

## MINUTES OF THE 50<sup>TH</sup> SLBC MEETING, SIKKIM HELD ON 1<sup>ST</sup> SEPTEMBER, 2016

### AT MAYFAIR HOTEL & RESORT, RANIPOL

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The 50<sup>th</sup> Meeting of State Level Bankers' Committee (SLBC) for the State of Sikkim was held at Mayfair Hotels & Resort, Gangtok on 1<sup>st</sup> September, 2016.

The meeting was presided over by Shri Alok Kr. Shrivastava, IAS, Chief Secretary, Govt. of Sikkim.

Shri Alok Kr. Shrivastava, IAS, Chief Secretary, Govt. of Sikkim, Shri Prabhu Dayal, Under Secretary, DFS, MoF, Govt. of India, Shri Sankar Gope, DGM, State Bank Of India, ZO, Siliguri, Shri M.G. Kiran, IAS, Principal Secretary, FRED, Govt. of Sikkim, Shri Manabendra Misra, General Manager & O-i-c, Reserve Bank of India, Gangtok, Shri T.K. Ganesh DGM, NABARD Gangtok were other dignitaries on the dais. The Controllers and Officials from member Banks and other Government Departments also attended the meeting.

2. Shri Samden T. Lama, 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.

3. Shri Sankar Gope, Chairman, SLBC stated about some of the important areas of concern for the forum as follows: i) Achievement of target under Annual Credit Plan, ii) coverage of villages having population within 500 to 2000 on a priority basis, iii) Activation of inactive CSPs iv) Identification of areas where there is viability of opening Brick & Mortar Branches, v) Activation of PMJDY accounts, issuance and activation of Rupay cards, vi) resolving of issues on erratic telecom connectivity vii) strengthening of recovery mechanisms by Bankers, viii) 100% enrollment under social security schemes & emphasizing on promotion of Stand Up India scheme, Mudra and organic sector, ix) conduct of more number of FLCs by Banks.

4. Shri Prabhu Dayal, Under Secretary, DFS, MoF, Govt. of India expressed his concern on implementation of Social Security Schemes (PM4S) in the state of Sikkim. He stated that the percentage of achievement under Mudra and Atal Pension Yojana is comparatively lower than the other states. He requested all the Banks and Line Department for their joint effort in achieving 100 % achievement under these schemes. He also assured the house that the issue on poor telecom connectivity in the state of Sikkim will be escalated through their office to the concerned authority.

5. Shri Manabendra Misra, GM & O-i-c, RBI, Gangtok in his opening remarks congratulated all the participants on account of Golden Jubilee Meeting of SLBC, Sikkim. He emphasized on activation of State Level IT Committee to resolve the issues on telecom connectivity. He informed that financing under MSME sector has substantially increased due to effective follow up & monitoring by State Level Inter Institutional Committee on MSME. He appreciated Central Bank of India for establishing specialized branch for MSME at Namchi. He said that although Bank Branches are not uniformly distributed in the Sikkim, the average population per Bank for the state is 4500 which is a very good indicator of growth in network of Branches. However, he expressed his concern on providing banking facilities to unreached villages preferably by means of BC model. He further added that providing of banking facilities in villages identified under 'Sansad Adarsh Gram Yojana' should be taken on a priority basis. He requested SLBC convenor to expedite the process of survey work for establishment of Brick & Mortar Branches and operationalizing currency chest at Mangan.

5. Shri T.K. Ganesh, DGM, NABARD in his opening deliberation highlighted on the initiatives taken by NABARD during the last quarter. i) In view of reviving cooperative system in Sikkim, NABARD has supported cooperative Bank (SISCO) in setting up "PACS Development Cell" through which 33 MPCs has been revived so far. ii) FLCs have been conducted by NABARD among rural masses with an emphasis to inculcate banking facilities among cooperative societies and farmers. During the last quarter NABARD had financed 52 nos. of FLCs to Banks, NGOs, KVK and other agencies. iii) NABARD has also granted financial assistance to SISCO Bank for converting 56 nos. of MPCs to function as Bank Mitras for providing banking facilities in the unbanked villages. iv) Three cooperative societies has been revived in North Sikkim and a credit flow of around 6-7 lacs has taken place through SISCO Bank.

Then 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 49<sup>th</sup> meeting of SLBC held on 24<sup>th</sup> May, 2016 at Denzong Regency, Gangtok**

~ The House confirmed the proceedings of the 49<sup>th</sup> SLBC Meeting.

