

**Minutes of the State Level Bankers Committee (SLBC) Meeting of Meghalaya for the State of Meghalaya for the Quarter ended March 2022 held on July 4<sup>th</sup> 2022 at 11:00 AM in Yojana Auditorium, Secretariat, Shillong**

The SLBC Meeting of Meghalaya for the quarter ended March, 2022 was held on 04/07/2022 at 11:00 AM in Yojana Auditorium, Secretariat, Shillong under the Chairmanship of Smt. R.V. Suchiang, IAS, Chief Secretary, Govt. of Meghalaya. The meeting was also attended by Shri Shakeel Ahmed, IAS & Principal Secretary Fisheries & Power Deptt., Shri R Chitturi, IAS & Jt. Secretary Finance & CEO MSRLS, Shri Amit Kumar, DGM (B&O), SBI, Shillong, Shri P. Gangte, General Manager (OIC), RBI, Shillong, Dr. Prabhudutta Sahoo, General Manager NABARD, the senior officials from various Government Departments and representatives of various Banks operating in the State.

2. Shri Anindya Deb, Assistant General Manager & SLBC Convenor of Meghalaya welcomed all the dignitaries present in the meeting and requested Shri Amit Kumar, DGM SBI to give the welcome address. In his address, he welcomed all the dignitaries and participants present in the meeting. He called upon the member banks to focus more on loan disbursement. He also pointed out the need to extend more KCC loans for Crops, Animal husbandry and Fisheries activities in view of possible shortfall of Agriculture produces and allied activities because of recent damage from rain and floods in the region. The total deposits and advances as on March 2022 quarter are ₹34,228.56 Crores and ₹ 14,347.48 Crores respectively. He noted with concern on slow progress of Credit Deposit ratio (CD ratio) at 41.92% in the State which is far below the National average of 60%. He called upon the member banks with CD ratio of less than 20% to step up credit linkage in the State. He stated that in the state of Meghalaya with 30 lakh population, there are 33 banks are operating in the State with 424 bank branches, 468 ATMs and 869 BCs/ CSPs to extend financial services. Considering the State topography with challenges in network connectivity, business potentials and other infrastructures, financial inclusion in villages can be effectively addressed with the help of BC points with close coordinated approach of BSNL, DOT, MSRLS and State Government. A significant step in this direction is the increasing number of 869 BCs on 31.03.2022 against 744 BCs in 31.03.2021. For the first time 600 micro-ATMs were operated through BCs in FY 2021-22 with the help of NABARD for doorstep banking services. He pointed out with concern the low Investment credit in Agriculture, which will affect sustainable growth in Agriculture. He requested the Government for Digitization of land records and online creation of equitable mortgage which would help in faster credit off-take particularly in good ticket size advances and Agriculture loans, which is absent in the State at present.

3. Shri P Gangte, GM (OIC) of RBI welcomed all the dignitaries and participants present in the meeting. He noted with concern the declining CD ratio Year-on-Year from 42.57% as on March 31, 2021 to 41.92% as on March 31, 2022. He called upon the banks particularly Kotak Mahindra Bank, South Indian Bank, North East Small Finance Bank, Union Bank of India and Central Bank of India to work meticulously for better CD Ratio. He also reiterated the underachievement in agricultural sector in which only ₹234.14 Crore is achieved out of ₹1,335.01 Crore targets. He requested the SLBC Convenor and the Banks to take necessary measures by aligning the corporate business targets for branches, blocks, districts and states

with the Annual Credit Plans (ACP) to ensure better implementation and synchronize their internal business plans with the ACP target.

In Policy initiatives, the RBI on June 8<sup>th</sup> 2022 increased the existing limits on individual housing loans by cooperative banks in Tier I /Tier II UCBs (Tura, Shillong and Jowai Urban Cooperative Banks) shall stand revised from ₹30 lakh/ ₹70 lakh to ₹60 lakh/ ₹140 lakh, and the limits under RCB shall increase from ₹20 lakh to ₹50 lakh for RCBs (MCAB) with assessed net worth less than ₹100 crore; and from ₹30 lakh to ₹75 lakh for other RCBs. Similarly, State Co-operative Banks (StCBs) and District Central Co-operative Banks (DCCBs) are permitted to extend finance to Commercial Real Estate – Residential Housing (CRE-RH) within the existing aggregate housing finance limit of 5 per cent of their total assets. UPI currently facilitates transactions by linking Savings / Current Accounts through Debit Cards of users. In order to further deepen the reach and usage, it is proposed to allow linking of credit cards to UPI. To start with, Rupay credit cards will be enabled with this facility.

