

MINUTES OF THE 49TH SLBC MEETING, SIKKIM HELD ON 24TH MAY, 2016

AT DENZONG REGENCY, GANGTOK

The 49th Meeting of State Level Bankers' Committee (SLBC) for the State of Sikkim was held at Denzong Regency, Gangtok on 24th May, 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 Pintso Chopel Lepcha, MLA cum UD & HD Parliamentary Secretary, Govt. of Sikkim, Shri Satish Patwardhan, DGM, State Bank Of India, ZO, Siliguri, Shri M.G. Kiran, IAS, Principal Secretary, FRED, Govt. of Sikkim, Shri Olden Nongpluh, DGM, Reserve Bank of India, Gangtok; Smt. Anjana Lama, General Manager, 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 Satish Patwardhan, 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) Activation of CSPs, iii) coverage of villages having population below 2000 on a priority basis, iv) Identification of areas where there is viability of opening Brick & Mortar Branches, v) Issues on telecom connectivity for rendering better and uninterrupted services, vi) strengthening of recovery mechanisms by Bankers, vii) covering every person under social security schemes & emphasizing on promotion of Mudra & Stand Up India schemes, viii) Conduct of FLC on a continuous basis by Banks. He also said that Bankers should have service oriented attitude in order to cater to the needs of the rural people in Sikkim.

4. Shri Olden Nongpluh, DGM, RBI, Gangtok emphasized on i) improvement of CD ratio by the Banks, He urged Banks for escalating their lending in the state. ii) Coverage of villages having population below 2000 by Banks. He stated that the progress on coverage of villages with population below 2000 is very low. He instructed Banks to expedite the process of appointing BC/CSPs and making them operational in those villages on a priority basis. iii) Regular conduct of FLC by Banks for educating

people on financial services. He reminded Banks to meticulously comply with the instruction of RBI to conduct FLC every month by rural branches.

5. Smt. Anjana Lama, General Manager, NABARD, Gangtok expressed her concern on credit linkage of JLG (Joint Liability Group). She informed the house that NABARD has sanctioned a project to Himalayan Education Society (NGO) for formation and credit linkage of 100 nos. of JLG. However, only 8 JLGs has been credit linked so far through this NGO. Banks were urged for intensively implementing the scheme in the state.

She stated that NABARD has been actively coordinating with SRLM for promotion of WSHG in the state. She also said that all the SHGs formed will now come under the umbrella of NRLM.

Regarding conduct of Financial Literacy program she said that during the FY 2015-16 NABARD had conducted FLC for various target groups through NGOs, All India Radio & Banks utilizing more than 11 lacs of fund. She invited proposals from the Bankers for conduct of FLC and said that a sum of Rs. 15 thousand per FLC would be granted by NABARD to the Bankers. Further she said that Financial Inclusion fund for capacity building of BC is also available with NABARD and invited proposals from the Banks.

Under DED Scheme, subsidy claims has been forwarded by the NABARD to the tune of Rs. 2.5 crore out of which 51 lacs has been sanctioned and released till the end of the Financial Year 2015-16. She urged Banks for financing under DED scheme. For the Financial Year 2016-17 Gol has allotted a target of 199 crores under Agriculture sector for the state of Sikkim. Hence, she advised Bankers to increase their credit flow under various Agriculture & Allied Activities. Later, she requested Lead Bank office for circulating ACP 2016-17 and expressed her concern on low CD ratio of the state.

6. Shri Pintso Chopel Lepcha, MLA cum UD & HD Parliamentary Secretary, Govt. of Sikkim expressed his concern on potential of the State's young work force which required financial assistance from the banking sector to be self-reliant and independent. He added that the financial assistance is required particularly amongst the economically weaker sections and lower income group category. He appealed to the Bankers for simplifying the procedure for obtaining loans under Govt. sponsored schemes. Further, he urged Banks for making progress under urban poverty alleviation programmes (Deebdayal Anyodaya Yojana & Pradhan Mantri Awas Yojana) of NULM and assured full support of the State government to facilitate the same for the social development of the state. He stated that there is a need of coordination between

both the Banks and State Government Department for successful implementation of these schemes.

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 48th meeting of SLBC held on 7th March 2016 at Denzong Regency, Gangtok

~ The House confirmed the proceedings of the 48th SLBC Meeting.

Agenda No.2

Follow-up of the Action Points that emerged from the 48th SLBC Meeting held on 7th March 2016 at Gangtok:

1. The Controllers from Banks and Senior Officials from Line Department to attend the SLBC Meeting

~ Above action point was complied with by the Banks.

2. Review of Banks having CD Ratio below 40%

~ Banks having low CD ratio assured the house for making improvement in the upcoming quarter.

