**AGENDA OF MEGHALAYA STATE LEVEL BANKERS COMMITTEE (SLBC) MEETING FOR THE QUARTER ENDED MARCH 2023**

**Adoption of minutes:**

The minutes of the last State Level Bankers’ Committee (SLBC) meeting held on 24.03.2023 for the Quarter ending December 2022 was circulated to all members and there was no suggestion for changes in the minutes. As no request for changes has been received, the minutes of the last SLBC meeting may be adopted.

**Agenda No.1**

The Action Taken Report (ATR) compliance pertains to the action points of the quarter ending December 2022 is mentioned below

|  |  |  |  |
| --- | --- | --- | --- |
| **S. No.** | **PARTICULARS** | **Action to be taken by** | **Compliance Remarks/ ATR** |
| **1** | There are eight banks with CD ratio of less than 25% during the quarter ending December 2022. Banks are requested to focus their lending in priority sectors as it is related with various developmental schemes.  The Chief Secretary noted with concern the poor CD ratio of Private Banks at 32.77 against the State CD ratio of 45.69%. | Jana Small Finance Bank, KMB, Yes Bank, South Indian Bank, IDFC Bank, Union Bank, Axis Bank, Central Bank of India (With less than 25% CD ratio).  Private banks | Out of eight banks, three banks i.e KMB, Yes Bank, and CBI have crossed the CD ratio benchmark of 25% during March-2023 quarter. As on 31.03.2023 there are SIX banks with less than 25% CD ratio. Banks have assured to extend more loans under priority sectors.  The CD ratio of private banks as on March 31st 2023 is 34.22% |
|  |  |  |  |
| **2** | Nine districts identified by RBI with low priority sector lending are East Garo, East Jaintia, North Garo, South Garo, South West Khasi, West Garo, West Khasi and South West Garo Hills districts. The LDMs are requested to take up the matter as one of the Agenda in DCC/ DLRC meeting | LDM of East Garo, East Jaintia, North Garo, South Garo, South West Khasi, West Garo, West Khasi and South West Garo Hills districts | Districts with low CD ratio and low priority sector advances have been advised to include one Agenda under DCC/ DLRC or Special DCC meetings with suitable strategies for the banks to step up lending in priority sectors |
|  |  |  |  |
| **3** | Banks are requested to increase lending in Agriculture with focus in agri-allied activities like fishery, piggery, dairy and horticulture in coordination with Government line departments. | All banks, Government departments and NABARD | Banks have assured to coordinate with the Government departments and assured to step up loans sanction in Agri and allied activities.  The banks have sanctioned Rs.324.68 crores in Agri and allied activities in FY 2022-23 against the achievement of Rs.234.14 crores in 31.03.2022 |
|  |  |  |  |
| **4** | Taking into consideration the low premium and the advantages of Social security schemes the banks are requested to give wide publicity and encourage the customers for enrolment in Social Security Schemes | All Banks | Publicity to enroll PMJJBY, PMSBY and APY is promoted through media, branches and FLCs by banks and CFL. In the three months campaign from April 1st to June 30th 2023 branches to actively saturate PMJJBY and PMSBY schemes |
|  |  |  |  |
| **5** | The financial year 2022-23 is going to an end, but still there are lots of gap in ACP Target, branch expansion and CD ratio is much below the National average. The Banks are requested to consider for sanctioning remaining loan proposals to achieve 100% of the ACP target. | All Banks | The banks have sanctioned and disbursed Rs.1758.44 crores of loans and advances in 2022-23 constituting 94.44% of the ACP Target. The CD ratio has marginally increased from 41.92 % on 31.03.2022 to 45.82% on 31.03.2023 |  |
|  |  |  |  |
| **6** | The Chief Secretary requested SLBC to provide the year-on-year growth/ decline in digital transactions**.** | SLBC | The Digital transaction reports for March ending 2021, 2022 and 2023 is submitted to the Finance department, GoM |
|  |  |  |  |
| **7** | Timely submission of data and compliance to the action points | All banks | Banks assured to submit and upload banks data within timeline. |
|  |  |  |  |
| **8** | Dr. P. Dutta Sahoo, GM NABARD requested SLBC to conduct review meetings on the District performance in terms of regular conduct of DCC/ DLRC meetings, Action taken in DCC/ DLRC meetings to improve District CD ratio and FLC camp | SLBC and Lead District Managers | In the Subcommittee meeting held on 22.05.2023, the LDM assured to conduct DCC/ DLRC meetings regularly. Agenda will be included to step up loans mobilization with coordination of departments. |

