

**Minutes of the 55th SLBC Meeting, Sikkim held on 16th March 2018
At Hotel Yangthang Heritage, Gangtok**

The 56th Meeting of State Level Bankers' Committee (SLBC) for the State of Sikkim was held at Hotel Yangthang Heritage, Gangtok on 16th March 2018

The meeting was chaired by Shri A.K. Srivastava, IAS, Chief Secretary, Govt. of Sikkim

Shri Anup Kr Mahapatra, GM, State Bank of India, LHO, Kolkata, Shri Linus Rai, Additional Director, FRED, Govt. of Sikkim, Shri Olden Nongpluh, GM, RBI, Gangtok, Smt. Anjana Lama, GM, NABARD Gangtok & Shri Satish Rao, DGM, State Bank of India, Zonal Office, Siliguri, were other dignitaries on the dais.

Representatives from member Banks and Government Departments also attended the meeting.

Shri Sondip Kr. Chowbey, Convener, SLBC Sikkim and Regional Manager, State Bank of India, Gangtok welcomed the dignitaries on the dais and all the participants present in the meeting. He informed the house that before the start of the SLBC, a Memorandum of Understanding will be signed between State Bank of India, Nabard, partner NGOs and KVKs for providing institutional credits to Joint Liability Groups(JLGs).He also remarked that such an understanding was envisaged in the last SLBC, an now it had become successful. The Memorandum was signed and exchanged by the General Manager Nabard, and Deputy General manager State Bank Of India.

Shri Anup Kr Mahapatra, GM, State Bank of India, LHO, Kolkata remarked thanked the GM, Nabard for taking the initiative on the MOU. He said that such an understanding will be a big boost for the Agriculture Sector and the Economy of Sikkim as a whole. He said that there should be better coordination among the Bankers and the Government Departments for the betterment of the State as a whole. He requested all the banks to submit their reports on time.

Shri A.K. Srivastava, Chief Secretary, Govt of Sikkim, in his opening deliberation congratulated NABARD and State Bank of India for the MOU. He also remarked that such an MOU would come a long way in uplifting the lower strata of the State.He also thanked the Former GM,RBI, Mr Mahabendra Mishra for his cooperation and tremendous services rendered by him.

Smt. Anjana Lama, GM, NABARD Gangtok apprised about the extension of Dairy Entrepreneurship Development scheme till 31.03.2018 and also mentioned that Rs 1,11,00,000/- additional funds has been earmarked for Sikkim alone. She also suggested Banks for early disposal of proposals under these schemes. She also expressed concern on the low credit flow in the agriculture sector, and urged all the stakeholders to come together and identify the loopholes and address them.

The recent vegetable import ban should be taken as an advantage by the bankers and more farmers should be encouraged to grow.

With the permission of the Chairperson the discussion of the Agenda items started in seriatim as follows:

Agenda No.1

Confirmation of the proceedings of the 55th meeting of SLBC held on 04th of December 2017 at Hotel Yangthang Heritage Gangtok

~ The House confirmed the proceedings of the 54th SLBC Meeting.

Agenda No.2

Follow-up of the Action Points that emerged from the 54th SLBC Meeting held on 22nd September 2017 at Gangtok

1. Banks having defaulters in KCC accounts to share the defaulters list with Director FS & ADD, Govt. of Sikkim for their assistance in recovery.

~ In this regard, The AGM, ISSCO Bank expressed that SISCO bank has also submitted the list of Defaulting KCC Cooperative Societies to the concerned department. The Gm, Nabard stated that when bank submit their list, all the details such as Fathers Name and proper address should be given along with the Names and Account Numbers. The Chief Secretary and the Gm, SBI also remarked that such things should be taken up at the DLCC Meetings. On this the Convenor, SLBC said that recovery of KCC has been in the agenda for all the DLCC Meetings.

2. Banks to appoint Nodal officer for handling DBT related issues.

~ Only SBI & SISCO Bank have appointed Nodal Officer for DBT. All other Banks were directed by the Chairperson to appoint and give names of their respective Nodal Officer to RMDD within a week. The RM, SBI informed the house the importance of DBT and the problems being faced by some departments due to non availability of Nodal Officers for DBTs in the Banks. He further requested all the banks to provide the names of Nodal Officers immediately.

3. Concerned department of UD&HD to write to all bank branches having pending PMAY & NULM proposals to dispose of at the earliest

~ The Chairperson, express his displeasure over the absence of representatives of the Government Departments in the meeting. The Convenor informed the house that SBI had already disbursed 11 proposals, out of which 3 had already received their subsidies.

4. Banks to dispose off pending proposals of PMEGP

~ This was discussed in detail in Agenda No. 5.

