

**SLBC MEGHALAYA**  
**MINUTES OF STATE LEVEL BANKERS COMMITTEE (SLBC) MEETING FOR THE QUARTER**  
**ENDING JUNE 2024, IN MEGHALAYA HELD ON 16<sup>TH</sup> SEPTEMBER, 2024.**

The State Level Bankers Committee (SLBC) Meeting for the quarter ended June 2024 was held on 16<sup>th</sup> September 2024 in the State Convention Centre, Shillong. The meeting was chaired by Shri Donald P Wahlang, IAS & Chief Secretary, Govt. of Meghalaya.

(The List of participants is furnished in Annexure)

Shri. Samir Kant Jha, DGM SBI & SLBC Local Convener, in the opening address welcomed all the participants and requested Shri Dhruba Charan Bal, Convener, to address the gathering.

1. Shri Dhruba Charan Bal, General Manager, in his speech informed that both deposit and advances have reduced during the June quarter 2024 as compared to quarter ended March 2024. Deposit reduced by Rs 410.41 crores and advances by Rs 199.23 crores. CD ratio has gone up from 50.23% to 50.25%. He urged banks to conduct a deep analysis of the reason for reduction of both deposit and advances. He informed that banks are facing tough competition from Private Finance Companies (NBFCs) in financing to various segments in the state despite NBFCs charging exorbitant interest rates. Banks should gear up to improve their services to halt the trend of businesses going to NBFCs in the coming quarters. Banks should achieve the targeted CD ratio of 60% which is the National standard. He urged those banks with CD ratio of less than 25% to ensure that they achieve the minimum 25% in the coming quarters.

He referred to ACP growth in Agriculture of only 12.41% and overall Agricultural advances outstanding of 16.65% of total advances against the target of 18% set by RBI. He urged banks to actively participate in Govt Sponsored Schemes like CM Elevate Scheme, KCC loans to PM Kisan beneficiaries, high value agricultural advances to achieve the 18% target by this financial year.

He noted that though ACP achievement in MSME is 51.53% during the quarter, the growth was not reflected in the overall CD ratio primarily due to closure and repayment of big ticket MSME loans during the quarter. He urged banks to grow at faster pace to cover up for closure and repayment to achieve the CD ratio growth of 60%. He asked all LDMs of districts with CD ratio less than 40% to make this issue one of the agenda for discussion in the District Level Consultative Committees (DCC).

He also noted that Meghalaya has become a very popular tourist's destination in recent times. The Govt has taken initiative to promote tourism industry by providing subsidies to entrepreneurs availing bank loans for tourism projects. He urged banks to increase their lending in this sector.

2. Shri DP Wahlang, IAS and Chairman of SLBC in his opening remarks noted with concern that while bank branches remain the same, ATM has reduced from the March Quarter. Advances have also reduced for most of the banks but he noted that two banks with drastic reduction in CD ratio, namely Yes Bank from 26.97% to 1.96% and ESAF Bank from 60.86% to 4.66%. He urged the banks with CD ratio less than 25% to ensure that their CD ratio improves by the next quarter.

**(Action - Banks with CD Ratio less than 25%)**

Further, the Chief Secretary asked the Convener to drop redundant issues which has already been discussed in the Sub-Committee meeting from the Agenda points in SLBC to enable the SLBC to focus more on important issues. He also requested that all figures in the Agenda should be mentioned in lakhs to avoid confusion while discussing the agenda.

**(Action - SLBC)**

He asked the Jt. Secretary Finance, GoM, NIC and SBLC to have a meeting to finalized and develop the Matrix system before the next SLBC Meeting.

**(Action - SLBC, Finance Deptt and NIC)**

Another issue raised by the Chief Secretary is the low percentage of enrolment in Social Security Schemes, viz, PMJJBY, PMSBY and APY. He noted that despite the state having Aadhaar enrolment above 80%, these schemes have not picked up to the desired level. He urged banks and MSRLS to conduct awareness programme to disseminate information about the schemes to the public and to work towards changing the mind set and fictitious belief of the local people about insurance schemes. He urged the banks to give feedback to Finance Department, GoM for any assistance, in getting the public get coverage under the Social Security Schemes.

**(Action -All Banks MSRLS, and Finance Deptt GoM)**

While discussing about the performances of banks in sanctioning PMEGP loans, the Chief Secretary expressed concern that despite convergence of Homestay scheme of the State Government and PMEGP, the disbursement of PMEGP loans by banks has been slow. He also expressed concern regarding the increasing level of NPA in this scheme despite financial support from the State Government in repaying the loan instalment. He requested the banks, KVIC, DCIC to conduct a deep analysis and work out solutions to reverse the trend.