**Agenda – 2:**

**Review of Financial Inclusion Initiatives, Expansion of banking Network and Financial Literacy**

**(a) Status of opening of banking outlets in unbanked villages, CBS-enabled banking outlets at the unbanked rural centers (URCs)**

During the Financial year 2022-23, Nine new branches were opened by Punjab National Bank, HDFC Bank Ltd and NESFB respectively. Branch opening details is

|  |  |  |
| --- | --- | --- |
| **Name of Bank** | **District** | **Location of branches opened** |
| NESFB | West Jaintia Hills | Amlarem |
| NESFB | SW Khasi Hills | Mawkyrwat |
| NESFB | West Khasi Hills | Nongstoin |
| NESFB | East Garo Hills | Williamnagar |
| PNB | SW Khasi Hills | Mawkyrwat |
| PNB | East Khasi Hills | Upper Shillong |
| HDFC | North Garo Hills | Mendipathar |
| HDFC | West Garo Hills | Phulbari |
| HDFC | South Garo Hills | Baghmara |
|  |  |  |

As on 31.03.2023 there are 434 bank branches in the State, out of which 196 are located in rural areas, 119 in Semi-urban and 119 in Urban area of the State.

Six branch opening are pending because of non-availability of suitable premises and the allotted banks have been requested to follow up with the District administration to get new branch premises. Two ATMs and one CSP were deployed by SBI in Hawakhana, Tura in place of branch opening. Similarly, eight and one CSPs were deployed by Meghalaya Rural bank in Rongara Block and Thangsning village in lieu of branch opening

**(b) Review of Operations of Business Correspondents – hurdles/issues involved –BC/CSP:** The total number of BC and CSP has increased to 1377 on 31.03.2023 against the total BCs and CSPs of 869 in 31.03.2022.

**(c) Progress in Increasing Digital modes of Payment in the State: Provision of Continuous Connectivity with sufficient Bandwidth/ Resolving connectivity Issues.**

The digital payment transactions through different modes like UPI, Debit Cards, Credit Cards, Internet banking, BHIM, BHIM Adhaar, QR Code, Mobile banking, IMPS, NEFT, RTGS, PoS terminals etc. Transactions performed through digital payments systems are faster, convenient, cheaper and safer than traditional banking transactions.

There are around 162 million digital transactions in the State as on 31.03.2023 and the number of digital transactions payment is increasing day by day

**Expanding and Deepening of Digital Payment Eco-system** :

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **1st Phase Expanding and Deepening of Digital Payments Ecosystem for 100% Digitisation as on March, 2023** | | | | | | |
| **Identified District: RIBHOI** | | | | | | |
| **Sl No** | **Total No. of Operative SB Accounts** | **Total No. of Operative SB Accounts covered with at least one of the facilities - Debit/ RuPay cards/ Net Banking/ Mobile Banking/ UPI/ USSD** | **% of such Accounts out of total Operative Savings Accounts** | **Total No. of Operative Current Accounts** | **Total No. of Operative Current Accounts covered with at least one of facilities - Net Banking/ POS/ QR etc.** | **% of such Accounts out of total Operative Current Accounts** |
| 1. | 140467 | 140467 | **100%** | 3730 | 3730 | **100%** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **2nd Phase Expanding and Deepening of Digital Payments Ecosystem for 100% Digitisation** **as on March, 2023** | | | | | | |
| **Identified District: EAST JAINTIA HILLS** | | | | | | |
| **Sl No** | **Total No. of Operative SB Accounts** | **Total No. of Operative SB Accounts covered with at least one of the facilities - Debit/ RuPay cards/ Net Banking/ Mobile Banking/ UPI/ USSD** | **% of such Accounts out of total Operative Savings Accounts** | **Total No. of Operative Current Accounts** | **Total No. of Operative Current Accounts covered with at least one of facilities - Net Banking/ POS/ QR etc.** | **% of such Accounts out of total Operative Current Accounts** |
| 1. | 89335 | 55539 | **62.17** | 2460 | 1734 | **70.49** |

**Agenda.3:**

**Business development and Credit Disbursement by Banks in FY 2022-23**

**Deposits:** The total deposits in the quarter ending March 2023 is **₹.**35729.38 **Cr** against ₹.34228.56 **Cr** in March 2022 with a YoY growth of ₹.1500.82 Crores. (Bank-wise position is shown in page no 15).