3. Rural Banks to conduct Monthly FLC, Controllers to follow up with the branches.

~ In this context LDM said that the instruction has been percolated to the Controllers of the respective Banks. The Chairperson instructed Banks to follow up the action point.

4. Banks should dispose off pending PMEGP proposals by 15.03.2016.

~ Percentage of achievement under PMEGP at the end of financial year was good at 91%. Banks were instructed to dispose off all the remaining pending proposals at the earliest possible.

5. A Task Force Committee to be formed by UD & HD, GoS. to scrutinize the proposals under DAY-NULM

~ Above action point was complied with by the concerned department.

6. FLC to be conducted for Dairy Farmers.

~ LDM informed the house that SBI RSETI had conducted 3 nos. of FLC for Dairy farmers during the quarter.

7. Banks to participate in Counseling Centers for sourcing proposals for Education Loan.

~ Above action point was complied with by the Banks.

8. Credit Linkage to all eligible WSHGs.

~ It was recommended to the Banks to continue the action point.

9. Banks to promote JLGs in coordination with NABARD.

~ Banks gave assurance to the house on financing of JLGs in the upcoming quarters.

10. RGVN to be invited in next SLBC Meeting.

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

11. Banks to activate CSPs identified for villages below 2000 population on priority basis.

~ Banks to take actions on activating BC/CSPs on a priority basis and identify villages where there is viability of opening Brick & Mortar Branches.

Agenda No.3

Credit: Deposit Ratio / Credit + Investment: Deposit Ratio as on 30.09.2015

The Chairperson seconded the concern raised by GM, NABARD & DGM, RBI regarding low CD ratio of the state. It was observed that there was only marginal improvement in the ratio. Banks having low CD ratio were questioned by the Chairperson. In response to this some of the Banks said that it was due to higher growth in deposits & short term deposits. In order to achieve ACP for the current financial year they have adopted measures like appointing of corporate BCs for sourcing proposals under micro credit, organizing camps and coordinating with GPUs for sourcing KCC proposals. They assured the house for increasing their credit flow and improving CD ratio in the upcoming quarters.

Agenda No.4

Recovery of Bank's dues:

All Banks were requested for proper reporting of data under recovery position extracted through MIS so as to ascertain the correct position for discussion.

Agenda No. 5

Review of Performance under Annual Credit Plan 2015-16 for the quarter ended 31.03.2016

The overall achievement under ACP by all Banks including Non-priority sector was good at 85.3 % and that under priority sector was 59.5%. The House discussed on need for increasing priority sector advances. GM, NABARD made an appeal to the Bankers

for boosting their credit under Agriculture & Allied Activities. Keeping in view of higher target of 199 crores allotted by the GoI for Agriculture for the current financial year Bankers were appealed to tap the potential under various allied activities especially DED scheme in order to meet the target. She informed the house that under NLM (National Livestock Mission) 50% of subsidy is available for SC beneficiaries for activities like piggery, poultry, goaterly etc. and requested Banks for promoting these schemes in the state by means of Financial Literacy Camps. She appreciated the performance of SISCO Bank for having financed more than 8 cores under DED scheme. She suggested other Banks for having tie-up with Sikkim Milk Union for more credit flow in this sector.

Agenda No.6

Review of Special Programmes as on 31.03.2016

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

It was found during discussion that out of 228 numbers of proposals sponsored by the Nodal Agencies 127 proposals has been sanctioned. Banks were requested for early disposal of remaining pending cases. The Nodal Officer from KVIC appraised the house that up to 31st March 2016, 110 accounts has been disbursed margin money to the tune of Rs.1.86 crore and that at the end of financial year 2015-16 91% of target has been achieved in the state.

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

Shri Dinker Gurung, Jt. Project Director, UD & HD informed the house about amendments in the NULM scheme as follows: (i) NULM has been renamed as Deendayal Antyodaya Yojana (DAY-NULM), (ii) DAY-NULM has been extended to statutory towns namely Singtam Nagar Panchayat, Rangpo Nagar Panchayat, Naya bazaar and Jorethang Municipal council, (iii) All NULM loans will be counted under Mudra scheme.

He further said that UD & HD will be holding workshop in consultation with Lead Bank Office for sensitization to the Branch Managers on DAY-NULM & Pradhan Mantri Awas Yojana.

Agenda No.7

Promotion of Self Help Groups:

Although the formation and savings linkage of SHG was satisfactory, the percentage of credit linkage with Banks was very low. Banks were suggested for assessing the existing groups and do credit linkage of all the eligible groups.

Agenda No.8

Kisan Credit Card (KCC):

In this regard, the Chairperson suggested that the target under this scheme should be allotted only to the rural branches. Banks having low performance under issuance of KCC were instructed for improving their lending in the upcoming quarters.

Agenda No.9

Housing Finance:

The overall achievement under Housing sector was fair at 46.4 %. Banks were advised to finance housing loan in the rural areas.