## **Agenda No.2**

**Follow-up of the Action Points that emerged from the 49<sup>th</sup> SLBC Meeting held on 24<sup>th</sup> May, 2016 at Gangtok:**

### **1. Regular conduct of FLC by Banks**

~ It was found that all rural branches had together conducted 29 nos. of FLC during the quarter. The Chairperson urged Banks for conducting more FLCs during the next quarter. Later, DGM, NABARD informed the Banks on procedure for availing financial grant from NABARD for conducting FLC.

### **2. Activation of BC/CSPs for covering unbanked villages.**

~ The Chairperson expressed his concern on slow progress on coverage of unbanked villages. LDM stated that a sub-committee of SLBC on FI is monitoring the progress on regular basis and as per the last meeting held on 28.08.2016, identification and activation of CSPs in villages with population within 500 to 2000 has been taken as an action point for corporate BCs and Banks.

### **3. Identification of villages for establishing Brick & Mortar Branches.**

~ In this context, LDM stated that the survey work is in progress and will be completed by the 1<sup>st</sup> week of October 2016.

### **4. Improvement of CD ratio by Banks having low CD ratio.**

~ It was found that there was an improvement in the overall CD ratio by the Banks in comparison to the previous quarter.

### **5. Banks to create awareness on activating zero balance PMJDY accounts to avail benefits.**

~ Above action point was complied by the Banks.

### **6. Promotion of Joint Liability Groups (JLG)**

~ In this regard DGM, NABARD said that NABARD has been providing support to the NGOs, KVK and Banks for formation of JLGs. However, the position of credit linkage by Banks is not satisfactory. He appealed to the Banks for doing credit linkage of these groups.

## **7. Financing of Dairy farmers under DEDs**

~ It was discussed later in Agenda No.15

## **8. Credit Linkage to all eligible SHGs.**

~ It was discussed later in Agenda No.7

## **9. Distribution and activation of Rupay cards by Banks by organizing camps.**

~ The progress on issuance and activation of Rupay cards by Banks was satisfactory.

## **10. Popularization of PM4S in rural areas.**

~ LDM apprised the house about progress on enrollment under social security schemes. He added that various awareness camps are being organized by State Mission Director, PMJDY along with Lead Bank Office.

## **11. Circulation of revised guidelines and target under NULM by Lead Bank Office.**

~ Above action point was complied by the Lead Bank Office.

## **12. Department of UD & HD to hold workshop on NULM for sensitizing Branch Officials.**

~ As the representative from the concerned department was not present in the meeting the above action point was not discussed.

### **Agenda No.3**

#### **Credit: Deposit Ratio / Credit + Investment: Deposit Ratio as on 30.06.2016**

It was found during discussion that there was an improvement in the overall CD ratio of the state in comparison to the previous quarter. However, the Chairperson expressed his concern on the Banks who were consistently having low CD ratio. Later, GM, RBI asked reasons for increase in the overall advances of the state. In response to this, Convener, SLBC said that for State Bank of India, advances figure had increased due to credit flow in sectors like 'Stand Up India scheme', Mudra loan and Housing loan below 20 lacs. He added that deposits are moving into other banking products like mutual funds, bonds, DAF (Dual Advantage Fund) etc. which has resulted in decrease in the net deposit.

## **Agenda No.4**

### **Recovery of Bank's dues:**

In this context, Convener, SLBC advised Banks for taking effective follow up from their end and seek help from the State Government wherever required for making substantial improvement in the percentage of recovery under priority sector. He added that there is a need for creating awareness among rural masses for repayment of Bank's dues which can be done through FLCs. It was also suggested by DGM, NABARD to take help from 'Farmers Club' for recovery of agriculture loans.

## **Agenda No. 5**

### **Review of Performance under Annual Credit Plan 2016-17 for the quarter ended 30.06.2016**

The overall achievement under ACP by all Banks including Non-priority sector for the first quarter was low at 15.1% and that under priority sector was only 8.1%. The House discussed on need for timely and error free submission of returns by Banks to ascertain the correct position of Banks in terms of achievement. DGM, State Bank of India appealed to the Controllers of Banks for ensuring proper reporting to the Lead Bank Office from the next quarter. Since, the overall achievement vis-à-vis target under ACP was very low for the first quarter; Banks were appealed for making substantial improvement in the upcoming quarters.

