSETI in Mizoram at IGC, Luangmual. The Director, SBI-RSETI Aizawl told the house that the SBI LHO had already advised the project architect to submit the detailed estimate for the project. After receiving the detailed estimate it will be vetted by bank's engineer and after that it will be forwarded to Lead Bank Department, LHO, Guwahati for necessary approval from the competent authority. The house requested the Director of RSETI to closely follow up the matter. Meanwhile the Director of RSETI told the house that credit linkage is very low i.e. 28% only whereas the national percentage is 54. He requested all banks to sanction PMMY loan applications sourced by the RSETI.

Action: RSETI

The Director of RSETI also told the house that proposal for purchase of equipments had been submitted to SBI, RBO, Aizawl and are waiting for sanction. The cost of these items will be reimbursed by NABARD in due course for which NABARD had already given its approval.

Action: SBI(RBO)/NABARD/RSETI

Reimbursement of training cost:

Regarding claim for reimbursement of training cost, the representative of MzSRLM told the house having received a claim of Rs.25.77 lakhs relating to the period from 2011-2017 for training conducted by RSETI. After scrutiny the claim amount was reduced to Rs.16.56 lakhs as the actual eligible for reimbursement. The reason for reduction of the amount is due to training of people other than from BPL family and also training given to candidates from non-rural centers. He also told the house that they will put up the claim for obtaining administrative approval and thereafter reimburse to the RSETI.

Action: MzSRLM / RSETI

Agenda - 16: Aadhaar and Mobile number Seeding etc drive on campaign mode:

The house was told that a special drive is observed by banks throughout the state with a view to enable account holders for digital payments, for seeding of Aadhaar and mobile number in all operative, individual savings bank accounts on voluntary basis. The state rank at No. 12 on mobile seeding with 86.60% while in aadhaar seeding our position is 29 with 60.30% as on 26.05.2017. The house requested Banks to continue the campaign until all Aadhaar card holders completed seeding into their Savings Bank accounts.

Action: All Banks

Agenda - 17: Recovery under Bakijai cases

The house was told that there are as many as 8 cases amounting to Rs.4.77 Lakhs were settled under Bakijai cases during the quarter and there are 1514 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

Agenda - 18: Annual Credit Target for finance to Self Help Groups (SEP) etc.

a) Under MzSRLM for FY 2017-18:

The draft district-wise target for financing 725 SHG under MzSRLM amounting to Rs.750.00 lakhs for Serchhip, Kolasib, Champhai, Lawngtlai, Saiha and Mamit districts was approved after discussion. The house request all banks to achieve the target for the year.

(Details of Bank-wise and Branch-wise target to be made at respective district level DCC Meetings)

Action: Canara Bank/CBI/MCAB/MRB/SBI/UBI

b) Under NERLP for FY 2017-18

The draft district-wise target for financing 1000 SHG under NERLP amounting to Rs.1000.00 lakhs for Aizawl District and Lunglei districts was approved after discussion in spite of some reservation from the MRB. The house requests all banks to achieve the target for the year.

(Details of Bank-wise and Branch-wise target to be made at respective district level DCC Meetings)

Action: MCAB/MRB/SBI/HDFC Bank

Agenda – 19: Target for Finance under PMEGP scheme for FY 2017-18:

The draft district-wise target under PMEGP with Margin Money amounting to Rs.1245.66 lakhs was approved after discussion. The house request all banks to achieve the target for the year.

Action: All Banks

Agenda – 20: Annual Credit Plan (ACP) for FY 2017-18:

The Bank-wise/district-wise ACP target put up was discussed by the house. While the target under MSE and Services was approved in principle, the NABARD representative told that they want the target under Crop Loan and other agricultural activities is made as per the Potential-Credit Link Plan (PLP) for the FY 2017-18 for each district. The house, therefore, requested the SLBC convener to prepare revised target for Agriculture segment in consultation with NABARD and put up the revised ACP to the next SLBC meeting for approval. Meanwhile, the house requested all banks to increase their lending under agriculture to achieve the target set for the year.

Action: SLBC Convener/NABARD/All banks

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

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