

**MINUTES OF THE 38th SLBC MEETING, SIKKIM HELD ON 1ST. OCTOBER 2013,
AT MAYFAIR RESORT, RANIPOOL, GANGTOK**

The Thirty Eighth State Level Bankers Committee Meeting for the State of Sikkim was held at Mayfair Resort, Gangtok on 1st. October 2013. The meeting was chaired by Shri B. Roychoudhury, DGM, SBI, Siliguri.

Shri Manabendra Misra, GM, RBI, Gangtok, Shri R. P. Bhargava, GM, NABARD, Shri S. K. Pradhan, Secretary, Agriculture Department, GOS and Sri D. N. Sharma, Principal Director, PGIPF, GOS were also present in the meeting amongst other officials from Banks and Govt. Departments.

2. The Chief Guest of the Meeting was Shri P. D. Rai, the Hon'ble Member of Parliament, Lok Sabha and also a member of Parliamentary Standing Committee on Finance, GOI.

3. Shri Abhijit Kr. Ghosh, Regional Manager, State Bank of India, Gangtok, SLBC Convenor, heartily welcomed Shri P.D. Rai, Hon'ble MP (Lok Sabha), Shri S.K. Pradhan, Secretary, Agriculture Deptt. Govt. of Sikkim, Shri B Roychoudhury, DGM, SBI, Shri Manabendra Misra, General Manager RBI, Shri R.P. Bhargava, General Manager, NABARD, and Shri D.N. Sharma, Principal Director, Finance Deptt. Govt. of Sikkim and other dignitaries present and invited to participate in the meeting with their valued deliberation in the SLBC meeting.

4. Speaking on the occasion as Chief Guest, Shri P.D. Rai, Hon'ble MP (Lok Sabha), in his opening deliberation, said that it was his keen interest to attend the SLBC meeting of Sikkim and expected the presence of senior level functionaries from Govt. departments and Banks for a meaningful participation and discussion on effective resolution on issues pending and for bringing all round development of the state. He also assured to initiate a process by which all the stake holders can have a further meaningful SLBC meeting and make aware of the importance of SLBC platform.

5. Shri Rai informed the House that he would try to ensure the presence of Minister of State for Finance, Govt. of India in the next SLBC meeting.

6. He also informed that the state's key parameter on growth index is one of the best in the country which shows the huge amount of developmental equity in the state and resource allocation for rural area development is significantly higher. At the same time he observed that other commercial banks have scope in rural areas in terms of KCC and other agriculture activity growth for which both Govt. departments and banks need to analyse the gap. He also urged banks to give more emphasis on Priority sector lendings and Financial Inclusion and at the same time informed about employment

generation through capacity building and self employment in MSME sector and organic farmings. He suggested that banks should consider the proposals coming from farmers for taking up organic farming as this sector has lot of potential in the state.

7. Regarding data integrity, Shri Rai informed the House that the Govt. is on the process of framing a policy namely "Sikkim Open Data : Acquisition & Accessibility Policy" where all the facts & figures would be collated and are reliable.

8. Shri P.D. Rai, Hon'ble MP (LS), also enquired about the operationalising of Forex facility at Pelling by SBI which was one of the issues in the last SLBC meeting urging upon activation by 31.10.2013. SBI responded that the branch has since been categorized as C-1 Forex category branch and necessary action will be done in the matter. 9. While concluding, he reiterated that SLBC platform be effectively utilized and urged all concerned to make the meeting more meaningful by ensuring attendance by the appropriate authorities with much more commitment that one should be proud of the process.

10. The Chairman of the meeting, Shri B Roychoudhury, Deputy General Manager, State Bank of India, Zonal Office, Siliguri expressed apology on behalf of SLBC convenor for absence of Shri Sunil Srivastava, CGM and Chairman, SLBC, State Bank of India due to his urgent preoccupation at LHO for administrative reasons on account of Half Yearly Closing.

11. The Chairman appreciated the observation made by the Hon'ble MP and appealed all the stakeholders for close co-ordination amongst them for all round development of the state.