## **Agenda No.6**

### **Review of Special Programmes as on 30.06.2016**

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

Dr. S.K. Bhuyan, Officer-in-charge, KVIC informed the house that Gol has launched online portal for PMEGP from 01.07.2016 whereby all the processes involved in implementation of PMEGP are made online starting from filing application to margin money sanction, disburse etc. He further stated that DLTF meeting was held only for the East District on 05.08.2016. 22 numbers of applications have been duly recommended and forwarded to the Banks. Bank branches were directed to follow online procedure for sanction and disbursement under the scheme. He also said that for achieving a target of 100 applications for the current Financial Year KVIC is organizing several camps in coordination with Department of MSME for sourcing proposals.

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

As there was no representative from the department of UD &HD the above Agenda Item was not discussed.

### **Agenda No.7**

#### **Promotion of Self Help Groups:**

Smt. Chung Chungla Bhutia, District Project Manager, NERLP, West Sikkim informed the house that in the West & South district of Sikkim 3012 nos. of SHGs has already been formed and now they are focusing on credit linkage of these SHGs. She further stated that they have also formed a Federation of SHGs (300 to 500 members) comprising of 5 to 6 villages which needed credit facility. She made an appeal to the Banks for extending their credit facilities to all eligible groups.

### **Agenda No.8**

#### **Kisan Credit Card (KCC):**

In this regard, LDM informed the house that 584 nos. of KCCs had been issued by the Banks during the quarter. Banks having nil performance were instructed for financing under this sector in the upcoming quarter.

### **Agenda No.9**

#### **Housing Finance:**

Regional Chief, HUDCO deliberated on features of 'Pradhan Mantri Awas Yojana- Housing for All' and requested Banks for financing beneficiaries under this scheme.

### **Agenda No.10**

#### **Education Loan:**

Banks were suggested for holding of more camps for sourcing proposals.

### **Agenda No.11**

#### **Performance under MSME**

Banks were suggested for financing under Mudra and 'Stand Up India' scheme for improving the percentage of achievement under MSME sector.

## **Agenda No.12**

### **Financial Inclusion by Extension of Banking Services with opening of “Basic Savings Bank Deposit” account**

Banks were advised to continue opening of Basic Savings Bank Deposit account for those who have not yet availed banking services.

## **Agenda No.13**

### **Weavers Credit Card Scheme**

The representative from the DHH, GoS, said that despite of organizing several camps they are unable to source new beneficiaries under WCC. He added that the Govt. of India is funding weavers (existing) for better handloom and accessories but not for the raw materials. So he requested Banks for granting credit for the proposals forwarded through their office.

## **Agenda No.14**

### **Artisan Credit Card Scheme**

The representative from the concerned department requested State Bank of India for early disposal of proposal which is pending in SBI Gangtok Branch. In response to this convenor SLBC, gave assurance for resolving the issue. The house also appreciated the performance of Bharatiya Mahila Bank for having granted maximum number of ACC loans.

## **Agenda No.15**

### **Dairy Entrepreneurship Development Scheme (DEDs)**

Dr. D.S. Tiwari, Additional Director, AH, LF & VS directed Banks to receive proposals which are duly recommended by the Department of AH, LF & VS so as to adhere strictly to the guidelines of the scheme. He requested Banks for early disposal of all the applications forwarded by the department. In response to this, LDM stated that all the applications received by the Lead Bank Office will be forwarded to the respective Bank branches as per service area allotted to the Banks and assured to follow up with the concerned Banks to ensure timely processing or sanction of loans.

With regard to procedure for subsidy claims under DEDs, DGM, NABARD apprised the Banks that subsidy claims are to be made within two months from the disbursement of

1<sup>st</sup> installment in a prescribed claim format. He added that in case of delay in claim of subsidy by Banks, the amount has to be borne by the concerned Bank.

### **Agenda No.16**

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

In this regard GM, RBI said that although a Sub-Committee on FI has been monitoring the progress on coverage of unbanked villages on a regular basis, progress is very slow due to various constraints like poor handholding support to CSPs by Corporate BC, technical issues, activation of CSPs, low remuneration of CSP, lack of awareness of Branch Manager on working model of CSP and non-viability of Brick & Mortar Branch in most of the villages. As State Bank of India & Central Bank of India is a taking major part under this drive, he appealed to the concerned Bank for taking following initiatives: i) activation of all the appointed CSPs, ii) proper handholding support to the CSPs, ii) making changes in the MoU signed with the corporate BC, iv) effective follow up and monitoring of progress by the Controllers of Banks v) and close coordination with the corporate BCs.

### **Agenda No.17**

#### **Joint Liability Group**

DGM, NAARD gave a brief deliberation on guidelines of JLGs and requested Banks for doing credit linkage of JLG for increasing the credit flow under agriculture sector.

