

MINUTES OF THE STATE LEVEL BANKERS' COMMITTEE (SLBC) MEETING OF MEGHALAYA FOR THE QUARTER ENDED MARCH, 2021 held on 30.07.2021 at 11.30 AM

The meeting was presided by Shri M S Rao, IAS, Chairman SLBC & Chief Secretary, Govt. of Meghalaya.

The meeting was conducted through Video Conferencing in view of the prevailing Covid situation. The Chairman welcomed Shri Ramesh R.S, Chief General Manager, SBI, Shri Lunkim Thangboi, General Manager (NW-II) from SBI, Local Head Office, Guwahati, Shri P Gangte, General Manager of RBI and Shri A.K Sarangi, General Manager of NABARD and senior officials of Banks and Government departments of the State.

Shri Ramesh R.S, Chief General Manager, SBI, Local Head Office, Guwahati, in his keynote address appreciated the performance of 31 banks operating in the State of Meghalaya in several parameters like CD ratio, credit portfolio of Agriculture, MSME, PMMY, PM-SVANidhi, GECL under Atma-nirbhar Bharat etc.

2. Shri P Gangte, General Manager, Reserve bank of India (RBI) in his address shared the concern of RBI. He said that second wave has taken a heavy toll on the lives and livelihood of people in the State. To mitigate the financial impact of COVID-19 related disruptions, the RBI has taken several policy measures to ease the flow of credit at a lower cost to different sectors of the economy. These measures include lowering of policy rate, channelizing of liquidity through All India Financial Institutions (AIFI) and facilitating financial institutions to resolve stressed loans to individuals, small business and MSMEs. In addition, Cash Reserve Ratio (CRR) exemption on credit disbursements to new MSME borrowers; Priority Sector Lending (PSL) classification for bank loans to Non-Banking Financial Corporations (NBFCs) for on-lending and PSL classification for loans from small finance banks (SFBs) to micro finance institutions (MFIs) for on-lending were additional measures taken to promote credit flow to affected sectors.

3. The Chairman SLBC, at the outset appealed to all the Bankers to get vaccinated as the consequence of second wave of Covid-19 pandemic is very severe and the only protection available for all is vaccination. He urged the State Government, Central Government and Bank employees to get vaccinated at the earliest and follow the necessary health protocols to prevent spread to others. The Chairman also informed that the Income Tax Department has started mandating that exemption certificates from the appropriate officer of the Income Tax Department must necessarily be submitted every year to allow no deduction of Income Tax at source (TDS) by the bank even for

individuals belonging to the Scheduled Tribe and who were being exempted in the past. The State Government has taken up this sensitive issue with the Union Finance Minister. The Finance Department has already issued a letter to the banks in this regard instructing the banks not to deduct tax at source on bank deposits of STs in the State till such clarity and reply is received from the Centre.

(Action- All Banks)

Further, the Chairman has apprised the house that the issue of settlement of transactions/transfers with the bank accounts of daily wage earners under the welfare benefit scheme of around 3,400 beneficiaries under Labour department has been pending with the banks. The Labour Department shall send the details/list of the 3,400 beneficiaries to the Finance Department so that the later can share with SLBC Convener so as to resolve the issue at the earliest.

(Action- Labour Department, SLBC and Banks)

Shri Pranjal Phatowali, SLBC Convener & AGM, SBI, RBO Shillong, Meghalaya initiated the meeting by welcoming all the dignitaries and members participating in the meeting and presented the Agenda of SLBC Meeting through power point presentation (PPT).

Discussion on Agenda:

No. 1. Adoption of minutes of the last SLBC meeting held on 25.02.2021

The Minutes of the 65th State Level Bankers' Committee meeting held on 25.02.2021 for the quarter ended March, 2021 were circulated to all members. Since no request for amendment has been received, the House adopted the minutes.

(Action: The Minutes were unanimously adopted by the House.)

No. 2: Review of Action Taken Report on Minutes of last SLBC meeting dated 25.02.2021:

(Action: ATR seen, explained and approved by the house)

No. 3: Deposits, Advances & CD Ratio for Meghalaya as on 31.03.2021

Shri M. S. Rao, IAS, the Chief Secretary, Govt. of Meghalaya and Shri Ramesh R.S, CGM, SBI expressed their concern over the performance of 8 banks (Union Bank, Federal Bank, ICICI, IDBI, IDFC, Kotak Mahindra Bank, South Indian Bank & YES Bank) whose CD Ratio is less than 20%. They requested these eight banks with less than 20% CD ratio to work out a suitable strategy to improve their CD ratio by September, 2021.

(Action: Banks with less than 20% CD ratio)

No. 4: Annual Credit Plan (ACP) Target and Achievement:

The Chief Secretary expressed his concern over the poor ACP performance of the State in the last FY-2020-21 which was only 59% of the allotted target. He suggested taking into consideration the ACP performance of the last 3 Financial Years while finalizing the ACP Target allotted to banks based on the Potential Linked Plan (PLP) of NABARD. He urged the Banks to strive hard for achieving the ACP Target for FY-2021-22 which has been approved in the house.

(Action: All Banks, NABARD)

No.5: Special Focus on Financial Inclusion:

a) On Financial Inclusion Shri P. Gangte, General Manager, RBI informed that out of 6,459 villages with population below 2,000 in the state, 6247 villages (96.71%) have been covered and 212 villages are pending as on March 31, 2021. These villages are mainly located in Garo Hills and allotted to Axis Bank (33), IPPB (101), ICICI (14), MCAB (23) and SBI (41). He requested the concerned banks to seriously make efforts to cover these villages since the same is overdue for a long time now.

