

**MINUTES OF THE 77<sup>TH</sup> SLBC MEETING FOR MANIPUR FOR THE QUARTER  
ENDED DECEMBER, 2023 HELD ON 27.03.2024**

The SLBC meeting for the quarters ended December, 2023 was held on 27<sup>th</sup> March 2024 in the Conference Hall, South Block Secretariat Imphal under the Chairmanship of Dr. Vineet Joshi, Chief Secretary, Govt of Manipur and Chairman SLBC Manipur. Ms. Anna Arambam, Director, Institutional Finance, Government of Manipur welcomed all the members present offline and online.

Shri Druba Charan Bal, General Manager SBI and Convenor SLBC gave the introductory remarks. He expressed his happiness that SLBC meeting is conducted before the completion of next quarter. However, he urged SLBC to conduct the quarterly meetings within 45 days of completion of a quarter as mandated in the Lead Bank Scheme.

He stated that CD ratio looked good at 82.29% but a closer look indicates that the improved CD ratio over last quarter is due to decrease in deposit and not due to growth of credit and this needs to be looked into. Further, it is disheartening that the Priority Sector Lending (PSL) in the State is only 27.27% of the total advance against the minimum mandate of 40%. Unless we go for priority sector lending, the State cannot have proper financial inclusion and equitable growth for all its citizens. He also said that Hon'ble Chief Minister had launched the Chief Minister Entrepreneurship Support Scheme (CMESS) and the target for the first phase have already been given to the banks and he urged all the stake holders to make it a grand success. This will help the Banks in a great way to achieve Priority Sector Lending target.

PSL and ACP are both heavily linked to the Govt. Sponsored Schemes (GSS). However, GSS has been always a challenge for the banks as far as recovery is concerned. The Gross NPA of PMEGP in Manipur is at 35.94%, in NULM it is 13.51% and SHG which is traditionally the best credit option for banks has an NPA of 14.46 % as on December, 2023; therefore, he urged for cooperation from the concerned line departments of the State in this regard. There is a need to work hard hand in hand to change this trend, otherwise it will always be a challenge to the bankers to achieve higher targets in PSL and ACP.

He also highlighted that the Hon'ble Finance Minister had received representation from some States that most of the banks are reporting different figures to State Government, SLBC and DFS regarding their banking infrastructure in the State. DFS has taken the matter seriously and requested all banks to rectify such issues if any, in JDD (Jan Dhan Darshak) and SLBC portal.

He also highlighted the launch of financial inclusion scheme "PM Vishwakarma" by the Hon'ble Prime Minister on 17<sup>th</sup> Sept, 2023. As on



14.02.2024, Manipur State has received 54355 applications and urged all the banks to prepare the platform for the success of this programme.

Thereafter, Shri Kh. Okendra Singh, Regional Manager, State Bank of India, Regional Business Office, Imphal presented the agenda items for discussion/deliberations of the House.

List of participants is at **Annexure**.

**Agenda 1: Adoption of minutes of the last SLBC meeting.**

The minutes of the 75<sup>th</sup> and 76<sup>th</sup> SLBC meeting held on 29<sup>th</sup> January, 2024 was adopted by the House as there were no requests for amendment.

**Agenda 2: Review of Deposit, Advances and CD Ratio.**

The CD ratio of the State stood at 82.29% at the end of December, 2023 quarter. However, the improved CD ratio is due to decrease in deposit and all banks need to improve their lending. Indusind Bank has the lowest CD ratio at 39.95% and has been advised to improve their CD ratio and to achieve the national benchmark of 60%. There are 6 banks viz. HDFC, BOB, MSCB, NESFB, PSB and CBI whose CD ratios are between 40% to 60%. These banks have been advised to achieve CD ratio of 60%. Jiribam district has CD ratio of 36.40%. Bandhan Bank has CD ratio of 10.65% and PNB also has CD ratio of 37.49% in Jiribam district and these banks have been advised to improve their CD ratio in order to improve the overall CD ratio of the District. LDM has also been advised to discuss the matter with stakeholders of the District and report to the SLBC.

**(Action: IndusInd, HDFC, BOB, MSCB, NESFB, PSB, CBI & LDM District)**

**Agenda 3: Review of Credit Disbursement and ACP achievement.**

Bank-wise and district-wise details of credit disbursement and achievement of ACP targets were discussed and many banks have not achieved their ACP targets. All the banks were advised to improve their achievement.

**Agri Priority Sector:**

Indusind Bank and NESFB have shown 0% achievement in Agri priority sector. Bandhan, PSB, IOB and PNB have achieved only between 1 to 10% in Agri priority sector. CBI, YES, UCO and Indian Bank have achieved between 10 to 20% only. All these banks were advised to show improvement. Chairman, MRB suggested for appointment of Nodal Officer to provide land record details to banks by concerned department for smooth implementation to saturate PM Kissan beneficiaries with KCC. Land Resources Department was advised to examine the request for sharing land record details.

**(Action: Land Resource Dept, Indusind, NESFB, BANDHAN, PSB, IOB, PNB, CBI, YES and UCO)**

### **MSME Priority Sector:**

The overall ACP achievement of banks in MSME is 108.52%. However, NESFB has achieved only 1.45%, Bandhan 8.34%, Indusind Bank 14.57%, MRB 32.77%, BOI 35.21 and MSCB 39.33% of the targets. These banks were advised to improve their MSME lending to achieve the targets.