**(Action: Kotak Mahindra Bank, South Indian Bank, North East Small Finance Bank, Union Bank and Central Bank of India)**

4. Smt. R.V. Suchiang, Chief Secretary cum Chairman SLBC of Meghalaya in her keynote address expressed her disappointment over the **Action Taken Report submitted in the SLBC booklet, which is not a concrete action taken by the banks. She informed that the banks should submit the concrete action taken by them, as discussed in the meeting accordingly, and from the next SLBC meeting the main discussion will be on the details of the actions taken by the banks.**

(ii) She also noted with regret that not much improvement has been made in CD ratio and credit linkage to MSME and Agriculture, taking into account the importance of these sectors in terms of employment generation and driving the GDP of the Country. She called upon the Banks and the line department to work hard so that we can catch up with other countries in terms of employment generation.

(iii) She called upon the banks and LDMs to hold FLCs regularly. In this regard she requested RBI to monitor and ensure that FLCs are being held regularly and report the same to Finance Department.

(iv) She also requested to all the banks to submit the details of PMJDY account holders to SLBC and SLBC after confirming the data/information from the banks will submit the same to Finance Department:

- a. Those who have availed/access to credit/loans from the banks.
- b. Number of transaction done using Rupay card
- c. Number of Rupay cards that are yet to be issued and activated.

(v) She informed the house that, from the next SLBC meeting Block Development Officers should also be invited to attend the meeting either through Video Conferencing or in person.

**(Action: All Banks, SLBC, RBI and Finance Department)**

## 5. Branch Expansion Plan

Representative from Canara Bank informed that opening of Branch at Gasuapara is not feasible due to low population in the area. The Chairman advised the bank to have a meeting with Joint Secretary, Finance Department to have a discussion on the issue.

She highlighted the importance of branch expansion in rural areas particularly in Garo Hills for financial coverage of each individual. She called upon MCAB, PNB, CBI, BOI, MRB, SBI, NESFB and Axis Bank to accord top priority for branch opening as allotted through SLBC.

She requested all the Banks concerned to update and provide information to Finance Department on the opening of bank branches in the allotted villages/areas. She also suggested that, these banks should come up with the issues/problems faced by the banks for opening the bank branches/ATMs in the allotted villages/areas and to take up the same with Finance Department for further taking up the issues with the respective Deputy Commissioners and Block Development Officers of the concerned areas.

Representative from BSNL informed that BSNL building can be given/provided to the banks for opening of bank branches. In this regard BSNL to provide the detail list of building/premises available for opening of bank branches to SLBC for necessary circulation and information to the banks.

**(Action: MCAB, CBI, BOI, MRB, SBI, Canara Bank, PNB, NESFB, BSNL and Finance Department)**

**6. Payment of pending 22.5% arrear to pensioners by Punjab National Bank (PNB)** - The Chairman instructed the representative from PNB to disburse the pending 22.5% pay arrear to the Pensioners by 11<sup>th</sup> July 2022, failing which the State Government will withdraw any government funds that are being deposited/parked with the bank. Finance Department to take necessary action accordingly.

**(Action: PNB & Finance Dept.)**

**7. PMEGP loan Proposals rejection and pending Cases:** - The Chairman also pointed out the high number of PMEGP loan rejection and called upon the KVIC & Commerce and Industries Department to properly scrutinize the applications with bank check-list and credit worthiness of the applicants in consultation with Branch Managers. She also called upon the banks to dispose the pending proposals within 30 days and ensure to report with reasons the pending cases with more than three months.

Shri R. Chitturi, Joint Secretary, Finance suggested that a portal should be designed for PMEGP loan application which will allow monitoring the number of application received, approved, rejected and the number of approved applications sent to the banks etc.