### **Agenda No.18**

#### **SBI Rural Employment Training Institute (RSETI)**

LDM apprised the house that work order for the construction of RSETI building has been obtained and the construction will start very soon.

### **Agenda No. 19**

#### **MISCELLANEOUS:**

##### **1. Review of Progress under Pradhan Mantri Jan Dhan Yojana**

LDM informed the house that a Special Committee has been formed under the chairmanship of the Chief Secretary, GoS to review the progress on implementation of PMJDY & other social security schemes in the state. The second meeting of the committee will be held shortly.



## **2. 'Start Up Stand Up India' Scheme**

Manager, SIDBI, Gangtok deliberated on progress made by the Banks under the scheme. Banks were directed to help the borrowers to access the portal to register the proposals online and process the applications received within time frame.

## **3. Direct Benefit Transfer**

Shri K.B. Pradhan, Joint Secretary, SJE & WD, Govt. of Sikkim directed Banks to comply with the following instructions: i) Banks to ensure linking of Aadhaar Number with accounts of all the beneficiaries under NSAP (National Social Assistance Programme) & State Innovative Schemes. ii) Banks to disburse pension only on production of identity card. lii) Banks to ensure that there should not be any nominee facility under pension scheme and any undisbursed amount should be refunded to the Department. iv) Mode of operation in case of all social welfare schemes should be single. v) Beneficiaries should be allowed to open accounts under Zero balance preferably under PMJDY. vi) Banks to collect consent form containing details of Aadhaar No. Account no. mobile no. etc from the beneficiaries and submit it to the Department of SJE & WD.

He apprised the house that the next roll out for the pension scheme will be made during the second week of September 2016 and requested Banks for early submission of the consent form from their end.

The meeting ended with vote of thanks to all the participants and supporters.

## **ACTION POINT THAT EMERGED FROM THE 50<sup>th</sup> SLBC MEETING**

1. Regular conduct of FLC by Banks.
2. Activation of BC/ CSPs for covering unbanked villages.
3. Improvement on percentage of ACP achievement by Banks.
4. Promotion of Joint Liability Groups (JLG).
5. Financing of Dairy farmers under DEDs.
6. Credit linkage of eligible Self Help Groups.
7. Submission of consent form of beneficiaries under social welfare schemes by Banks to the Department of SJE & WD.

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**LIST OF PARTICIPANTS :: 50<sup>th</sup> SLBC MEETING :: 01.09.2016 :: SIKKIM**

<b>SR.</b>	<b>NAME OF THE OFFICIAL</b>	<b>DESIGNATION / DEPARTMENT</b>
1.	Shri Alok Kr. Shrivastava, IAS	Chief Secretary, Govt. of Sikkim
2.	Shri Sankar Gope	DGM, State Bank of India, ZO, Siliguri Module
3.	Shri Prabhu Dayal	Under Secretary, DFS, MoF, Govt. of India
4.	Shri M.G Kiran	Principal Secretary, FRED, Govt. of Sikkim
5.	Shri Manabendra Misra	GM, RBI, Gangtok
6.	Shri T.K. Ganesh	DGM, NABARD, Gangtok
7.	Shri Samden T.Lama	Regional Manager, SBI, RO, Gangtok (SLBC Convener)
8.	Shri Gopal Lama	Lead District Manager, Gangtok
9.	Shri S. Bhattacharya	AGM, RBI Gangtok
10.	Shri Olden Nongpluh	DGM, RBI Gangtok
11.	Shri Viren Mohun	Manager, RBI Gangtok
12.	Shri Desh Raj Maurya	Manager, NABARD, Sikkim RO, Gangtok
13.	Shri L.N. Mukherjee	Chief Manager, CBI, Gangtok
14.	Shri Viswa Bandhu	CM, Union Bank of India, Gangtok
15.	Shri S.K. Pal	Chief Regional Manager, United Bank of India, Siliguri
16.	Shri T.B. Tiwari	Chief Manager, Allahabad Bank, Gangtok
17.	Smt. Shampa Nandi	Manager, Bank of India, Gangtok
18.	Shri Sonam T. Bhutia	AGM, Bank of Baroda, Gangtok
19.	Shri E.O. Lotha	Manager, Bank of Maharashtra, Gangtok
20.	Shri Biplob Bagehi	Dy. Manager, Bandhan Bank, Gangtok
21.	Shri Shatrughan Pal	Sr. Manager, Corporation Bank, Gangtok
22.	Shri Jigme Tshering	Manager, Canara Bank, Gangtok
23.	Shri Sujay Saha	Sr. Manager, Dena Bank, Gangtok
24.	Shri Srinivas Babu	BM, Indian Bank, Gangtok
25.	Shri Prasenjit Maji	AGM, Regional Office, IDBI Bank, Siliguri
26.	Shri Kenzog Bhutia	Manager, ICICI Bank Ltd.
27.	Shri Praven Kishore	Sr. Manager, Indian Overseas Bank, Gangtok
28.	Shri Sanjoy Ghosh	Sr. Manager, Punjab & Sind Bank, Gangtok
29.	Shri H.M. Thapa	Sr. Manager, PNB, Gangtok
30.	Shri Ratna Bdr. Pradhan	Credit Officer, South Indian Bank, Gangtok
31.	Smt. Pema Chenzom	GM, SISCO Bank Ltd. Gangtok

