

MINUTES OF THE MEETING FOR 80th SLBC MEETING FOR THE QUARTER ENDED SEPTEMBER 2024 WITH SPECIAL FOCUS ON FINANCIAL INCLUSION AND FINANCIAL LITERACY HELD ON 03.01.2025, 12:30 P.M AT CONFERENCE HALL, OLD SECRETARIAT.

The SLBC meeting for the quarter ended September 2024 was held on 03rd January 2025 in the Conference Hall, South Block, Old Secretariat, Imphal. Dr. Vineet Joshi, IAS, Chief Secretary, Govt. of Manipur and Chairman SLBC Manipur chaired the meeting.

Ms. Anna Arambam, Director, Institutional Finance, Manipur welcomed all the members present offline and online. She also informed the House that this would be the last SLBC meeting Dr. Vineet Joshi would chair as he has been transferred as Secretary, Higher Education Department, Govt. of India and she wished him all the best. Shri Kh. Okendra Singh, AGM, SBI, RBO, Imphal welcomed all the members and requested the banks to participate actively in the meeting and to raise concerns and queries particularly on issues relating to implementation of relief measures and clear their doubts.

Thereafter, Shri Namkoi Kangba, Coordinator, SLBC, Manipur presented the agenda items for discussion/deliberations of the House.

List of participants is in **Annexure**.

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

The minutes of the last SLBC meeting held on 4th September, 2024 was adopted by the house as there was no request for amendment.

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

The House was apprised that review of Deposit, Advances and CD Ratio had been discussed in detail in the SLBC Sub-Committee meeting on review of Credit Disbursement and Financial Performance of Banks for the quarter ended September 2024. Accordingly, only the highlights were placed before the House. It was informed that the CD ratio of the State stood at 85 % as at the end of September 2024 which is well above the national bench mark of 60%. However, there are 2 banks, viz., Indusind and Yes Bank with CD Ratio below 40% and 4 banks, viz., NESFB, HDFC, Bandhan Bank and CBI with CD Ratio between above 40% and below 60%.

The House was also informed that among the districts, Jiribam district had a CD ratio of 32%, which is below 40%, and that LDM (Jiribam District) has confirmed that a Special Sub-Committee has been formed at the DCC level to improve the CD ratio and bring it to the national benchmark of 60%.

Agenda 3: Review of Credit Disbursement and ACP achievement.

This agenda was also discussed in detail in the SLBC Sub-Committee meeting on review of Credit Disbursement and Financial Performance of Banks for the quarter ended September 2024 and therefore, no detailed discussion was held in the meeting. The House was informed that Banks have achieved overall ACP targets of 70% with 43% achievement in Agri

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sector, 69% in MSME sector, 10% in other priority sector and 87% in Non-priority sector.

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

The House was apprised that this agenda was discussed in detail in the SLBC Sub-Committee meeting on Unbanked Blocks and accordingly, only the summary of unbanked blocks and ULBs were presented before the House.

Out of 27 old blocks, 16 blocks are banked and 11 blocks are unbanked; out of 12 new blocks, only 2 blocks are banked and 10 are unbanked and out of 11 ULBs, 5 are banked and 6 remained unbanked. During December 2024 quarter, bank branch at Paomata block was opened by SBI. Kangvai Block has been removed from unbanked block as SBI branch is operating at Loktak HEPA, which comes under Kangvai Block. Opening of bank branch at Kakching Khunou by SBI is under progress. Bank of Baroda is reported to have visited Willong block along with District Administration for survey and submitted a positive report for opening of bank branch. Indian Bank has also surveyed Purul Block along with District Administration and Canara Bank has resubmitted survey report for opening of bank branch at Andro. 2 ULBs of Kwakta and Samurou has been re-allotted to BOI.

RBI requested to provide special attention to Pherzawl district as it is unbanked district.

Considering the importance of opening bank branches in unbanked blocks and ULBs for financial inclusion, the Chairman advised for Commissioner (Home), who has been nominated as the chairman of the Sub-Committee on Unbanked Blocks, to take a monthly review of the progress for opening of bank branches in unbanked blocks/ULBs and also urged the Deputy Commissioners to take the lead as it is in the interest of public.

(Action: Commissioner (Home), concerned DCs & Banks)

Agenda 5: Implementation of Relief Measures to Loan Borrowers.

With regard to implementation of relief measures to loan borrowers, RBI requested the Government to prescribe a cut-off date or date of recurrence of riots/disturbance through a Government notification to enable restructuring of those accounts that were not restructured in the first instance of the riot/disturbance. Director, Institutional Finance stated that the incidence of violence that the State is witnessing is a continuation of the violence that broke out on 3rd May, 2023, and hence, there is no specific cut-off date which marks the end of 1st phase or the start of 2nd phase of violence. Therefore, it may be construed that the law and order situation is still affected since 3rd May, 2023. RBI may consider to accord necessary approval in order to allow relief measures/moratorium to borrowers eligible as on 3rd May, 2023 and also to those willing to avail for 2nd time as most of the

requests have come from those who have already availed relief measures earlier. The State Government has written to RBI on the issue.

RBI has submitted that they have received the communication from the Government and that they are taking up the matter with Central Office as the decision cannot be taken at their Regional Office level.

The House also discussed about the implementation period of the relief measures. Considering the situation in the State and the time taken to get final approval for implementation of relief measures, the time which is available to banks for implementation of relief measures is very limited. Therefore, the House decided for 1(one) year implementation period and requested RBI to expedite for clarifications from their Central Office, Mumbai.

The House was also informed that those accounts which were restructured will be eligible for 2nd time restructuring. Those MSME and Agri loans which were sanctioned after 3rd May, 2024 and which had slipped to NPA due to the riots/disturbances would also be eligible for restructuring as these loans could not sustain the cash flow due to the prevailing situation in the State. However, the House agreed not to extend the facility for further extension moratorium to retail loans under P-Segment since they are based on monthly salary.

(Action: RBI & all Banks)

Agenda 6: Special Focus on Financial Inclusion and Financial Literacy.

Various parameters for financial inclusion and financial literacy were also discussed.

- a) Under physical access indicators, there are 265 bank branches including IPPB with 9 branches per lakh population and there are 5842 BCs/CSPs with 205 BCs/CSPs per lakh population in the State. The total number of ATMs is 382 with 13 ATMs per lakh population.

(Action: All Banks)

- b) Under digital access indicators, Kakching and Noney districts have been declared as 100% digitalized. In the rest of 14 districts, 96.27% of digitalization has been achieved. The target is to achieve 100% digitization in all districts by March, 2025. Therefore, all banks have been advised to achieve the target within the given timeline.

(Action: All Banks)

- c) For provision of banking service within 5 kms radius in every village with less than 500 household, there are 161 villages which are unbanked. These villages have been allotted to banks and all allotted banks were advised to initiate steps for opening of banking outlets at the earliest. The Chairman advised the SLBC Convenor to share a list of the villages, so that Land Resources Department can confirm

whether these are recognized villages, and further necessary action can be taken up accordingly.

(Action: Land Resources Deptt, DCs & all Banks)

- d) Under Usage, there are 11,20,048 PMJDY accounts in the State with 6,40,718 women. 5743 SHGs have been Saving account linked and 3597 SHGs credit linked and 3188 JLG (Joint Liability Group) accounts.
- e) Under providing of Basic Bouquet of Financial Service (Micro insurance & Micro pension), 3,21,437 have been enrolled for PMJJBY with 1,38,230 male and 1,83,207 female, 7,28,282 have been enrolled for PMSBY with 3,14,869 male and 4,13,413 female and 87,569 have been enrolled for APY with 38,019 male and 49,550 female.

It was pointed by AGM, SLBC, SBI, LHO, Guwahati that enrollment rate of Social Security Schemes of the Government for the State is very low and has been flagged at various meetings and fora. A 3(three) months Jansuraksha campaign launched by DFS for saturation of PMJJBY and PMSBY is ending on 15th January, 2025. The performance of the campaign is also very poor in the State. Therefore, he urged and appealed to all banks to hold at least 2 or 3 camps in the remaining days of the campaign to improve the position. The Chair also expressed his concerns on the poor performance in enrollment of Social Security Schemes and re-iterated the importance of the schemes for the public and advised the banks to take it in a mission mood in the coming week and achieve as much as possible. He urged SLBC to give target to all the banks and also urged the Deputy Commissioners for their involvement and he advised for review of the performance in the next SLBC Sub-Committee meeting.

(Action: DCs, SLBC & all Banks)

- f) Under financial literacy, 251 financial literacy camps (FLCs) were conducted by the banks up to the quarter. Rural branches are required to conduct 1 FLC in a month. There are 129 rural branches and a total of 1161 FLCs should have been conducted. Banks were urged to advise their rural branches to conduct FLCs as per requirement.

There are also 24 Centre for Financial Literacy (CFL) at the block level. 1498 villages are to be covered by the CFL with a target of 212402 participants. The CFL has achieved 72% of the target with 153538 participants. AGM, RBI requested to add a column which indicates how much FLCs should be conducted so that it can give a clear picture of the achievement.

NABARD also informed the House that under Financial Inclusion Fund of NABARD, assistance is provided to banks/BCs/CSPs for various activities. Under the scheme, NABARD has sanctioned Rs.13.60 lakhs for Kiosk outlet, Rs.9.00 lakhs for handheld projector, Rs.30.00 lakhs for solar power unit/UPS deployment and Rs.25.00



lakhs for support to banks for AUA/KUA license to Manipur Rural Bank. They have sanctioned Rs.123.12 lakhs to SBI, MRB, MSCB, Airtel Payment Bank and FINO bank to conduct 2102 financial and digital literacy camps (FiDgi). They have also sanctioned Rs.23.76 lakhs incentive for CSP/BCs operating in hilly/NER areas to SBI and Canara bank. 68% of the sanctioned was accorded to MRB and NABARD suggested all member banks to avail assistance under FIF.

(Action: SLBC & all Banks)

Agenda 7: Review of Opening of RSETIs in Old 9 Districts.

Out of 9 old districts where RSETIs are to be opened, 3 RSETIs are functioning at Churachandpur, Kakching and Imphal West districts. Director for RSETI, Senapati District has been appointed and expected to operationalize during the FY. The Chairman advised the allotted banks to meet the District Administration and discuss the issues so that RSETI can be open.

NABARD also informed the house that they provide one time CAPEX assistance to RSETIs. NABARD has received proposals from SBI for Churachandpur and Imphal West. They have not received any proposal from PNB for RSETI, Kakching and suggested to apply for the same.

(Action: DCs & allotted Banks)

Agenda 8: Review of KCC loans.

The performance of banks in KCC loans is very poor. In spite of quarterly review meetings, there is no improvement in the performance. Saturation campaign for KCC to Animal Husbandry and Fisheries is going on and banks have been advised to not reject applications without valid reasons. NABARD also suggested line departments to assist banks in identification of eligible applicants for animal husbandry and fisheries and its proper end use. NABARD requested to include the details of crop loans in this data next time.

(Action: Agri Dept, Vety Dept, Fishery Dept, SLBC & all Banks)

Agenda 9: Review of CMESS

Under CMESS, only 9 proposals have been sanctioned out of 246 shortlisted applicants. The Chairman expressed his concern on the poor performance and advised Planning department to take a review meeting with the banks. The targets were informed to banks and all banks have been advised not to reject applications without valid reasons.

(Action: Planning Dept & allotted Banks)

Agenda 10: Credit Guarantee Scheme for loans sanctioned under Fisheries Infrastructure Development Fund (FIDF)

NABARD highlighted FIDF scheme for information of all participants and urged all eligible borrower(s)/eligible entities to avail of the scheme.