(Action: LDMs, Axis Bank, ICICI Bank, IPPB, MCAB and SBI)

b) The Chief Secretary while appreciating the initiatives of the RBI under RBI Roadmap on the opening of banking outlets in villages with less than 2,000 populations in the State, he requested Finance Department to convene a meeting with the GM, RBI to discuss the coverage status and definition of coverage because as per C&RD and Agriculture Department data there are around 3000 VECs/Villages not covered with any form of banking facilities.

(Action: Finance Department, RBI)

c) Under the **National Strategy for Financial Inclusion (NSFI) (2019-24)**, out of 42 villages, 3 villages in the State are yet to be covered by banking services as on June 30, 2021. These villages, located at Narwan Village, East Jaintia Hills (allotted to SBI), Bengalkata and Pushkanipara villages in West Garo Hills (MCAB) are yet to be covered by banking outlets. He requested MCAB and SBI to cover the three villages within August 31, 2021.

(Action: MCAB and SBI)

d) **Activation of RuPAY Card & Aadhaar enrolment and Aadhaar Seeding:** The Chief Secretary stressed upon the need to increase the number of Rupay cards as out of 6.46 lakh PMJDY accounts, only 2.70 lakh accounts were activated with Rupay Cards. He also pointed out that due to second wave of Covid, Aadhaar enrolment could not progress much in the State, though it had

started picking up initially. He requested the Banks to take up Aadhaar seeding of Bank Account holders who are already enrolled.

Shri Ramesh R.S., Chief General Manager of SBI emphasized that Banks are ready for Aadhaar enrolment in a Mission mode. He also advised the banks to focus on Aadhaar seeding as it would facilitate DBT process.

(Action: GAD/SLBC and All Banks)

e) **Active BC/CSPs:** The Chief Secretary requested the member banks to submit the list of existing and active BCs of each Bank to SLBC and Finance Department. He informed that as of now only Meghalaya Rural Bank and MSRLS are providing the active BC list as of now.

(Action: SLBC and All Banks)

No. 6: Opening of RSETI:

Punjab National Bank has been allotted for opening of RSETI in Jaintia Hills district by the District Consultative Committee (DCC). In the meeting the house has advised PNB to initiate the setting up of RSETI in Jaintia Hills.

(Action: Punjab National Bank)

No. 7: Prime Minister Employment Generation Program (PMEGP)

The Chief Secretary has appreciated the efforts of the banks in which considerable numbers of PMEGP loans were sanctioned during FY 2020-21 as compared to FY 2019-20. In FY 2020-21, a total number of 511 PMEGP loan proposals were disbursed.

Shri A.B. Kamble, Director of KVIC, Shillong, requested the banks to sanction the 584 pending proposals of PMEGP loans at the earliest possible. These pending proposals are the carry-over from 2020-21 including the target of the June, 2021 quarter.

(Action: All Banks)

No.8: Credit linkage to SHGs and extend more loans in PMMY:

The Chief Secretary has requested all Banks operating in South Garo Hills and South West Khasi Hills to extend more loans under PMMY. He appreciated the SHG-banks credit linkage but requested the Banks to be more proactive and to have better coordination with MSRLS. Shri Jonathan Rymbai, Project Officer (FI) of MSRLS in line with the Chief Secretary appreciated the Banks for credit linkage to SHG members through MSRLS.

However, he requested MCAB to facilitate the sanction of higher Limit of SHG loan implemented by MSRLS as was sanctioned by SBI and MRB

(Action: Banks and MSRLS and Banks in South West Khasi and South Garo Hills)

No. 9: Expanding and Deepening of Digital Payments Ecosystem-making 100% digitally enable district:

The Aspirational District of Ri-Bhoi has achieved digital coverage of 98.54% for Saving Bank accounts and 98.48% for Current Accounts as on 31.06.2021. Shri Ramesh R.S. CGM, SBI and GM, RBI requested all the Banks operating in Ri-Bhoi district to prioritize the achievement of 100% digitization in the shortest possible time.

(Action: All Banks and LDM in Ri-Bhoi District)

No. 10: Opening of 15 new Bank Branches:

The Government has given a target of 15 new bank branches to be opened during this financial year 2021-22. The Chief Secretary requested MCAB and SBI to consider opening bank branches at Raksamgre and Tikrikilla in West Garo Hills., which was allotted by the Finance Department, Govt. of Meghalaya. He informed that the Government is ready to incentivize any bank for opening new branches in rural areas.

(Action: SBI and MCAB)

No. 11: DFS uncovered Village:

Shri A K Sarangi, General Manager, NABARD suggested to call for a Sub-Committee Meeting to discuss the issue of DFS uncovered villages. The Chief Secretary also suggested sharing of the remaining uncovered villages with the Government and the Deputy Commissioner of respective districts for better coordination amongst all stakeholders.

(Action- SLBC, MCAB)

The Chief Secretary congratulated Shri A.K. Sarangi, GM, NABARD on his superannuation and appreciated him for his relentless service rendered to the State.

The meeting ended with a vote of thanks by Shri Lunkim Thangboi, General Manager (NW-II) from SBI, Local Head Office, Guwahati.



Chief Secretary
Government of Meghalaya
Shillong

Copy to All Members: