

Minutes of the 79th State Level Bankers' Committee (SLBC) Meeting for Sikkim State for the fourth Quarter ended 31st March, 2024 held at Hotel Ramada, Gangtok on 12.07.2024

The 79th State Level Bankers' Committee Meeting for Sikkim State for the Quarter ended 31st March 2024, was held at Hotel Ramada, Gangtok on July 12th, 2024.

The meeting was chaired by Shri M.C.P. Pradhan, Secretary & Controller Finance, GOS.

Shri Thotngam Jamang, Regional Director, RBI Gangtok, Shri Nand Kishore Singh, SLBC Convenor & GM, SBI LHO Kolkata, Shri Goda Ravi Shankar, GM, RBI, Gangtok, Shri Ajay Kumar Sinha, GM, NABARD, Gangtok, were the other dignitaries on the dais.

The Meeting had the presence of Secretaries and senior officials from various State Government Departments, Banks, Officials from RBI, NABARD, SIDBI and other Stakeholders.

At the outset, Shri Nand Kishor Singh, SLBC Convenor-cum-General Manager, SBI extended warm welcome to all the participants and congratulated all Stakeholders for achieving the CD ratio of 64.79% for the State of Sikkim during FY 2023-24, which is above the National benchmark of 60%. The achievement under Priority sector was 113.29% of the target under ACP for 2023-24. Under Agriculture and MSME Sector Banks were able to achieve 68.89% and 145.37% respectively. He stressed on the need for the Banks to focus more on Priority Sector, which includes Agriculture and Allied activities, MSME and others for overall economic growth and development of the State.

Shri Gadadhar Ray, CM, SLBC, thereafter gave presentation on the performance and achievements of the Banks in the State of Sikkim for the quarter ended March 2024 which was discussed in seriatim as under:

Agenda No.1

Credit: Deposit Ratio as on 31.03.2024

Regional Director, RBI thanked the Banks for achieving CD ratio more than 60% for the State of Sikkim i.e. **64.79%** and appreciated the efforts. It was observed that the CD Ratio for NE Region stood at 60.82% and the National CD ratio is 79.58%.

Bank wise review was done by the Chairman of the Committee in respect of all Banks having CD ratio below 40%. The reason for low CD ratio was discussed. The Chairman of the Meeting advised Banks to achieve CD ratio of minimum 40% in the current quarter of FY 2024-25.

(Action Centre – Senior officials from the following Banks will meet the Regional Director, RBI during Aug 2024 along with a concrete plan to achieve minimum CD ratio of 50% in the current FY 2024-25: ICICI Bank, UCO Bank, Central Bank of India, HDFC Bank, Axis Bank, Kotak Mahindra Bank, Bank of India, Citizen Urban Coop Bank)

Agenda No. 2

Review of Performance under Annual Credit Plan 2023-2024 including NPS for the quarter ended 31st March 2024

Priority sector achievement under ACP 2023-24

The overall achievement of banks under Annual Credit Plan (ACP), during the fourth Quarter of FY 2023-24 was **113.29%** for the overall Priority Sector.

The Chairman of the Meeting advised low performing Banks to examine the reason for low performance under this segment and chalk out a concrete plan to achieve the allotted target in the current FY 2024-25.

(Action Centre – Senior officials from the following Banks will meet the Regional Director, RBI during Aug 2024 along with a concrete plan to achieve the allotted target under Priority and Non-Priority sector during the current FY 2024-25: UCO Bank, SISCO Bank, Indian Overseas Bank, Bank of Maharashtra, Yes Bank, Karnataka Bank, Kotak Mahindra Bank, Jana Small Finance Bank, Citizen Urban Coop Bank)

A. Agriculture and Allied activities:

The performance of Banks, under Agriculture Sector was **68.89%**. The Chairman of the Committee reviewed individually the performance of the Banks. He suggested that Banks should improve financing under the Agriculture Sector in co-ordination with the Agriculture Department, GOS for sourcing of loan application. He further suggested that the private banks should be more proactive in Agriculture and Allied Activities.

Representative from NABARD thrust upon that there is much scope in Agriculture & Allied activities in Sikkim. There is demand for dairy animals, horticulture activities and Fisheries. This can be a focus area for the Bankers.

B. MSME Sector:

It was seen that the achievement of the Banks in MSME Sector stood at **145.37%**.