Agenda No.3

Credit: Deposit Ratio / Credit + Investment: Deposit Ratio as on 31.12.2017

The overall CD ratio of the state with credit from outside Sikkim was 79.4% and the CD ratio excluding credit from outside Sikkim was 42.2% which was still just up to the stipulated benchmark. The house expressed dissatisfaction over low financing by Private sector Banks resulting in low CD ratio of the state. Poor performing Banks were urged to expedite their lending in the state for overall growth in the CD ratio in the upcoming quarters. The Chairperson stated that Banks should make vigorous efforts for the economic development of the State by increasing their lending.

The representative from Bandhan Bank informed the house that despite of low deposits, they are actively lending to SMEs from this year onwards. Representatives from the PSU Banks also assured that the situation will improve by the end of the next quarter.

Agenda No. 4

Review of Performance under Annual Credit Plan 2017-18 including NPS for the quarter ended 31st December 2017

During the third quarter of FY 2017-18, the overall achievement of Banks under Annual Credit Plan was 86.5.% which was including Non-priority sector. The achievement by Banks under priority sector was only 58.7%

Banks have achieved only 17.0% under Agriculture sector, 54.4.7% under Industry sector and 99.2.% under other priority sector. The performance of Banks, whose achievement was nil in priority sector, was viewed very seriously by the house. All the non performing Banks were advised to increase their priority sector lending in the upcoming quarters. The low achievement on Agriculture Sector was much deliberated upon, the non recovery of KCC loans was a big factor in giving fresh lendings to the farmers. It was decided that a mechanism should be put in place urgently for the recovery of KCC loans.

Convener SLBC mentioned that, due to the non submission of Lead Bank Reports by certain banks, the CD Ratio has not been reflected properly. The Chairperson and the GM, SBI said that this was a very serious issue and took assurance from the banks that there will be no such issues in the next quarter.

The Gm, SBI complimented the Bank for the improvement in the achievement from the last quarter, he also further asked the banks to give more thrust to priority sector for the overall improvement of the economy. He also cautioned the banks that from this year onwards the RBI will be levying penalties on Banks for failing to live up to their targets, especially under Priority Sector. He mentioned that the deadline given by RBI is 31.03.2018.

Agenda No.5

Review of Special Programmes as on 30.06.2017

1. Prime Minister's Employment Generation Programme (PMEGP)

Shri B.N. Roy, Asstt. Director, KVIC, mentioned that during the current FY, 162 numbers of proposals were forwarded to the Banks, out of which 119 cases are pending with Banks. Hence, he instructed Banks to dispose off all the pending proposals at the earliest. It was also decided that more synergy is required between the govt agencies and the banks with regards to the parameters followed during the processing of loans.

2. National Urban Livelihood Mission (NULM) Self Employment Programme:

It was noted that 74 proposal have been forwarded to the Banks by the concerned department. The Deputy LDM, informed the house that since most of the cases under NULM were forwarded to the banks on the Last week of January 18, most of these are still pending with the banks.

3. Chief Minister's Start-Up Scheme (CMSS)

The item could not be discussed due to the absence of representative from the department. However, the Convenor, SLBC remarked that since this is a newly launched programme, the number of proposal will increase in the next quarter.

Agenda No.6

Promotion of Self Help Groups

The representative from NERLP, Mr. D.T. Bhutia Informed the house that credit linkage had improved a lot due to the appointment of a coordinator by SBI, the appointment of Bank Shakhis /Bank Mitras and the conduct of Financial Literacy Camps. He informed the house that 710 SHGs have been credit linked at present in the South and West Districts, he urged the bankers to process the pending linkages immediately.

Representative form SRLM, Shri Tenzing Gelay informed the house that 81 SHGs have been credit linked so far in North and East District. He also informed the house that all the previous SHGs sponsored by NABARD had also been taken over by SRLM in the North and East Districts.

The Chairperson appreciated the initiatives taken by NERLP and SLRM in promoting the SHGs, he also mentioned the fact that loans given to SHGs through these agencies have been recovered well.

The GM, NABARD also clarified to the house that a Minimum of 5 members and a Maximum of 20 members can be grouped to form a SHG.

Agenda No.7

Kisan Credit Card (KCC)

At the end of second quarter, 3406 nos. of KCCs have been issued by the Banks. The Convenor, SLBC informed the house that 25% of the KCCs were not getting renewed.

The Gm, SBI remarked that more sensitization will be needed among the farmers about the KCC loans and repayment. He urged the Govt Departments and Bankers to raise awareness through FLCs. He directed Banks to give focused attention on financing KCC as there is a huge potential for such finance in the state. He also asked the bankers to coordinate with SRLM and NERLP in issuance and recovery of KCCs.