12. Shri Mananendra Misra, General Manager, RBI expressed his satisfaction over the growth of bank branches, ATMs, CD ratio over a period of years. He said that banks should set up offsite ATMs and CSPs at unbanked villages with lower population base where setting up of brick and mortar branches are not considered feasible. Various programmes on financial awareness, outreach programmes organized by RBI were also highlighted. It was also informed that RBI had sent a recommendation to their Kolkata office for setting up of Currency Chest at Mangan by SBI Mangan branch and expected that the process would be completed soon. He also discussed about RBI plan of setting up of Clearing House at West district and cheque truncation system where settlement of cheques could be done online.

13. Regarding Financial Inclusion, RBI appreciated the role of Public Sector banks for their efforts in achievement in covering all villages above 2000 population. He said that problems would be there for covering of villages below 2000 population owing to the hilly terrain of the state and for this he suggested that state Govt., other Govt.

department, BSNL and other telecom service providers for urgent resolution of persisting connectivity problems and other related logistic issues. He added that networking and connectivity are pre-requisite for concerted implementation of the FIP effectively. He further added that banks should prepare their Disaggregated FIP which is very much essential for 100% coverage. Finally, he added that Sikkim being a border state, urged all bank branches to remain alert against fake currency inflow and to ensure installation of Note Sorting Machine by all the bank branches.

14. Shri R. P. Bhargava, GM, NABARD, said that ground level preparation for FIP is to be done effectively with granular assessment of uncovered villages within the respective banks' service areas and evolve suitable policy in this matter. Responding to this LDM advised that West Pendam and Salghari villages are already covered by CSP. On his query on unbanked block coverage i.e. Ngathang as unbanked block, representative from PNB in response, informed that they had appointed one BC at Kupup which falls under Ngathang block. He also added that since the block has scattered villages and has only few hundreds of population, setting up of a brick and mortar branch at Ngathang would not be feasible. It was told that connectivity is one of the major problems but at the same time informed that almost all the households had opened their accounts with PNB. Hon'ble MP also agreed that connectivity is still a major challenge in the state requiring intervention from Govt. of Sikkim and BSNL.

15. Shri R. P. Bhargava, GM, NABARD, clarified that every KCC should have a single account which is valid for 5 years. He also informed about the Interest subvention and other guidelines on KCC. He urged banks to comply with the Govt. of India's directives.

16. Representative from Central Bank of India, informed the House that survey for village coverage of Tashiding and Rinchenpong in West Sikkim will be taken up by them in due course.

17. Shri A.K. Yadav, DGM, RBI informed the House on the status of formation of task force on network connectivity issue. He added that the task force had conducted series of meetings with all the stake holders like Deptt. of Information Technology, Banks, BSNL and other concerned and came out with a recommendation on how to improve the connectivity in the state with regard to DBT/DCT/E-payments and other banking facilities. He informed that another meeting is scheduled to be held on 05.10.2013 to review the progress in the matter.

18. While discussing on BC model, Hon'ble MP felt that to make the BC model work in Sikkim, incentive plan has to be designed differently as compared to other states.

19. Shri S.K. Pradhan, Secretary, Agriculture Deptt. Govt. of Sikkim, during his deliberation expressed discontent over some banks for their unwillingness for issuing of

KCC/credit facilities to the farmers despite Govt. of India's directives on coverage of all eligible farmers by issuance of KCC. He reported that some banks, even if they received proposals from farmers, kept pending for months and ultimately reject the cases. Shri Pradhan advised SLBC convenor to notify the area of operations of banks for information to the district level authorities. Furthermore, Shri Pradhan informed the House that he had already forwarded the list of eligible farmers to LBO. He added that it would be difficult for the banks to provide loans to all the eligible farmers within a month or two, as per the Govt. of India directives, it was suggested that banks could at least issue KCC only at the first phase and provide credit facilities to the farmers as and when required for at a later stage. He urged SLBC convenor to issue general instruction to Banks on issue of KCC. As for recovery issues, he advised banks to seek Govt.'s support and assured all necessary help in this regard.