**(Action - Banks, KVIC, DCIC)**

### **3. Discussion on Action Taken Report (ATR) Compliances and Agenda**

i. **Branch opening:** The house was informed about the decision taken by the Sub Committee to drop the proposal to open branches in centres which are not viable, viz., Adokgre, Raksamgre, Damalgre by MCAB and Sellsella by MRB. It was also decided that opening of branch in Baghmara by PNB will be dropped.

The Chairman instructed that decision taken in sub-committee meeting to drop the proposal of opening the branches should not be included in the agenda.

The house was also brief about the status of opening of Ranikor Branch by MCAB, Tikrilla branch by MRB, Ampati branch by PNB. The Managing Director of MCAB requested to extend the timeline for opening of Ranikor branch to December 2024. MRB will open the Trikrilla branch by Sept 2024. Regarding Ampati, the Chief Secretary has asked PNB to submit status immediately after it was advised that the District Administration has informed PNB about 3 buildings which are available for branch opening.

**(Action - SLBC, PNB, MCAB, MRB)**

ii. **Branch opening at Rongara by Axis Bank:** The house was informed about the status of non-availability of suitable building for opening of the branch. The Chief Secretary asked the Finance Department to take up the issue with the District Administration to find solution to the problem at the earliest.

**(Action -Finance department and Axis Bank)**

iii. **Opening of ATM at Sohiong by Canara Bank:** The house was informed that Canara Bank will open the ATM by September 2024.

**(Action – Canara Bank)**

iv. **KMB to submit explanation for deputing junior officials to SLBC meeting:** The house was informed that KMB has not submitted the explanation till date. The Chief Secretary asked KMB to immediately submit the same to SLBC.

**(Action – KMB)**

v. **Opening of RSETI in Khliehriat by PNB:** To speed up the process of opening of the RSETI, the SLBC convener suggested that Government may provide empty Government buildings if available for opening the RSETI till permanent campus is completed. The Chief Secretary asked the Finance Department to write to the DC East Jaintia Hills in this regard.

**(Action - Finance Deptt and PNB)**

vi. **Pending Bakijai cases for reduction of NPA:** There is a reduction of NPA in Govt Sponsored Schemes especially in PMEGP schemes from 41.3% as on March, 2024 to 18.5% as on June 2024, which is mainly due to write off. The Chief Secretary noted with concern that NPA reduction by way of write off is not a good practice as it will set precedence for future borrowers to default. He suggested that a separate meeting with Finance Deptt, Industries Deptt, KVIC and Banks may be convened to discuss the issue of delayed settlement of subsidy claim and high level of NPA in PMEGP and strategies to improve the performance in PMEGP advances and in other Govt Sponsored Schemes.

**(Action - Finance Deptt, Industries Deptt, KVIC and SLBC)**

vii. **Non-availability of Insurance for Animal Husbandry and Veterinary schemes:** The General Manager (OIC) NABARD, Smt. J R Blah informed the house that there is no Insurance Company willing to cover Animal Husbandry Schemes in the state, due to which loans are sometimes being rejected by banks. The SLBC Convener informed that this is the main impediment for financing CM Elevate scheme where the bulk of the proposals pertains to Animal Husbandry and Poultry schemes. The Joint Secretary Finance informed that SBI General has asked for data on the number of borrowers in Animal Husbandry and Veterinary projects under CM Elevate Scheme. They are yet to inform about their decision to provide coverage for the scheme. The Chief Secretary informed that the issue will be discussed in the upcoming State Level Insurance Meeting.

**(Action – Finance Deptt and A.H & Vety Deptt)**

#### **4. Review of Financial Inclusion Initiatives, expansion of banking network and Financial Literacy:**

a) **Status of opening of banking outlets in unbanked villages, CBS enable banking outlets at unbanked rural centres:** The house was briefed about the status of banking outlets and informed that only 14 villages are yet to be covered as per data of DFS. These villages are in East Garo Hills under Samanda Block. The Sub-Committee has re-allotted these villages to MRB. MRB has confirmed that some of the villages have been covered by their existing BCs. The GM SBI informed that for financial inclusion to be complete, it should include banking services and coverage of the eligible population with Social Security Schemes, viz., PMJJBY, PMSBY insurances.

**(Action - All banks)**

**b) Review of operations of Business Correspondents- hurdles/issues involved BC/CSP:** The house was informed that Yes Bank, APBL and IPPB have huge number of BCs but are only providing limited services through Aadhaar Enabled Payment Services, i.e., only cash withdrawal and deposit facility is provided. The Joint Secretary Finance, GoM informed that many villagers, being able to withdraw their MNREGA wages, old age pensions etc in their respective villages is a big help to them. MRB and SBI informed that they have a robust MIS system to monitor the performances of BCs/CSPs and they are monitoring their performance on daily basis. The GM (OIC) RBI, Shri. Olden Nongpluh informed that as per the feedback from field level officials of RBI, there are many BCs who are not active. The Chief Secretary urged banks to have an MIS on performance of BCs/CSPs and to ensure that BCs are active and give full services in their area of operation. Banks are also to provide the details of BCs which are active and inactive to Finance Department.