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A. Background

- Fisheries and Aquaculture Infrastructure Development Fund (FIDF) for fisheries sector launched in 2018 has been further extended up to 2025-2026, to encourage more investments in the development of infrastructure for fisheries and aquaculture both from the public and private sector.
- Government of India has, inter alia, approved providing credit guarantee facility under FIDF during the extended period of 3 years from FY 2023-2024 to FY 2025-2026 from the existing credit guarantee fund under Animal Husbandry Infrastructure Development Fund (AHIDF) of the Department of Animal Husbandry and Dairying (DAHD), Ministry of Fisheries, Animal Husbandry & Dairying managed by NABSanrakshan Trustee Private Limited.

B. Key Features of the Credit Guarantee Scheme under FIDF

i) Eligible Lending Institution (ELI)/ Nodal Loaning Entities (NLEs)

- a. Scheduled Banks included in the second Schedule to the Reserve Bank of India Act, 1934.
- b. National Cooperative Development Corporation (NCDC)

Lending Institutions will have to register themselves as ELIs under the Scheme with NABSanrakshan.

ii) Eligible Borrower/ Eligible Entities

- Fisheries Cooperative Federations (including FISHCOPFED etc.),
- Cooperatives, collective groups of fish farmers & fish produce groups etc.,
- Panchayat Raj Institutions/ Self Help Groups (SHGs)/ NGOs
- SCs/ STs/ Marginal Farmers, Women & entrepreneurs, Self Help Groups and cooperatives of these, etc.
- Private companies/entrepreneurs,
- Physically disabled
- Individual farmers
- Any other institution/ entity to be decided by the Government.

iii) Settlor & Trustee

The Credit Guarantee Fund is housed in the Credit Guarantee Fund Trust for Animal Husbandry and Dairying (CGFTAHD). GoI is the settlor of this trust and NABSanrakshan is the Trustee which manages the fund.

iv) Eligible Credit Facility

Credit facilities satisfying following criteria shall be eligible:

- Loans cumulatively not exceeding ₹50 crore per eligible project under FIDF or limit as decided by Central Apex Committee (CAC) from time to time.

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- Central Approval and Monitoring Committee (CAMC) should have accorded in principle approval to the project signifying approval for grant of interest subvention.

v) Guarantee Cover

Maximum credit guarantee cover under the Scheme will be limited to 25% of the credit facility with a maximum ceiling of ₹12.50 crore.

vi) Guarantee Fee

Annual Guarantee Fee (AGF) shall be charged @ 0.50% p.a. on the sanctioned amount of credit facility for the first year and on the outstanding amount (as on 31st March of previous FY) of credit facility for the remaining tenure of the guarantee. However, if the loan is not fully disbursed, AGF shall continue to be charged on the sanctioned amount, till full disbursement of the loan.

vii) Invocation of Guarantee

The ELI may invoke the guarantee in respect of credit facility within a max. period of 36 months from the date of NPA or any extended period allowed by the Trust.

(Action: Fisheries Deptt, NABARD & all Banks)

Agenda 16. Miscellaneous with the permission of the Chair.

Director, Institutional Finance informed the House that the Government is making all efforts to procure items made by the IDPs residing the various relief camps, to support them in their strife towards financial independence. Therefore, all the members were requested to procure stationery items, etc. for use in their offices and in meetings from IDPs to support them. In this regard, the DCs of the Districts in which IDPs are residing, or MD/Manipur Handloom & Handicrafts Development Corporation Ltd. (MHHDCL) may be contacted.

AGM, SLBC, SBI, LHO, Guwahati also informed the House that officials from DFS are visiting Aspirational districts during this FY. They are expected to visit Chandel district soon. The performance of Chandel district is poor and advised to be well prepared for DFS officials visit.

The meeting ended with thanks to the Chair.



(Dr. Vineet Joshi)
Chief Secretary
Government of Manipur.