The Director of KVIC informed that the new revised guidelines issued by Ministry of Micro, Small and Medium Enterprises for continuation of PMEGP, in which the Project costs have been revised upto FY 2025-26 is circulated to all banks.

**(Action: KVIC, Commerce and Industries Dept. and Banks)**

**8. Additional Interest Subvention of 4% as Prompt Repayment Incentive (PRI) to KCC borrowers with prompt repayment:** -With the inclusion of Animal husbandry and Fisheries working capital under KCC in addition to the prevalent Crop loans to farmers, the Government of Meghalaya is extending additional 4% Interest Subvention with effect from FY 2021-22. The Banks are requested to implement judiciously for the benefit of the farmers and to increase credit absorption by banks in Agriculture and allied activities.

**(Action: All Banks)**

## 9. Financial Inclusion:

(i). **Financial Literacy Camps** – The total number of FLC camps conducted by rural branches is less than 50% of the stipulated target. Ruralbank branches are requested to conduct at least one FLC per month per branch, besides FLCs for Target Group Specific camps and Special going Digital camps by LDMs. The Chairman called upon all the banks to conduct FLCs regularly and requested RBI to monitor and ensure that the banks conduct FLCs regularly.

**(Action – All Bank, LDMs and RBI)**

(i) **BC Transactions** – As pointed out by DGM, SBI there are 869 BCs deployed by the Banks in the State as on 31.03.2022 and there are 600 Micro ATMs operated through BCs in FY 2021-22 with the help of NABARD for doorstep banking services. The Chairman requested Shri. R. Chitturi, IAS, to have a meeting with the banks who have deployed BCs to discuss the number of transactions made by each BCs.

**(Action – All Bank and Finance Department)**

(ii) **Internet Connectivity** – Representative from BSNL informed that internet connectivity can be obtained by using Satellite and BSNL is ready to provide this service to the Banks. MCAB, which has kept the opening of its branch in Ranikor in abeyance, in view of poor internet connectivity will resolve the issue of internet connectivity with BSNL. Status of action taken to be reported to Finance Department.

On the matter of laying of Optical Fiber Cable (OFC) in the border areas of the State, representative from BSNL informed that the matter have been discussed with Information Technology Department. The Chairman informed that for further taking up the matter with the Ministry of Home Affairs (MHA) from the State Government side, BSNL is requested to provide documents/letters taken up with IT Department and also any other related documents taken up with MHA.

**(Action – MCAB and BSNL)**

(iii) Around 64% of Aadhaar enrolment is completed in the State. The Chief Secretary informed that the State Government is working towards ensuring the increase of Aadhaar enrolment in the State. She advised the banks to create awareness to the customers and to the public in general about the benefits with regard to seeding of bank accounts with Aadhaar.

**(Action: All the Banks)**

**10. Banks with less than 20% CD ratio** - Kotak Mahindra Bank (KMB) has started extending loans to improve CD ratio. The plans and strategies are reported to Finance Department. Jana Small Finance bank and ESAF had just opened one branch each in the State and assured to increase CD ratio by extending loans. NESFB has increased the loan size amount to ₹ 50 lacs in MSME as a step to improve CD ratio. SIB and IDFC informed that they are working towards loan mobilization in 2022-23 and assured to achieve 20% CD ratio by September 2022. CBI have informed that due to huge deposit from Cantonment Board, their CD ratio has fallen below 20%.

**(Action: KMB, IDFC, SIB, NESFB, Union Bank, CBI)**

**11. SHG Credit linkage** – Shri P Gangte, GM of RBI advised MSRLS to provide the list of SHG accounts without credit linkage. The list can be discussed in the SHG Bank linkage Sub-committee meeting to consider for credit linkage, and to circulate to member banks through SLBC. Representative from MSRLS informed that the ACP Target for FY 2022-23 is 14092 numbers for Rs.183.75 Crores and requested the Banks to process and sanction w.e.f. the first quarter of the Current Financial Year. He extended his appreciation to the banks specially the MRB for sanctioning 5165 new SHG loans in 2021-22.