**(Action: NESFB, Bandhan, IndusInd, MRB, BOI and MSCB)**

### **Other Priority Sector:**

The ACP achievement of banks in Other Priority Sector is very poor in the state at 22.33% only as at the end of the quarter ended December, 2023. All the banks except Union, Axis and MRB have reported below 50% of achievement. All banks were advised to campaign and create awareness to show better performance.

### **Agenda 4: Opening of Bank Branches at Unbanked Blocks, Unbanked Urban Local Bodies.**

There are still 21 unbanked blocks and 6 unbanked Urban Local Centres and 3 unbanked villages with population above 3000 identified for opening bank branches. No progress is visible for opening of brick-and-mortar bank branches in these centres. All banks allotted to open bank branches in these centres have been urged to initiate steps for opening of at least a branch by the 1<sup>st</sup> quarter of FY 2024-25. As decided in the last SLBC Meeting, IGP/Ops was requested to call the concerned banks along with District Administration concerned and DIF to examine and expedite the opening of these branches, especially the banks with security concerns.

**(Action: Police Dept & all allotted Banks)**

### **Agenda 5: Implementation of relief measures to loan borrowers due to riots/ disturbances.**

The implementation of relief measures to loan borrowers due to riots/disturbances was discussed by the House. It was informed that many borrowers are still requesting for restructuring of their accounts. Moreover, those accounts which have been restructured earlier are requesting for further restructuring. RBI was inquired whether a restructured account can be restructured for 2<sup>nd</sup> time and if it is restructured, whether the account will be treated as standard or NPA. RBI agreed to take up the matter for clarification with their Central Office.

It was also discussed that RBI Master Direction RBI/FIDD//2018-19/64 and RBI/FIDD/2018-19/65 dated 17.10.2018 is for natural calamities, riots and disturbances which usually occurs for 3-4 days. But the ethnic strife in Manipur is going on for nearly 1 year and the above circular does not match with the situation in Manipur. So, it was suggested to form a special Committee including top officials of the State Government, RBI and all banks to prepare a separate

circular in this regard and the following issues may be looked into:

- i) Interest compensation for loans affected by riots in the State since 03.05.2023
- ii) IRAC norms by RBI may be relaxed for those loans affected by the riot- for the entire period of the riot.
- iii) Loan limitation period may be extended for the period of riot, for loans affected by the riot so that documentation validity does not expire during this period.

It was therefore decided to seek extension of another 3 months for implementing relief measures to loan borrowers due to riots/disturbances and pursue the above matters.

**(Action: SLBC, RBI, DIF)**

#### **Agenda 6: CMESS**

The Chief Minister Entrepreneurship Support Scheme has been launched by the Government of Manipur. SBI has received around 15 applications and the bank is processing the applications. PNB has received around 10 applications out of which 2 have accounts in other banks.

No other banks have reported receipt of applications under the Scheme.

#### **Agenda 7: CGTMSE**

CGTMSE is being implemented by the banks and all eligible loans are covered under CGTMSE.

#### **Agenda 8: 100% Digitalization of districts.**

The overall coverage of digitalization in the State is 88.39% for individual Savings Bank Accounts and 79% Business Current Accounts. Chandel District has the lowest digitalization coverage at 75.16%. All banks were advised to achieve 100% digitalization target within the timeline of 31<sup>st</sup> March, 2025.

#### **Agenda 9. Miscellaneous**

All banks were given an opportunity to highlight their problems, if any. The Chairman, MRB suggested a Nodal police security officer may be appointed for each District, to whom banks can report incidents for which banks cannot file FIR so that police can take up those cases suo-moto. The Chief Secretary stated that all bank branches CCTV can be linked to police station so that security of branches can be enhanced. Since this may take time for implementation, it was requested for more patrolling of branches by the police. State Police Dept was also requested to appoint a Nodal Officer who can coordinate and arrange security for cash remittance between districts.

SBI informed the House that their branches at Kangchup Geljang and Moreh are still closed after 3<sup>rd</sup> May, 2023 due to security issues.

DGM (SLBC), SBI, LHO, Guwahati informed the House that Ministry of DoNER has organized North East Bankers' Conclave on 28<sup>th</sup> April, 2023 and one of the important discussions was on Banking Scenario in North East and the Way Forward. One of the findings of the Conclave was that there are obstacles due inadequate banking infrastructure, low financial literacy, low penetration, etc. To obviate these, it was recommended to have North East Regional Bankers' Committee for North East. Ministry of DoNER has taken up the matter with DFS and RBI for creation of NERBC. In this regard, we will be receiving letters/directives from Ministry of DoNER, DFS, RBI, etc. and requested all stakeholders to reply to these letters promptly.

PNB raised the issue of opening BC/CSP at unbanked villages allotted to them. They informed that they are not able to open BC/CSP due to distance and other issues and requested to allot them to another bank. The request was not considered justified as the mandate is to open brick and mortar branch, and the Bank is stating that they are not able to even sustain BCs. It was however decided to discuss this matter in detail in the Sub-Committee meeting.

AGM, RBI stated that DLRC is being held on a quarterly basis at District levels and placed before the House whether the frequency can be reduced. This was discussed in the House and it was agreed to hold DLRC annually in the State.

There are 11 villages below population of 2000 under the roadmap for providing banking facilities which are still unbanked. The 11 villages are in Kamjong and Pherzawl districts. It was decided to study the feasibility of opening banking facilities in these villages by the concerned District administrations and LDMs and report the same to RBI.

The meeting ended with vote of thanks to the Chair and the members present.



**(Dr. Vineet Joshi)**  
Chief Secretary,  
Govt. of Manipur.