Officials from SIDBI submitted that Government of India has launched the Udhya Assist Platform (UAP) to enhance flow of credit to informal sector by registering them as Informal Micro Enterprise (IME) and issue the Udhya Assisted Certificate (UAC) or Udhya Registered Certificate (URC) to individual beneficiary to enable them to avail credit from the Banks.

Regional Director, RBI deliberated that CIBIL score is only a yardstick. No proposal should be rejected, if the CIBIL score is showing –ve, there may be cases where the person has not yet taken any credit facility from any Bank/ Financial Institution. It was observed there CIBIL score is affected in some cases, especially the salaried class due to delay in collection of salary cheques. Banks should take utmost care and ensure that there is no delay in collection of cheques.

C. Other Priority Sector:

The overall achievement under this sector recorded at **140.64%** at the end of the 4th quarter of 2023-24.

D. Non Priority Sector:

The total achievement under this sector stood at **129.01%** at the end of 4th Qtr of 2023-24.

Shri Jamang, RD, RBI said that there is enough scope for expanding credit under Non Priority Sector in Sikkim.

Agenda No.3

Review of Government Sponsored Schemes as on 31.03.2024

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

It was seen that a total of 955 proposals were forwarded to the Banks out of which 410 proposals have been rejected and 137 remained pending with the banks.

Chairman of the Committee observed that the level of rejection under Government Sponsored Scheme-PMEGP was found to be quite high as shown in the data received from DIC, KVIC & SKVIB.

Shri Goda Ravishankar, GM RBI urged the representative of DIC, KVIC and SKVIB to do a preliminary scrutiny of proposals before forwarding it to Banks. This would ensure that ineligible applicants are weeded out and banks can concentrate on worthy proposals.

Shri Jamang, RD RBI said that a detailed report with reason for rejection for each case may be prepared and submitted to RBI. Proposals should not be returned by the banks due to lack of one/two documents.

The Chairman of the Meeting advised Banks to examine the reason for high level of rejection in respect of Government Sponsored scheme proposals.

GM SBI and SLBC Convenor deliberated that a small committee may be formed to examine the reason for high level of rejection in case of Government sponsored scheme proposals.

(Action Centre: The following Banks to prepare a report giving account wise reason for rejection and submitted it to SLBC on or before 24.07.2024 for onward submission to Regional Director, RBI, Gangtok: State Bank of India, UCO Bank, Central Bank of India, Union Bank of India, SISCO Bank, Punjab National Bank, Canara Bank, Bank of India)

3.2 PM – SVANidhi Scheme

It was observed that out of total target of 910 set under the PM SVANIDHI scheme for the state of Sikkim, the banks have already sanctioned 1136 proposals out of which 1119 had already been disbursed as on 31.03.2024.

Director Finance GOS said that these are small ticket loans and there should not be any rejection.

3.2. Pradhan Mantri Mudra Yojana – PMMY

It was observed that Banks had so far sanctioned 14,230 loan applications with an outstanding credit portfolio of Rs.214.28 Cr.

3.3 Stand – Up India

Shri Jamang, RD RBI expressed concern about the poor performance of the Banks under Stand up India. Banks were advised to achieve their targets in the current FY.

Agenda No.4

Promotion of Self-Help Groups

It was informed to the house that a SLBC Sub-Committee meeting on SHG Credit Linkages was held on 05.06.2024 under the Chairmanship of Director, Finance, Govt of Sikkim Shri Mahendra Pradhan with active participation from all the Stakeholders including SHG members.

Shri Pradhan gave a brief on the discussions held in the said meeting. He further submitted that the sub committee was formed one year back and the last meeting was held on 05.06.2024. Most of the SHGs avail loan from their Federation and some don't require any fund. Active participation from Banks is needed to increase credit linkage.

GM NABARD submitted that, we are supporting the SHGs directly and through the Federation.

Representative from SRLM submitted that, we will share the list of SHGs with the Banks and Bank in turn can contact the SHGs for credit linkage.

Shri Jamang, RD RBI said that if there is no requirement for credit, then there is no issue but, if the credit linkage is not happening and they are interested then this need to be sorted out. He further suggested SRLM to organise a sensitization programme of SHGs where all the stake holders would be present. He also suggested NABARD and SRLM to identify SHGs who were dormant or inactive both in financial as well as activity wise and come up with a strategy to activate these SHGs.