**(Action: MSRLS, Banks and SLBC)**

**12. Pradhan Mantri Mudra Yojana (PMMY)** – The Chairman informed that a total of RS. 286.67 crore have been sanctioned under PMMY loan as on 31.03.2022. She requested the banks to step up in sanctioning of more Mudra loans. She also requested the banks to update the status of NPA under Mudra to Finance Department.

**(Action: Banks and SLBC)**

**13. RSETI** – For opening of RSETIs in South Garo Hills by NESFB and in East Jaintia Hills by PNB, General Manager RBI requested the banks to expedite setting up of RSETI in allotted districts by December 2022. He also informed that some of the RSETI directors are not attending DCC/DLRC meetings. He requested all the RSETI Directors to attend the DCC/ DLRC meeting regularly and ensure eligible trainees for credit link with bank loans.

**(Action: RSETI Directors, PNB and NESFB)**

**14. Miscellaneous**

(i) Dr Prabhudatta Sahoo, GM NABARD informed the two Credit Guarantee schemes available under Animal Husbandry Infrastructure Development Fund (AHIDF) & Central Subsidy Scheme Farmers Producer Organization (CSS-FPO) to encourage the banks to lend for these two activities. He also presented on the grant support available for Prompt Repayment Incentives (PRIs) and requested the C&RD department to coordinate with NABARD for the same. He also emphasized the need to set up RSETI in all the districts of Meghalaya to help address the low CD ratio.

**(Action: All Banks)**

(ii) The Priority Sector advances ACP Target during FY 2022-23 for Rs. 1485 Crores is approved by the SLBC. However, the GM NABARD pointed out that ACP target in few districts is lower than the achievement in FY 2021-22, in which the SLBC Convenor assured to rectify the same before circulating to member banks.


**(Action: SLBC)**

  
Chief Secretary  
Government of Meghalaya Shillong

Copy to:

1. P.S. to the Chief Secretary to the Government of Meghalaya and Chairman, SLBC Meghalaya, for information of Chief Secretary.
2. Principal Secretary/ Commissioner & Secretary/ Secretary / Joint Secretary to the Government of Meghalaya,  
Commerce & Industries Department / General Administration Department/ Urban Affairs Department / Agriculture Department/ C & RD Department / Animal Husbandry & Veterinary Department / Revenue & Disaster Management Department / Power Department / Cooperation Department / Housing Department / Finance Department.
2. The Deputy Commissioner,  
East Khasi Hills, West Khasi Hills, South West Khasi Hills, Eastern West Khasi Hills, Ri-Bhoi, East Jaintia Hills, West Jaintia Hills, East Garo Hills, West Garo Hills, North Garo Hills, South Garo Hills, South West Garo Hills.
3. The Mission Director, Pradhan Mantri Awaz Yojana (PMAY) Grameen, Directorate of Community & Rural Development Shillong -793001
4. The Mission Director, Pradhan Mantri Awaz Yojana (PMAY) Urban, Directorate of Urban Affairs Shillong -793001.
5. The Senior Deputy Director (NELSA) Department of Telecommunication, Ministry of Communications, Government of India – 1<sup>st</sup> Floor, BSNL CTO Building, Shillong – 793001.
6. The State Director, Khadi & Village Industries Commission, Shillong. – 793001.
7. The Chief Executive Officer, Meghalaya Khadi & Village Industries Board, Shillong - 793001
8. The Senior Superintendent of Posts Office Meghalaya Division, Shillong, - 793001.
9. The General Manager, Sanchar Nigam Limited, Shillong – 793001.
10. The Divisional Manager, National Insurance Co. of India Ltd. behind Raps Mansion, above India Overseas Bank, Shillong – 793001.
11. The Divisional Manager, United India Assurance Co. of India Ltd. near Police Beat House, Laitumkhrah, Shillong – 793003
12. The Divisional Manager, Assurance Company Of India Ltd. opposite Bawri Mansion, Dhankheti, Shillong – 793003
13. The Divisional Manager, The Oriental Insurance Company of India Ltd. AC Lane, Police Bazar, Shillong – 793001.

By order, etc.,



Senior Research Officer  
Finance (Economic Affairs) Department  
Government of Meghalaya