**(Action - All banks)**

**c) ACP target:** Kotak Mahindra Bank with zero performance in ACP achievement, the Chairman instructed the bank to show some achievement in the next SLBC meeting. The banks are also to ensure and confirm that the data/figure they provide to SLBC is correct.

**5. Districts with CD Ratio below 40%:** The SLBC convener informed that the number of districts with CDR below 40% remains unchanged with 5 districts viz., East Jaintia Hills, West Jaintia Hills, West Khasi Hills, Eastern West Khasi Hills and South West Khasi Hills. The Chief Secretary asked the Finance Department to write to the DC of these districts to inform them about the status so that they can discuss in the DCC meeting in their districts.

**(Action - Finance Department)**

**6. SHG lending:** The GM (OIC) of NABARD, Smt. J R Blah informed that Banks in some districts are forcing all the SHG members to open their individual SB accounts before sanctioning SHG loans to the group. She also informed about instances of recovery of balances from individual members' bank accounts for depositing to the SHG loan account without the consent of the members. The GM SBI informed that it is not mandatory to open accounts for all members, however as Credit Score of individual members have to be generated the individual members' Customer Information File (CIF) has to be opened and linked to the SHG account. The Banks have been advised not to make recovery of pending dues of SHG group loans from individual member's accounts without their consent in future.

The COO MSRLS, Shri. Ronald Kynta informed that banks are forcing all SHG members to take PMJJBY, PMSBY insurance. He informed that majority of the SHG members are already covered by Social Security Schemes and the few unwilling members should not be forced to avail the schemes. The Chief Secretary reiterated the importance of sensitisation of the public to enrol in Social Security Schemes and asked banks not to force but to convince the customers about the benefit of the schemes.

**(Action- All banks)**

## **7. Any other Agenda:**

**a)** The SLBC Convener informed that the SLBC Sub Committee has recommended that the District Level Review Committee (DLRC) be held at half yearly intervals instead of quarterly so that it will become more effective and chances of participation of Public Representative is enhanced. The house has accepted the proposal and LDMs will be advised accordingly.

**(Action - SLBC and LDMs)**

**b) Merger of MRB Chutwakhu with Jowai Branch, MRB Marngar with MRB Nongpoh and MRB Zero Point with MRB Umsning Branch:** The Chairman of MRB informed that merger of MRB Chutwakhu with Jowai Branch has been approved by the DCC and minutes of the meeting circulated to all members of the DCC West Jaintia Hills district. The merger of MRB Marngar with MRB Nongpoh and MRB Zero Point with MRB Umsning has been approved by the DCC but minutes is yet to be signed by the DC of Ri-Bhoi district. He sought approval for the merger subject to approval of the minutes by the DC.

**(Action - LDM Ri-Bhoi District and MRB)**

**c)** The Chief Secretary brought to the notice of the house the banking problem in Ranikor Block. The low cash retention limit of the banks which resulted in insufficient cash to meet daily transactions, especially for those customers who have to travel from remote villages, the problem of connectivity which resulted in delay in completion of banking transactions. He asked the banks to resolve the issue by increasing the cash retention limit and also to find alternative option for faster connectivity, instead of relying only on VSAT. The Chairman also requested DC South West Khasi Hills to visit Ranikor Block and take up the issues challenges faced by the bank branches under the block.

**(Action - All banks operating in Ranikor Block)**

**d)** Smti JR Blah, General Manager (OIC), NABARD, Shillong gave a brief overview about the Contributory Pension Scheme 'NPS Vatsalya' which is monitored by Department of Financial Services. She informed that a feed-back form will be circulated to LDMs of Tura and Shillong, which is to be filled and submitted back to NABARD. She also requested that this matter be included as an agenda item in both SLBC and DCC meetings. She also announced that NABARD plans to conduct a state level workshop on the schemes related to financial inclusion.

**(Action - All Banks)**

**e)** Smti. J R Blah, General Manager (OIC) NABARD urged Private Banks to facilitate lending of agriculture related activities in their areas of operations. She also requested SLBC to conduct a sensitisation training/workshop for e-Kisan Upaj Nidhi Portal by involving Warehousing Development and Regulatory Authority.

**(Action - All Private Banks and SLBC)**

The meeting ended with the vote of thanks from the Chairman.



Chief Secretary  
Government of Meghalaya