<b>32.</b>	Shri Gautam Saha	ABM, Syndicate Bank, Gangtok
<b>33.</b>	Shri Subhas Chandra Das	CM, Vijaya Bank, Gangtok
<b>34.</b>	Shri Prakash Basnet	Sr. Manager, HDFC Bank, Gangtok
<b>35.</b>	Shri Rewat Ratna Kunwar	Branch Head, Axis Bank, Gangtok
<b>36.</b>	Shri Dipankar Mazumdar	BM, Indusind Bank, Gangtok
<b>37.</b>	Shri Ashutosh Kumar Sha	DM, Kotak Mahindra Bank, Gangtok
<b>38.</b>	Shri Subhashis Das	Manager, Credit Processing Centre, IDBI Bank
<b>39.</b>	Shri Rupamkar Darnal	Asstt. Manager, IDBI Bank, Gangtok
<b>40.</b>	Shri Tenzing Sherpa	Manager, Bharatiya Mahila Bank, Gangtok
<b>41.</b>	Shri Premananda Das	Sr. Manager, United Bank of India, Gangtok
<b>42.</b>	Shri Kailash Ch.	DCV, UBI
<b>43.</b>	Shri Biswajit Majumdar	Dy. Manager
<b>44.</b>	Shri Manoj Kr. Subba	Andhra Bank, Gangtok
<b>45.</b>	Shri Bishal Mukhia	District Project Manager, NERLP, South Sikkim
<b>46.</b>	Smt. ChungChungla Bhutia	District Project Manager, NERLP, West Sikkim
<b>47.</b>	Shri K.P. Sharma	Deputy Registrar, Cooperation Department
<b>48.</b>	Shri B.S. Rawat	Jt. RCS, Cooperation Department
<b>49.</b>	Smt. Numa Shrestha	Asstt. Manager, SIDBI, Gangtok
<b>50.</b>	Shri Yogesh Kr. Nepal	DM, State Coordinator, NICT-TPL (BC)
<b>51.</b>	Shri Suresh Kr. Mishra	Regional Chief, HUDCO, Kolkata
<b>52.</b>	Shri Jayantu Kr.Dey	Dy. Manager, HUDCO, DO, Gangtok
<b>53.</b>	Shri J.Das	Asstt. Director, Spices Board, Gangtok.
<b>54.</b>	Shri Shashikant Gupta	Handicrafts Promotion Officer, O/o DC (Handicrafts)
<b>55.</b>	Shri K.B. Pradhan	Joint Secretary, SJE & WD, Govt. of Sikkim
<b>56.</b>	Shri Chozang Tshering Lepcha	Deputy Director, DHH, Govt. of Sikkim
<b>57.</b>	Shri N.K. Pradhan	Manager, Sikkim Milk Union
<b>58.</b>	Dr. D.S. Tiwari	Additional Director, AH, LF & VS
<b>59.</b>	Shri Gyurmie Yousal	CEO, SKVIB
<b>60.</b>	Shri Anand Pandey	Inspector, SKVIB
<b>61.</b>	Shri K.S. Bhutia	GM, DIC (East/North)
<b>62.</b>	Shri S. Sherpa	GM, DIC (South/ West)
<b>63.</b>	Dr. S.K. Bhuyan	Asstt. Director, Officer-in-charge, KVIC, Gol
<b>64.</b>	Shri Debashis Ghosh	Asstt. Director, MSME-DI, Gangtok
<b>65.</b>	Smt. Diki Lama Tamang	Asstt., Lead Bank Office, Gangtok
<b>66.</b>	Shri P.K. Mandal	Dy. LDM, Lead Bank Office, Gangtok
<b>67.</b>	Shri Mahesh Subba	Dy. LDM, Lead Bank Office, Gangtok