20. Shri A.T. Bhutia, Chief Manager (Rural), SBI reported that repayment in Govt. sponsored loans are very poor.

21. Hon'ble MP expressing concern in the matter requested Line Departments to take responsibility in recovery of loans sponsored by them and added that some mechanism should be developed in recovery process.

Discussion held on Agenda seriatim and resolved that:

Agenda No.1

Confirmation of the proceedings of the 37th State Level Banker's Committee (SLBC) Meeting held at Gangtok (Sikkim) on 20th June 2013 at Mayfair Resort, Gangtok

As there were no suggestions/queries on the minutes of the 37th SLBC meeting, already circulated to the members, the minutes of the said meeting was considered unanimously as confirmed.

Agenda No.2

Follow-up of the Action Points that emerged from the 37th SLBC Meeting held on 20th June 2013 at Gangtok

1. Circulation of minutes and Agenda Papers of the SLBC at least 15 days before the scheduled meeting date

In this regard, SLBC convenor urged banks to submit all the relevant data/figures within 20.10.2013 to LBO for compilation of SLBC data so that Agenda papers could be circulated timely. It was also proposed that 15.11.2013 will be the tentative date for next SLBC meeting as per the scheduled SLBC calendar.

2. Target to cover below 2000 population within March 2014

As only few Banks are able to produce the coverage of the villages, the Chairman requested to conduct a survey to review the position based on the detailed data of population of 2011. Data to be made available by RMDD to the respective Banks. All the Bankers were also advised for effective coverage of villages within the targeted period considering their service areas.

3. Updating of SLBC website upto 31st July 2013 to be confirmed before 02.08.2013

The LDM appraised the house that the same has already been done. The Chairman advised to update the same on regular basis.

4. Submission of Disaggregated FIP report by all Banks to RBI

Bankers informed the House that the Disaggregated FIP will be done at the Apex level of Banks and will be conveyed upon consolidation from all member banks. Data Cleanup and segregation to be done in all effective manner
LDM advised on behalf of LBO that Data cleanup for the quarter ended June 2013 has been complied with.

Agenda No.3

Credit: Deposit Ratio / Credit + Investment: Deposit Ratio as on 30.06.2013

The House was of the opinion that the C:D data of four Banks are abysmally high and the Chairman asked for the sector wise classification including credit from outside Sikkim for the same in the next SLBC Meeting. He also advised to furnish the comparative statement on CD Ratio with corresponding previous year from now onwards. Hon'ble MP expressed discontent with the performance of some private banks having low CD ratio and said that no credits are given to the people of Sikkim

while huge deposits are garnered from them which is very unwise on these banks' part. While responding to their huge credit portfolio, representative from ICICI informed the House that credit from outside Sikkim was also included in their report resulting in huge imbalance of CD ratio.

Shri A.K. Yadav, DGM, RBI reported that private banks are not having authority to sanction the loan at branch level which is depriving the local people from approaching these branches. Ms. Sweta Pradhan, Cluster Head, HDFC Bank while responding to low CD ratio assured that they will strive to improve the position in the coming quarters.

Agenda No.4

Recovery of Bank's dues:

Some of the Banks have failed to provide the recovery potion in time. As a result the correct position of the state could not be ascertained. Hon'ble MP expressed his concern over the growing NPA level of the banks and recalcitrant habits of the people towards repayment of loans. The Chairman once again requested the entire member Banks to furnish the data well in time to review the position during next SLBC Meeting. Accordingly the SLBC data for September 2013 quarter to be ensured for submission by 20.10.2013.

Agenda No. 5

Review of Performance under Annual Credit Plan 2013-14 including NPS for the quarter ended 30th. June 2013:

A. Agriculture and allied activities:

The Chairman expressed his dissatisfaction in connection with overall performance of the Banks during the quarter. He instructed the representatives of the Banks to take necessary steps for achievement of the target.

Hon'ble MP advised the NABARD, Agriculture & Horticulture Department, AH&VS department and Banks should sit together and review to ascertain the low growth in agriculture advances and explore the scope in agriculture sector.

B. Industry Sector:

Except few Banks, the performance of others were reported NIL. The Chairman appealed the Line Department for sponsoring the viable project as well as individual sourcing. The position will be reviewed in the next SLBC Meeting.

C. Tertiary sector:

The House discussed over the achievements under the sector which is satisfactory but expressed concern for other Banks with NIL performance during the June quarter and advised to take necessary steps towards achievements. The Chairman observed that some of the banks have very poor performances in Priority Sector lending.

D. Non-priority sector:

The Chairman expressed satisfaction on overall achievement of the Annual target but at the same time expressed concern over the banks whose performance were reported NIL.

In response, Hon'ble MP said that State Govt. has taken priority in promotion of tourism sector and as a result of which the sector is well spread all over the state. He said that he would provide all help to RBI in their financial literacy/awareness campaign in schools/colleges. He further added that people needs to be more sensitized on the financial literacy awareness.

Agenda No.6

Review of other Priority Sector Advances and other Special Programmes as on 30th June 2013

1. Swarnajayanti Gram Swarozgar Yojana (SGSY):

The scheme has been rechristened with NRLM and the target for the same is yet to be allotted by the concerned department.

2. Prime Minister's Employment Generation Programme:

It was revealed that the concerned line departments viz. KVIC, DIC and SKVIB did not sponsor any proposals during June quarter. However, it was informed that after June quarter 106 Nos. (KVIC -79, DIC – 27) of applications were forwarded to bank branches, the position of which will be reviewed in the next SLBC Meeting.

3. Swarna Jayanti Sahari Rojgar Yojana (SJSRY):

No proposals were sponsored during the June quarter by the department.

Agenda No.7

Promotion of Self Help Groups:

During the discussion, NABARD requested the Bank Branches for the formation of more SHGs, open SB Accounts for them and have it credit linked.

Agenda No.8

Kisan Credit Card (KCC):

Shri R. P. Bhargava, GM, NABARD expressed concern over the low level of achievement in terms of issuance of KCC by few banks and advised them to comply with the Govt. of India's directives.

Agenda No.9

Housing Finance Scheme as on 30.06.2013:

The House discussed over the low level of achievement under this Scheme during the quarter.

Agenda No.10

Performance in Education Loan as on 30.06.2013

During the discussion it was revealed that achievement under Education Loan is low due to sponsorships/financial assistance by the State Govt. to meritorious students for higher studies within and outside the country. The Chairman of the meeting suggested for wide publicity through grass root level and tap the students for requirements of 2nd semester onwards.

Agenda No.11**Performance under MSE as on 30.06.2013**

The House appreciated the performance of some Bank but expressed concern for those Banks, whose performance were reported NIL during the quarter. The position will be reviewed in the next SLBC Meeting. RBI informed the house about sensitization programme on MSME for potential entrepreneurs.

Agenda No.12**National Horticulture Board Scheme:**

The House decided to continue the agenda for next meeting, as there was no sponsored application received by the Banks, the progress of the scheme as well action point will be discussed in the next meeting with a presentation about the scheme by NHB.

Agenda No.13**Artisan Credit Card:**

It was found that the concerned Department was yet to furnish information with respect to sponsoring cases under the scheme and sanction of loan by Banks. The Chief Guest also expressed concern for this as there are scopes to develop the artisan through credit linkage.

Agenda No.14**Financial Inclusion by Extension of Banking Services with opening of "BSB" account in South/West/North Districts As on 30.06.2013**

The Chairman expressed satisfaction with the performance in this sector.

Agenda No.15**Weavers Credit Card Scheme**

The concerned department informed that 43 nos. of proposal were forwarded to LBO for necessary perusal and further allotment to branches as per service areas. It was also informed that the line department is in the process of forming a cluster area at West Pendam for WCC scheme. Hon'ble MP advised that department should ascertain properly the exact quantum of loan required for the purpose and he further suggested them to approach NABARD and RBI fix up the scale of finance and also to identify a cluster of villages with 100-150 weavers as a model village and provide all necessary trainings, capacity buildings, marketing etc. and make it a success rather than promoting individual weavers. He suggested to include Okhrey village in West District also as a cluster and expected the concerned department to co-ordinate the process.