Agenda No.10

Education Loan:

The Chairperson suggested Banks for holding of camps for sourcing proposals. He instructed the Banks having low or nil performance to show improvement in the next quarter.

Agenda No.11

Performance under MSME

Performance under MSME sector was good at 115.23%. However, the Chairperson pointed out the poor performance of some of the Private Banks. Since Mudra loans and 'Start Up Stand Up India' scheme comes under MSME sector Banks were advised for promoting these schemes in the state.

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 concerned department DHH, GoS, was requested for sponsoring of more proposals under this scheme.

Agenda No.14

Artisan Credit Card Scheme

The concerned department was requested for sponsoring of more proposals under this scheme and to endorse a copy of applications forwarded to the Bank Branches to their respective controllers for effective monitoring of proposals.

Agenda No.15

Dairy Entrepreneurship Development Scheme (DEDS)

In this context, the house appreciated the performance of SISCO & State Bank of India. The Chairperson said that there is a lot of potential for Dairy farming in the state and Banks should move forward for financing this sector.

Agenda No.16

Evolving Action Plan for Remaining Un-banked villages:

A Sub-Committee on FI has been monitoring the progress on coverage of village on a regular basis. However, progress in coverage of unbanked villages is very low due to various constraints like poor connectivity, technical issues and non-viability of Brick & Mortar Branch in most of the villages.

LDM informed the house that he has received request letter for opening of Brick & Mortar Branches in four places viz. Soreng (West District), Lachen (North Dist.), Rhenock (East Dist.) & Tashiding (West Dist.). A survey is to be conducted in these areas and further submit the report to the concerned authority.

Agenda No.17

Joint Liability Group

Above agenda item was discussed earlier in Para 3.

Agenda No.18

SBI Rural Employment Training Institute (RSETI)

Director, SBI, RSETI informed the house that e-tender has already been floated for construction of RSETI building at Ralap, East Sikkim.

Agenda No. 19

MISCELLANEOUS:

1. Review of Progress under Pradhan Mantri Jan Dhan Yojana

In this context, LDM informed the house on important issues discussed during meeting of a Special Committee formed under the chairmanship of the Chief Secretary, GoS to review the progress on implementation of PMJDY & other social security schemes in the state i) Banks to have close coordination with GPUs for implementation of PM4S ii) Banks to adopt measures for popularizing PM4S in rural areas in coordination with GPUs and State Govt. functionaries iii) Activation of zero balance account iv) Issuance and activation of RuPay cards by Banks. v) Seeding of Aadhaar Numbers with the Bank accounts.

2. 'Start Up Stand Up India' Scheme

Manager, SIDBI, Gangtok highlighted on guidelines and procedures of the scheme. She requested Banks, NABARD and LDM Office for having close coordination with SIDBI for successful implementation of scheme.

3. Pradhan Mantri Awas Yojana

Shri Nilandi Bose, National Housing Bank, Kolkata deliberated on details and guidelines of PMAY. He also proposed workshop for Bankers on CLSS (Credit Linked Subsidy Scheme) under PMAY for urban poor (EWS/LIG).

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

ACTION POINT THAT EMERGED FROM THE 49th SLBC MEETING

1. Regular conduct of FLC by Banks.
2. Activation of BC/ CSPs for covering unbanked villages.
3. Identification of villages for establishing Brick & Mortar Branches.
4. Improvement of CD ratio by Banks having low CD ratio.
5. Banks to create awareness on activating zero balance PMJDY accounts to avail benefits.
6. Promotion of Joint Liability Groups (JLG).
7. Financing of Dairy farmers under DEDs.
8. Credit linkage of eligible Self Help Groups.
9. Distribution and activation of Rupay cards by Banks by organizing camps.
10. Popularization of PM4S in rural areas.
11. Circulation of revised guidelines and target under NULM by Lead Bank Office.
12. Department of UD & HD to hold workshop on NULM for sensitizing Branch Officials.