Agenda No.8

Housing Finance

During the third quarter, the percentage of achievement in housing finance was 107.5% i.e. 63.4% more than the last quarter which was viewed as satisfactory. Shri. A Chakravarthy, GM, National Housing Board, also appreciated the efforts of the banks in this sector. He further advised the banks to give thrust to Pradhan Mantri Awas Yojana (PMAY) and finance borrowers under this scheme.

Agenda No.9

Education Loan

The overall achievement under the scheme was 47.2.4% during the third quarter which was 16.5% more than the previous quarter. The house commended Central Bank of India & State Bank of India for having good percentage of achievement in Education loan. Banks were suggested for holding camps at the Educational Institution during admission.

Agenda No.10

Performance under MSME

The overall achievement under the MSME was 86.38% during the third quarter, which was quite satisfactory.

Agenda No.11

Weavers Credit Card Scheme

The concerned department did not source any proposals under this scheme.

Agenda No.12

Artisan Credit Card Scheme

The Convenor informed the house that a total of 17 proposals have been forwarded to the banks out of which 8 were rejected and 9 are under process in the Banks.He also informed the house that Rs 25,000 is the credit limit under this scheme.

Agenda No.13

Joint Liability Group

It was observed that Canara Bank sanctioned and disbursed Rs 8 lacs to 11 JLGs,The Gm ,NABARD also remarked that due to the MOU being signed today, these numbers would improve drastically, she also said that sensitization would be required by the various JLGs.The RM,SBI assured that a sensitization and coordination meeting would be held soon.

Agenda No.14

Dairy Entrepreneurship Development Scheme (DEDs)

The house appreciated the performance of SBI & SISCO Bank for financing under this scheme. It was also observed that finance under this scheme had improved drastically from 69 proposals in the last qtr to 166 in this qtr discussed that the position would improve by the next quarter. Since, there is a huge potential in the area of Dairy farming in the state, Banks were directed to increase their lending in this sector.

Agenda No.15

Evolving Action Plan for Remaining Un-banked villages

In this regard, The GM , RBI stated that stated that the definition of opening a bank in the National context is different to that of Sikkim context, hence the low reporting, he said he will be meeting with repretatives from the central office and sort out these issues at the earliest, that way the figures would be much more better. He also informed the house that connectivity in the rural areas of Sikkim was the main drawback in banking the unbanked villages of Sikkim.

Banks were directed for proactive approach in this regard and to expedite the process of activating BC / CSP in all the unbanked villages.

AGENDA NO.16

Credit Flow to Minority Communities

During the third quarter, the percentage of credit flow under priority sector lending to minority communities in East, West, North and South districts of Sikkim was 24.8 %, 24.7%, 46% & 18.2% respectively.

Agenda No.17

SBI Rural Employment Training Institute (RSETI)

The Director, RSETI remarked that the construction of the institute building is going on in full swing and that it should be completed within this year. He also remarked that all the stipulated trainings have been completed by RSETI.

The GM, SBI advised that a mechanism should be put in place to assess whether the trainees have been engaged in the productive field for which they have been trained.

Agenda No. 18

REVIEW OF PROGRESS ON PRADHAN MANTRI JAN-DHAN YOJANA & SOCIAL SECURITY SCHEMES (PM4S)

It was observed that the progress under PMSBY, PMJJY and Mudra was satisfactory. However, the number of enrolment under APY was not satisfactory hence, Banks were directed to focus on enrolment of more number of beneficiaries under APY (Atal Pension Yojana)

Agenda No. 19

MISCELLANEOUS:

1. 'Start Up Stand Up India' Scheme (SUI)

Till date, 72 numbers of applications have been financed by Banks. However, it was found that only few Banks were participating in the overall achievement. Non-performing Banks were directed to finance at least one proposal under this scheme.

2. Pradhan Mantri Awas Yojana (PMAY)

It was observed that housing loans disbursed under PMAY is very low despite the fact that 68.2% of achievement have been made under housing sector. He expressed his displeasure to the Banks for dismal performance under PMAY and suggested Banks to make improvement in the upcoming quarters.

3. Direct Benefit Transfer (DBT)

The agenda was already discussed in Agenda 2.

4. Pradhan Mantri Fasal Bima Yojana (PMFBY)

The agenda could not be discussed due to the absence of representative from the concerned department.

The meeting concluded with vote of thanks by Shri T.D. Bhutia, Dy.LDM.

ACTION POINT THAT EMERGED FROM 55th SLBC MEETING HELD ON
04.12.2017

1. Banks having defaulters in KCC accounts to share the defaulters list with Director FS &ADD, Govt. of Sikkim for their assistance in recovery
2. Banks to appoint Nodal officer for handling DBT related issues.
3. Opening of Bank branch at Tashiding & Soreng.
4. Banks to dispose off pending proposals of PMAY
5. Banks to verify data before SLBC meeting to avoid erroneous reporting.
6. Banks to dispose off pending proposals of PMEGP.