Miscellaneous:**Evolving Action Plan for Remaining Un-banked villages:**

The agenda item was already discussed earlier. However, GM, RBI advised banks to instruct BC to visit the USB/linked village at a pre-notified day/date once in a week otherwise the purpose of financial inclusion, coverage of un-banked villages will be defeated.

2. Direct Cash Transfer:

Shri Bikash Diyali, Nodal Officer, DBT reported the House regarding non-credit of funds in the beneficiaries accounts under pension scheme. LDM was advised to co-ordinate with the Nodal Officer of DBT for resolution in case of any discrepancy.

3. Constitution of Committee to formulate a Special Financial Inclusion Plan to deepen the Financial Services in North Eastern Region

As the Committee is to be formulated under the Chairmanship of the Chief General Manager, State Bank of India, North Eastern Circle, the House did not discuss the issue in details.

4. Allocation GCC Target

The House advised to allocate target of GCC for all the Bank branches of three districts during next DCC Meeting.

5. Constitution of a District-Level Advisory Committee under the Chairmanship of a Member of Parliament, Lok Sabha to monitor PMEGP

Shri SK Das, Asstt. Director, KVIC, apprised the House regarding formation of DLAC. Shri PD Rai, Hon'ble MP proposed to write to the Chief Secretary, Govt. of Sikkim to subsume this committee in District Vigilance Monitoring Committee (DVMC) in the context that it should be a informal meeting and to ensure that PMEGP takes off properly and the meeting to be convened by the DC of the respective districts.

6. Sharing of cost among Banks for DCT/DBT Advertisement

The Convenor shared the list of defaulting banks with the member banks and requested to make payments at the earliest. The Chairman suggested to continue the advertisement in local papers on DBT/DCT till the next SLBC meeting.

7. Approval of the House for Inclusion of DONER as SLBC Member

The House decided that the request for inclusion should originate from the authority of DONER. On his closing remarks, Shri PD Rai, Hon'ble MP urged all SLBC members to fully utilize the SLBC forum for effective development and assured to take up with the Chief Secretary, Govt. of Sikkim for attendance of senior level/Secretary level functionaries in the SLBC meeting so that a meaningful and fruitful outcome could be made out of the SLBC in such a way that the ultimate benefits goes to the people of Sikkim. He also urged for senior level managers from banks to attend the meeting besides Branch Managers.

The Meeting ended with vote of thanks by Sri A.K. Ghosh, Convenor, (Regional Manager, State Bank of India, RBO, Gangtok) to all the members present for their valued participation and meaningful deliberation.

ACTION POINT THAT EMERGED FROM THE MEETING

1. Adequate representation from Govt. departments/Banks in SLBC meetings
2. RBI, Gangtok office to follow up and expedite the obtention of license for Currency Chest at SBI Mangan
3. SBI to provide Forex facility at Pelling branch by 30.10.2013
4. Banks with high CD ratio to furnish separate data on credit from outside Sikkim with year-on-year comparison
5. Time bound submission of financial data by member banks by 20.10.2013 for smooth conduct of next SLBC meeting on 15.11.2013
6. Monitoring/Review of Agriculture advances, PMEGP and SJSRY schemes
7. Recovery of Banks' dues in Agriculture sector and Govt. sponsored schemes through co-ordinated action