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LIST OF PARTICIPANTS :: 49th SLBC MEETING :: 24.05.2016 :: SIKKIM		
SR.	NAME OF THE OFFICIAL	DESIGNATION / DEPARTMENT
1.	Shri Alok Kr. Shrivastava, IAS	Chief Secretary, Govt. of Sikkim
2.	Shri Satish B. Patwardhan	DGM, State Bank of India, ZO, Siliguri Module
3.	Shri Pintos C. Lepcha	MLA cum UD & HD Parliamentary Secretary, GoS
4.	Shri M.G Kiran	Principal Secretary, FRED, Govt. of Sikkim
5.	Shri Olden Nongpluh	DGM, RBI, Gangtok
6.	Smt. Anjana Lama	General Manager, & Officer-in-Charge, NABARD, Gangtok
7.	Shri Samden T.Lama	Regional Manager, SBI, RO, Gangtok (SLBC Convener)
8.	Shri Soumen Ghosh	Lead District Manager, Gangtok
9.	Shri Viren Mohun	Manager, RBI Gangtok
10.	Shri H. Chandra	Manager, RBI Gangtok
11.	Shri Sonam T. Bhutia	AGM, Bank of Baroda
12.	Shri Prasenjit Maji	AGM, IDBI Bank, Regional Office, Siliguri
13.	Shri Mahender Singh Yadav	Sr. Regional Manager, Indian Overseas Bank
14.	Shri Praveen Kishore	Sr. Manager, Indian Overseas Bank
15.	Shri Tej Bhanu Tiwari	CM, Allahabad Bank, Gangtok
16.	Smt. Shampa Nandi	Manager, Bank of India, Gangtok
17.	Shri Manish Kr. Jha	BM, Bank of Maharashtra, Gangtok
18.	Shri Suvransu Ghosh	Cluster Head, Bandhan Bank
19.	Shri Laxmi N. Mukherjee	CM, Central Bank of India, Gangtok
20.	Shri L.S. Paokhosei	Manager, Corporation Bank, Gangtok
21.	Shri Sagarmay Kar	Officer, Dena Bank
22.	Smt. Nishi Jaiswal	BM, Andhra Bank, Gangtok
23.	Shri Srinivas Babu	BM, Indian Bank, Gangtok
24.	Shri Rupamkar Darnal	Asstt. Manager, IDBI Bank
25.	Shri Dipankar Mazumdar	BM, Indusind Bank Ltd.
26.	Shri KenzongTsh. Bhutia	Dy. Branch Manager, ICICI Bank Ltd.
27.	Shri Debasish Bose	Cluster Head, Kotak Mahindra Bank
28.	Shri Ugresh Kumar	Sr. Branch Manager, OBC
29.	Shri Sanjay Ghosh	Sr. Manager, Punjab & Sind Bank, Gangtok
30.	Smt. Pema Chenzom	GM, SISCO Bank Ltd. Gangtok
31.	Shri Ratna Bdr. Pradhan	Officer, South Indian Bank, Gangtok
32.	Shri K. Venkat Rao	CM, Regional Office, Union Bank of India
33.	Shri Vishwa Bandhu	BM, Union Bank of India, Gangtok
34.	Shri Mukund Syangden	Sr. Manager, UCO Bank, Gangtok

35.	Shri B. Pongener	CM, Vijaya Bank, Gangtok
36.	Shri Premanda Das	Sr. Manager, UBI, Gangtok
37.	Shri Satish Sharma	Officer, Yes Bank
38.	Shri H.M. Thapa	Sr. Manager, PNB, Gangtok
39.	Shri C.S. Ghatani	Asstt. Director, Spices Board, Gangtok.
40.	Shri Sujan Gurung	Dy. Manager, HDFC Bank Ltd.
41.	Shri Shashikant Gupta	Handicrafts Promotion Officer, O/o DC (Handicrafts)
42.	Shri Gyurmie Yousal	CEO, SKVIB
43.	Dr. S.K. Bhuyan	Dev. Officer-in-charge, KVIC, Gol
44.	Shri K.S. Bhutia	Joint Director, DIC, Gangtok
45.	Shri Prem Gurung	US, DIC, E&N, Gangtok
46.	Dr. D.S. Tiwari	Additional Director, C & D
47.	Dr. N.K. Pradhan	Manager, Sikkim Milk
48.	Shri Nilandi Bose	RRR, National Housing Bank, Kolkata
49.	Shri R.K. Agarwal	Dy. Director, National Horticulture Board (NHB)
50.	Dr. G. Lingappa	Dy. Director, Spices Board, Gangtok
51.	Shri Sameer Pradhan	State Resource person, UIDAI, Gol
52.	Smt. Manita Chettri	Asstt. Project Officer, SRDA
53.	Shri Tshering Choda Lepcha	Block Project Manager, SRLM
54.	Shri T.W. Khangsarpa	Special Secretary, UD & HD, GoS
55.	Shri Dinker Gurung	Mission Director, NULM, UD & HD, GoS
56.	Smt. Numa Shrestha	BO. SIDBI, Gangtok
57.	ShriYogesh Kr. Nepal	District Manager, NICT
58.	Shri Abjijit Chakraborty	AGM, HUDCO Ltd.
59.	Shri Jonash Kumar	CSC SPV e-Governance
60.	Shri Gopal Lama	Director, RSETI, Gangtok
61.	Smt. Diki Lama Tamang	Asstt., Lead Bank Office, Gangtok
62.	Shri P.K. Mandal	Dy. LDM, Lead Bank Office, Gangtok
63.	Shri Mahesh Subba	Dy. LDM, Lead Bank Office, Gangtok