(Action Centre – Banks, SRLM)

Agenda No.5

Kisan Credit Card (KCC)

KCC Animal Husbandry

KCC Fisheries

It was informed to the house that a meeting of SLBC Sub Committee on Agriculture and Allied sector was held on 06.06.2024 under the Chairmanship of Director Agriculture, Government of Sikkim, with active participation from all Stakeholders.

At the end of last Financial Year the status is as under:

Particulars	No. Of Accounts	O/s amount (in Rs. Cr)
KCC Crop	16,542	95.46
Animal Husbandry	2,156	12.88
Fisheries	106	1.04

Agenda No.6

Housing Finance (Priority Sector)

The overall achievement under this sector recorded at **60.80%** at the end of the 4th quarter of 2023-24.

Agenda No.7

Education Loan

The achievement under this sector recorded at 31.11% at the end of the 4th quarter of 2023-24. The flow of proposals to the Banks was very limited.

Agenda No.8

SBI RURAL SELF EMPLOYMENT TRAINING INSTITUTE (RSETI)

It was observed that 4356 trainees (Cumulative) were trained under RSETI out of which 3189 (Cumulative) has already been settled.

Agenda 09

9.1 Social Security Schemes-SSS (PMJDY, PMSBY, PMJJBY,APY)

CM, SLBC asked the banks to ensure that all eligible population had been covered under PMJDY, PMJJBY, PMSBY and APY. He also reminded the Banks that saturation of SSS was the top most priority of the Central Government.

9.2 Expanding and Deepening of Digital Payments Ecosystem:

SLBC Sub-Committee meeting on Digitization and connectivity was held on 05.06.2024 under the Chairmanship of Director, Information & Technology, Government of Sikkim with active participation from all the Stakeholders.

MISCELLANIOUS

The following points were discussed in the meeting:

(1)Inclusion of Pledge financing for Agriculture commodities through electronic-Negotiable Warehouse Receipt (e-NWR) awareness creation on e-Kisan Upaj Nidhi Portal.

(2) SCHEMES, FACILITIES BEING IMPLEMENTED IN THE STATE OF SIKKIM Pradhan Mantri Kisan Urja Suraksha Evam Utthaan Mahabhiyan (PM-KUSUM)

(3)Implementation of Pradhan Mantri Fasal Bima Yojna

(4) It was also resolved that the DLRC Meetings will be conducted half yearly basis.

In his address General Manager, NABARD Shri Ajay Kumar Sinha thrust upon financing to Agriculture and Allied sectors that is dairy, horticulture along with more disbursements under KCC- AHDF for achievement of ACP targets. He further stressed upon for Financial Inclusion and Financing to SHGs and FPOs as business opportunities.

In his address, Regional Director, RBI, Gangtok, Shri Jamang, expressed his contentment for being able to attend SLBC meeting in Sikkim for the first time. He further suggested SRLM to organize a sensitization programme of SHGs wherein all the stake holders would be present. He also suggested NABARD and SRLM to identify SHGs who were dormant or inactive both in financial as well as activity wise and come up with a strategy to activate these SHGs.

Chairman of the meeting, Shri MCP Pradhan, Secretary & Controller Finance, GOS in his address welcome the new Regional Director, RBI Gangtok Shri Thotngam Jamang.

He further deliberated that with the efforts of all, the CD ratio of the State has increased to 64.79% from 54.59% in last fiscal year, however some Banks could not achieve the stipulated 50% CD ratio. All Banks should participate equally to achieve the CD ratio of 100% or more.

He thrust upon the importance of financial literacy to improve the quality of credit and avoid undesirable NPA in Banks. Shri Pradhan welcome the decisions taken in the North East Bankers Conclave held on 28.04.2023 at New Delhi and this would go a long way to promote Banking and Development in NER and Sikkim.

The challenges faced by the people of Sikkim are mainly because of difficult terrain, lower population densities, poor infrastructure and inadequate communication facilities. He urged upon the Banks to give priorities to rural sectors thereby raising the rural economy. Focus may also be given to reach Government schemes to the economically backward classes.

He thanked the Central Government, RBI and Lead Bank for taking special interest in the affairs of Sikkim for overall development of the State.

The Vote of Thanks was proposed by Mr Kumar Nitesh, RM, SBI.