LIST OF PARTICIPANTS

Sl. No.	NAME OF THE OFFICIAL	DESIGNATION / DEPARTMENT
1	Shri B Roy Choudhury	DGM,SBI, AO, Siliguri (Chairman)
2	Shri P. D. Rai	MP, Lok Sabha, (Chief Guest)
3	Shri S.K. Pradhan	Secretary, Agriculture Deptt. GoS
4	Shri Manabendra Mishra	GM, RBI, Gangtok
5	Shri R. P. Bhargava	GM, NABARD, Gangtok
6	Shri D. N Sharma	Principal Director, PGIPF, Govt. of Sikkim
7	Shri Abhijit Ghosh	RM, SBI, RO, Gangtok (Convenor)
8	Shri A. T. Bhutia	CM(Rural), SBI, RO, Gangtok
9	Shri Soumen Ghosh	LDM, SBI, RO, Gangtok
10	Shri Arup Kr. Das	Director, RSETI, Gangtok
11	Shri Anil Kumar Yadav	DGM, RBI, Gangtok
12	Shri B. Mohapada	CM, Union Bank of India
13	Shri Nataraj Mishra	CM, Bank of India, Gangtok
14	Shri D. P. Swain	Regional Manager, CBI, Gangtok
15	Shri A. K. Mandal	Chief Manager, Bank of Baroda, Gangtok
16	Mrs. Nishalina Pathak	Senior Manager, Bank of Maharashtra, Gangtok
17	Shri Sridutta Kumar	Manager, Canara Bank, Gangtok
18	Shri Ananda Mohan Halder	CM, Allahabad Bank, Gangtok
19	Shri B Pongener	CM, Vijaya Bank, Gangtok
20	Shri L. N. Bhutia	Branch Manager, Punjab & Sind Bank, Gangtok
21	Shri Manish Kumar	Chief Manager, Dena Bank, Gangtok
22	Shri D. Targain	Sr. Branch Manager, UCO Bank
23	Shri P. T. Namgyal	Chief Manager, Punjab National Bank, Gangtok
24	Shri S. Pradhan	Cluster Head, HDFC Bank Ltd.
25	Shri Hishey C. Bhutia	Manager, IDBI Bank Ltd.
26	Shri Noveen Subba	AGM, SISCO Bank Ltd.
27	Shri N. Poddar	Branch Manager, Syndicate Bank
28	Shri Uzresh Kumar	Sr. Manager, Oriental Bank of Commerce
29	Shri Simon Bara	Sr. Branch Manager, Andhra Bank, Gangtok
30	Shri Sekhar Thapa	Branch Manager, ICICI Bank
31	Shri D. Chakrabarty	Sr. Manager, Indian Overseas Bank, Gangtok
32	Shri Abhirup Sadhukhan	Asstt. Manager, Corporation Bank
33	Shri Deepak Rawat	Branch Manager, Indusind Bank
34	Shri Rahul Jaiswal	Branch Manager, Indian Bank, Gangtok

Sl. No.	NAME OF THE OFFICIAL	DESIGNATION / DEPARTMENT
35	Shri Gagan Sharma	Sr. Manager (Operations), Axis Bank Ltd.
36	Shri Sushil Shukla	Chief Regional Manager, United Bank of India
37	Shri Dadul P. Lepcha	Chief Executive Officer, Sikkim Khadi
38	Shri Bikash Diyali	Asstt. Dir. (System)/DBT Nodal Office/SJEWD
39	Ms. Mamita Chettri	Assistant Project Officer, SRDA/RMDD, GoS
40	Ms. Rina Brahma	Assistant Director, SRDA/RMDD, GoS
41	Shri Ramesh Chhetri	Project Officer, Rashtriya Gramin Vikas Nidhi
42	Ms. Pema Doma	CO, UDHD, GoS
43	Ms. Sharmista Pradhan	APO, UDHD, GoS
44	Ms. Dhanjyoti Mukhia	Addl. Secy, UDHD, GoS
45	Shri R. K. Gautam	Addl. Registrar, Co-op. Deptt., GoS
46	Shri K. N. Sharma	Executive Officer, SKVIB
47	Shri Prem Gurung	Under Secretary, Commerce & Industries
48	Shri Sashi Pradhan	Jt. Director, Commerce & Industries
49	Shri D. R. Sharma	Asst. Dir., MSME – DE, Govt. of India
50	Shri H. K. Mandal	Officer-in-Charge, SICON
51	Shri B. Guha	Devp. Officer, KVIC, Gangtok
52	Shri S. K. Das	Asstt. Director., KVIC, Gangtok
53	Shri Debashish Ganguly	AGM, NABARD, Gangtok
54	Shri S. K. Bibhuty	Manager-in-Charge, SIDBI
55	Shri Chozang Tshering Lepcha	Dy. Director, DHH
56	Shri S. N. Bhutia	Asstt. Director, DHH