**Advances:** The total Advances in the Quarter ending March-2023 is **₹.**16372.18Cr as against ₹.14347.48 Cr in March-2022,with a growth of ₹.2024.70Cr (Bank-wise position is shown in page no.15. The CD ratio at the end of March 2023 is 45.82% against the CD ratio of 41.92% in March 2022.

**Comparative position is as under: (Amt. in Crores)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Financial Year** | **Deposits** | **Advances** | **CD Ratio** |
| March-2022 (FY 2021-22) | 34228.56 | 14347.48 | 41.92% |
| June 2022 (FY 2022-23) | 33570.15 | 14595.44 | 43.48% |
| September 2022 (FY 2022-23) | 33834.68 | 15121.67 | 44.69% |
| December 2022 (FY 2022-23) | 33689.18 | 15391.90 | 45.69% |
| March-2023 (FY 2022-23) | 35729.38 | 16372.18 | 45.82% |

**Banks with CD ratio of less than 25%**

As on 31.03.2023 there are six Banks with less than 25% CD ratio. These banks are summerised below

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sl.** | **Bank Name** | **December 2022 (%)** | **Remarks** | **March 2023 (%)** |
| **1** | Janata Small Finance Bank | **0** | One new branch opened with no loan. | **0** |
| 2 | South Indian Bank (SIB) | 6.51 | Submitted the ATR compliance but no improvement | 6.28 |
| 3 | IDFC Bank | 20.67 | Submitted action taken Report and strategies to extend more loans particularly in Priority Sector advances | 19.19 |
| 4 | Indian bank | 37.48 | CD ratio is less than 25% for the first time | 20.46 |
| 5 | Axis Bank | 22.72 | Submitted action taken Report and strategies to extend more loans particularly in Priority Sector advances | 20.75 |
| 6 | UNION Bank | 21.72 | Submitted action taken Report and strategies to extend more loans particularly in Priority Sector advances | 20.91 |

**CD Ratio-Review of District with less than 40% and Working of Special Sub-Committee of DCC**

Five districts in the State with less than 40% CD ratio are East Jaintia, West Jaintia, South West Khasi, Eastern West Khasi Hills& West Khasi Hills as on 31.03.2023. The area specific issues should be discussed in the District Consultative Committee (DCC) meetings in co-ordination with banks and developmental agencies for implementation of bankable loans and flagship programs of Government.

**Priority Sector Advances as on 31-03-2023:**

The total Priority Sector Advances is at **₹.7188.67** Crores against the total Advance of ₹. 16372.18 Crores constituting **43.91%** during the quarter and is well above the benchmark of **40%** set by RBI. Bankwise position given in **page no 17-18.**

Agriculture outstanding advances as on March 2023 quarter is **₹.2933.53 Crores** against the total advance of ₹.16372.18 Crores which is 17.92% of total advances against the benchmark of **18%**. Bank wise details are furnished in **page No.21.**

**The Priority Sector Sub-Segment wise outstanding as on 31-03-2023 :**

(Amt. in Crores)

|  |  |  |
| --- | --- | --- |
| **Sub-Segment** | **Outstanding as on 31-03-2023** | **% against Total Advance** |
| **Agriculture** | 2933.53 | 17.92 % |
| **MSME** | 3502.89 | 21.40 % |
| **Other PS** | 752.24 | 4.59 % |
| **TOTAL** | 7188.67 | 43.91% |

**ACP Targets achievements for FY 2022-23 as on 31st March 2023 is furnished here under:**

**Priority Sector - Segment Wise Target &Achievement (Page31-32)**

(Amt. in Crores)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **As on 31st March 2023** | **Agriculture** | **MSME** | **Other PS** | **Total PSA** |
| **Yearly Target** | 724.50 | 972.45 | 165.09 | 1862.03 |
| **Achievement** | 324.69 | 1331.72 | 102.03 | 1758.44 |
| **Achievement %** | 44.82 % | 136.94 % | 61.80% | 94.44 % |

**ACP Achievement in Agri Loans for the Quarter ending March 2023 (Bank wise details in page No.35-36&70-71)**

The Total Agriculture Loans sanctioned during the Quarter ending March 2023 is ₹.324.69 **Crores**, out of which 17956 KCC loans accounts were sanctioned **for ₹.132.06 Crores**.