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LIST OF PARTICIPANTS :: 55th SLBC MEETING :: 04.12.2017 :: SIKKIM		
SR.	NAME OF THE OFFICIAL	DESIGNATION / DEPARTMENT
1.	Shri A.K. Srivastava, IAS	Chief Secretary, Govt. of Sikkim
2.	Shri A.K. Mahapatra	GM, State Bank of India, LHO, Kolkata
3.	Shri Olden Nongpluh	GM, RBI, Gangtok
4.	Smt. Anjana Lama	GM, NABARD, Gangtok
5.	Shri Linus Rai	Additional Director, FRED, Govt. of Sikkim
6.	Shri Satish Rao	DGM, State Bank of India, ZO, Siliguri
7.	Shri Sandip Kr. Chowbey	Regional Manager, SBI, RO, Gangtok (SLBC Convener)
8.	Shri Gopal Lama	Lead District Manager, Gangtok
9.	Shri I.Y.T. Namchu	AGM, RBI Gangtok
10.	Shri T.D. Bhutia	Dy LDM, Gangtok
11.	Shri K Chakravarthy	G.M. National Housing Board
12.	Shri D T Bhutia	State Cordinator, NERLP
13.	Shri Jata Narayan Sharma	Dist Cordinator, Microfinance
14.	Shri B S Rawat	Joint Registrar, Co-operation Dept, Govt. of Sikkim
15.	Shri A Pandey	Inspector SKVIB

16.	Shri B.N. Roy	Asst Director, KVIC,SO Gangtok
17.	Shri Prem Gurung	Under Secretary, DIC, East/North
18.	Shri Tenzing Gelay	SPM,SRLM- RMDD
19.	Shri Sailesh Lepcha	DPM,FI SRLM- RMDD
20.	Shri HK Mandal	Officer in Charge, SICON
21.	Dr. Tshering Pem Lama	Additional Director, AHLF & VS Dept
22.	Shri Rewat Ratna Kumar	Axis Bank
23.	Shri S.K. Pal	AGM & CRM, United Bank Of India
24.	Shri Vijay Vardhan	Br Manager, United Bank of India
25.	Shri Ankur Saha	Sr Manager, Dena Bank
26.	Shri Ratan Saha	Chief Manager, Bank Of Baroda
27.	Shri Samar Kumar Majumdar	Sr Br manager, Gangtok
28.	Shri A.N Mukherjee	Sr Manager, IOB
29.	Shri Arun Kumar	Asst Bank Manager, Karnataka Bank
30.	Shri D Targain	Sr. manager, UCO Bank
31.	Shri A Saha	Director, SBI RSETI, Gangtok
32.	Shri Rajiv Kumar	Br Manager, Bank Of Maharashtra, Gangtok
33.	Shri U C Golhajet	Regional Manager, CBI , Siliguri
34.	Shri Sulabh Topno	Manager, Andhra Bank, Gangtok
35.	Shri Palash Kumar Pegu	Manager, Indian Bank, Gangtok
36.	Shri Bivash Lamichaney	AGM,SISCO Bank ,Gangtok
37.	Shri Mithlesh Kumar Jha	Chief Manager, Allahabad Bank, Gangtok
38.	Shri Sanjoy Ghosh	Sr. Manager, Punjab & Sind Bank, Gangtok
39.	Shri Uttam Kumar	AGM, IDBI Bank, RO Siliguri
40.	Shri Manoj Chetri	Sr Manager, HDFC Bank, Gangtok
41.	Shri Amitava Sengupta	Cluster Head, Siliguri, Bandhan Bank
42.	Shri Manish Agarwal	Branch Head, Gangtok, Bandhan Bank
43.	Shri Arajun Lal Yadav	Zonal Manager, Bank of India, Siliguri
44.	Shri Subash Chandra Das	Chief Manager, Vijaya Bank
45.	Shri L. S. Paokhosei	Manager, Corporation Bank, Gangtok
46.	Shri Satyendra	Dy Manager, Punjab National Bank, Gangtok
47.	Shri Ashok Kr Behera	Branch Manager, SIDBI ,Gangtok
48.	Shri Rufus Lepcha	Br Manager, Syndicate Bank, Gangtok
49.	Ms Shweta Pradhan	Cluster Head, HDFC Bank Ltd
50.	Shri Yogesh Kumar Nepal	Dist Manager/ State Cordinator (NICT Sikkim)
51.	Shri Abhijeet Chakraborty	AGM(Project), HUDCO Ltd

52.	Shri Madhav Koirala	Asst, Lead Bank Office, Gangtok
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