**Agenda 4:**

**Government Sponsored Scheme Implementation of PMEGP Scheme:**

1. **Prime Minister Employment Generation Program (PMEGP**)

PMEGP – Banks have sanctioned 893 PMEGP loan proposals for Rs.24.35 Crores margin money, against the Target of 1151 numbers constituting 77.65% of achievement during the FY 2022-23. Details are placed in page **No.116 & 128.** (**Director, KVIC** is requested to appraise the house).

1. **National Rural Livelihoods Mission Bank Linkage:**

The ACP target for SHG credit linkage in FY 2022-23 under NRLM is fixed for 14092 accounts. Out of 10870 loan proposals banks have sanctioned 6702 SHGs accounts were sanctioned for **₹.75.63 Crores.** M**SRLS is requested to appraise the House**. (**Details in Page No-127**

1. **Pradhan Mantri Mudra Yojana (PMMY):**

PMMY :- The loans sanctioned under PMMY during the Quarter-4 of FY 2022-23 is as under:

|  |  |  |  |
| --- | --- | --- | --- |
| **Category** | **Sanctioned (Amt. in Crores)** | | **Outstanding (Amt. in Crores)** |
| **No.** | **Amt.** | **Amt.** |
| **Sishu** | 10834 | 40.74 | 50.63 |
| **Kishore** | 9350 | 136.41 | 212.65 |
| **Tarun** | 1201 | 109.64 | 161.92 |
| **Total** | **21385** | **286.79** | **425.21** |

**Details in page No.95-96 and 81-82****)**

**Agenda No.5:**

**Functioning of RSETIs**

Five RSETIs located at Umran, Mawphlang, Nongstoin, Tura and William Nagar have trained 2015 participants in 72 training programs during 2022-23. Out of 2015 trained candidates, 790 have availed loans for **₹.284.77** Lakhs from different banks

**Agenda No.6:**

**Position of NPAs in respect of schematic lending, Certificate Cases and Recovery of NPAs**

**Status of NPA under Government Schemes** :-

Out of 25621 loan accounts under Government sponsored schemes for **₹**.420.67 crores, there are 2599 NPA loan accounts for **₹.39.26 crores** constituting 9.33%

PMEGP Scheme constituted the highest NPA of 27.20% as on 31.03.2023. This trend of increasing NPA will have a negative impact on the credit culture, especially of government sponsored schemes. The Government is requested to dispose the pending Bakijai cases and support the banks in effective recovery of bad loans.

**Agenda No.7** -**Any Other Agenda:**

1. The Sub-Committee meeting for ACP target of 2023-24 in priority Sectors was held on 21.04.2023. ACP Target for FY 2023-24 total amount was considered for **₹**.2667.00 Crores against the Target of **₹**.1862 Crores in 2022-23. The allocation for Agriculture, MSME and Other priority sectors is for Rs.845 crores, 1446.30 crores and Rs.375 crores respectively. The ACP target for FY 2023-24 may be approve by SLBC
2. Standard Operating Procedure (SOP) for providing armed Security to the Cash transportation activities by Cash-In-Transit Companies/ Financial Institutions/ Banks as directed by Ministry of Home Affairs for appropriate decisions. The PSARA Companies/ Cash-In-Transit (CIT) companies is requested for suggestion for deliberation.
3. Adoption of FinTech Sector by Banks – Particularly in Agriculture Sector to bring more investment into Agriculture Sector for long term assets creation.
4. SLBC Resolution on Crop season and duration to arrive at the NPA norms in Agriculture- In the SLBC Steering Subcommittee meeting held on May 22nd 2023 it was agreed to adopt with mono cropping pattern duration in the State. The loans advanced under crop loans in the State can be treated as NPA when it remain overdue for two harvest seasons
5. Three months Campaign for saturation of Jansuraksha schemes (PMJJBY and PMSBY) at Gram Panchayat levels is launched and being monitor by DFS, Ministry of Finance. Banks to ensure deputation of adequate staff for the camps to complete the identified 845 clusters/ GP within 30.06.2023